

1 Amend 2 Cal Code Regs., Section 18360.2 to read:

2 **§ 18360.2. Penalties in Streamline Cases.**

3 Streamline penalty stipulations are approved by the Chief of Enforcement and are
4 reported to the Commission for discussion only before they are executed. The Chief of
5 Enforcement will include those stipulations in the next Commission agenda, as a part of the
6 Executive Staff Report. The Enforcement Division has the discretion to exclude violations that
7 caused minimal public harm when the total penalty meets or exceeds the total amount raised or
8 spent by the filer, the total penalty exceeds the amount that would be paid in a Mainline
9 Stipulation, lack of experience or knowledge of the Act’s requirements caused multiple
10 violations with minimal public harm that were corrected upon contact, or the committee raised
11 and spent less than \$10,000. After the close of the hearing, the Chief of Enforcement may
12 execute all or any of the streamline penalty stipulations, at his or her discretion.

13 Penalties in streamline cases are not to exceed the prescribed maximum fine amount per
14 violation found in Government Code Section 83116, subdivision (c). The Chief of Enforcement
15 has the discretion to increase the penalties for Tier Two advertising violations resulting in public
16 confusion, under Regulation 18360.3(d)(7)(B)(i)(b); and Tier Two violations involving the same
17 candidate, committee, or principal officer who has paid a Tier One penalty to the Commission or
18 received a Warning Letter from the Commission for the same type of violation occurring within
19 the last five years, based on the resulting public harm.

20 (a) Late Statement of Economic Interests.

21 (1) Tier One Penalty Amount. The streamline penalty for failing to timely file a
22 Statement of Economic Interests under Tier One is calculated as follows:

1 (A) \$200 per late statement if filed in response to the Enforcement Division's first contact
2 with the filer.

3 (B) \$400 per late statement if filed prior to issuance of a probable cause report by the
4 Enforcement Division.

5 (C) \$600 per late statement if filed prior to issuance of an accusation by the Enforcement
6 Division.

7 (D) \$800 per late statement if filed prior to adoption of a default decision and order by
8 the Commission.

9 (2) Tier Two Penalty Amount. The streamline penalty for failing to timely file a
10 Statement of Economic Interests under Tier Two is calculated as follows:

11 (A) \$600 per late statement if filed in response to the Enforcement Division's first contact
12 with the filer.

13 (B) \$800 per late statement if filed prior to issuance of a probable cause report by the
14 Enforcement Division.

15 (C) \$1,000 per late statement if filed prior to issuance of an accusation by the
16 Enforcement Division.

17 (D) \$1,200 per late statement if filed prior to adoption of default decision and order by
18 the Commission.

19 (b) Unreported Economic Interest(s).

20 (1) Tier One Penalty Amount. The penalty for failing to timely report an economic
21 interest on a Statement of Economic Interests under Tier One is calculated as follows:

1 (A) \$100 per economic interest not disclosed per statement that did not include timely
2 disclosure of an economic interest if filed in response to the Enforcement Division's first contact
3 with the filer.

4 (B) \$200 per economic interest not disclosed per statement that did not include timely
5 disclosure of an economic interest if filed prior to issuance of a probable cause report by the
6 Enforcement Division.

7 (C) \$300 per economic interest not disclosed per statement that did not include timely
8 disclosure of an economic interest if filed prior to issuance of an accusation by the Enforcement
9 Division.

10 (D) \$400 per economic interest not disclosed per statement that did not include timely
11 disclosure of an economic interest if filed prior to adoption of a default decision and order by the
12 Commission.

13 (2) Tier Two Penalty Amount. The penalty for failing to timely report an economic
14 interest on a Statement of Economic Interests under Tier Two is calculated as follows:

15 (A) \$1,000 per economic interest not disclosed per statement that did not include timely
16 disclosure of an economic interest if filed in response to the Enforcement Division's first contact
17 with the filer.

18 (B) \$1,200 per economic interest not disclosed per statement that did not include timely
19 disclosure of an economic interest if filed prior to issuance of a probable cause report by the
20 Enforcement Division.

21 (C) \$1,400 per economic interest not disclosed per statement that did not include timely
22 disclosure of an economic interest if filed prior to issuance of an accusation by the Enforcement
23 Division.

1 (D) \$1,600 per economic interest not disclosed per statement that did not include timely
2 disclosure of an economic interest if filed prior to adoption of a default decision and order by the
3 Commission.

4 (c) Late Campaign Statement or Report.

5 (1) Tier One Penalty Amount. The penalty for failing to timely file a campaign statement
6 or report under Tier One is calculated as follows:

7 (A) \$200 plus 1% of contributions received or expenditures made, whichever is greater,
8 per late statement if filed in response to the Enforcement Division's first contact with the filer
9 (unless statement or report was due before the relevant election, but filed later than seven days
10 before the election, then the 1% is increased to 3%).

11 (B) \$400 plus 12% of contributions received or expenditures made, whichever is greater,
12 per late statement if filed prior to issuance of a probable cause report by the Enforcement
13 Division (unless statement or report was due before the relevant election, but filed later than
14 seven days before the election, then the 12% is increased to 34%).

15 (C) \$600 plus 13% of contributions received or expenditures made, whichever is greater,
16 per late statement if filed prior to issuance of an accusation by the Enforcement Division (unless
17 statement or report was due before the relevant election, but filed later than seven days before the
18 election, then the 13% is increased to 35%).

19 (D) \$800 plus 14% of contributions received or expenditures made, whichever is greater,
20 per late statement if filed prior to adoption of a default decision and order by the Commission
21 (unless statement or report was due before the relevant election, but filed later than seven days
22 before the election, then the 14% is increased to 36%).

1 (2) Tier Two Penalty Amount. The penalty for failing to timely file a campaign statement
2 or report under Tier Two is calculated as follows:

3 (A) \$400 plus 1% of contributions received or expenditures made, whichever is greater,
4 per late statement if filed in response to the Enforcement Division's first contact with the filer
5 (unless statement or report was due before the relevant election, but filed later than seven days
6 before the election, then the 1% is increased to 3%).

7 (B) \$800 plus 1% of contributions received or expenditures made, whichever is greater,
8 per late statement if filed prior to issuance of a probable cause report by the Enforcement
9 Division (unless statement or report was due before the relevant election, but filed later than
10 seven days before the election, then the 1% is increased to 3%).

11 (C) \$1,200 plus 1% of contributions received or expenditures made, whichever is greater,
12 per late statement if filed prior to issuance of an accusation by the Enforcement Division (unless
13 statement or report was due before the relevant election, but filed later than seven days before the
14 election, then the 1% is increased to 3%).

15 (D) \$1,600 plus 1% of contributions received or expenditures made, whichever is greater,
16 per late statement if filed prior to adoption of a default decision and order by the Commission
17 (unless statement or report was due before the relevant election, but filed later than seven days
18 before the election, then the 1% is increased to 3%).

19 (d) Unreported Contributions or Expenditures.

20 (1) Tier One Penalty Amount. The penalty for failing to timely report is calculated under
21 Tier One as follows:

22 (A) \$100 plus 1% of contributions received or expenditures made, whichever is greater,
23 per late statement if filed in response to the Enforcement Division's first contact with the filer

1 (unless statement or report was due before the relevant election, but filed later than seven days
2 before the election, then the 1% is increased to 3%).

3 (B) \$200 plus 12% of contributions received or expenditures made, whichever is greater,
4 per late statement if filed prior to issuance of a probable cause report by the Enforcement
5 Division (unless statement or report was due before the relevant election, but filed later than
6 seven days before the election, then the 21% is increased to 43%).

7 (C) \$300 plus 13% of contributions received or expenditures made, whichever is greater,
8 per late statement if filed prior to issuance of an accusation by the Enforcement Division (unless
9 statement or report was due before the relevant election, but filed later than seven days before the
10 election, then the 13% is increased to 35%).

11 (D) \$400 plus 14% of contributions received or expenditures made, whichever is greater,
12 per late statement if filed prior to adoption of a default decision and order by the Commission
13 (unless statement or report was due before the relevant election, but filed later than seven days
14 before the election, then the 14% is increased to 36%).

15 (2) Tier Two Penalty Amount. The penalty for failing to timely report is calculated under
16 Tier Two as follows:

17 (A) \$600 plus 1% of contributions received or expenditures made, whichever is greater,
18 per late statement if filed in response to the Enforcement Division's first contact with the filer
19 (unless statement or report was due before the relevant election, but filed later than seven days
20 before the election, then the 1% is increased to 3%).

21 (B) \$800 plus 1% of contributions received or expenditures made, whichever is greater,
22 per late statement if filed prior to issuance of a probable cause report by the Enforcement

1 Divisions (unless statement or report was due before the relevant election, but filed later than
2 seven days before the election, then the 1% is increased to 3%).

3 (C) \$1,000 plus 1% of contributions received or expenditures made, whichever is greater,
4 per late statement if filed prior to issuance of an accusation by the Enforcement Division (unless
5 statement or report was due before the relevant election, but filed later than seven days before the
6 election, then the 1% is increased 3%).

7 (D) \$1,200 plus 1% of contributions received or expenditures made, whichever is greater,
8 per late statement if filed prior to adoption of a default decision and order by the Commission
9 (unless statement or report was due before the relevant election, but filed later than seven days
10 before the election, then the 1% is increased to 3%).

11 (e) Late Lobbying Reports.

12 (1) Tier One Penalty Amount. The penalty for failing to timely file a report is calculated
13 under Tier One as follows:

14 (A) \$200 plus 1% of all payments received or payments made for lobbying activity,
15 whichever is greater, if the report is filed in response to the Enforcement Division's first contact
16 with the filer.

17 (B) \$400 plus 12% of all payments received or payments made for lobbying activity,
18 whichever is greater, if the report is filed prior to issuance of a probable cause report by the
19 Enforcement Division.

20 (C) \$600 plus 13% of all payments received or payments made for lobbying activity,
21 which is greater, if the report is filed prior to issuance of an accusation by the Enforcement
22 Division.

1 (D) \$800 plus 14% of all payments received or payments made for lobbying activity,
2 whichever is greater, if the report is filed prior to adoption of a default decision and order by the
3 Commission.

4 (2) Tier Two Penalty Amount. The penalty for failing to timely file a report is calculated
5 under Tier Two as follows:

6 (A) \$600 plus 1% of all payments received or payments made for lobbying activity,
7 whichever is greater, if the report is filed in response to the Enforcement Division's first contact
8 with the filer.

9 (B) \$800 plus 1% of all payments received or payments made for lobbying activity,
10 which is greater, if the report is filed prior to issuance of a probable cause report by the
11 Enforcement Division.

12 (C) \$1,000 plus 1% of all payments received or payments made for lobbying activity,
13 which is greater, if the report is filed prior to issuance of an accusation by the Enforcement
14 Division.

15 (D) \$1,200 plus 1% of all payments received or payments made for lobbying activity,
16 whichever is greater, if the report is filed prior to adoption of a default decision and order by the
17 Commission.

18 (f) Unreported Lobbying Activity.

19 (1) Tier One Penalty Amount. The penalty for failing to timely report lobbying activity is
20 calculated under Tier One as follows:

21 (A) \$100 plus 1% of all payments received or payments made for lobbying activity,
22 whichever is greater, if the report is filed in response to the Enforcement Division's first contact
23 with the filer.

1 (B) \$200 plus 12% of all payments received or payments made for lobbying activity,
2 whichever is greater, if the report is filed prior to issuance of a probable cause report by the
3 Enforcement Division.

4 (C) \$300 plus 13% of all payments received or payments made for lobbying activity,
5 whichever is greater, if the report is filed prior to issuance of an accusation by the Enforcement
6 Division.

7 (D) \$400 plus 14% of all payments received or payments made for lobbying activity,
8 whichever is greater, if the report is filed prior to adoption of a default decision and order by the
9 Commission.

10 (2) Tier Two Penalty Amount. The penalty for failing to timely report lobbying activity is
11 calculated under Tier Two as follows:

12 (A) \$400 plus 1% of all payments received or payments made for lobbying activity,
13 whichever is greater, if the report is filed in response to the Enforcement Division's first contact
14 with the filer.

15 (B) \$800 plus 1% of all payments received or payments made for lobbying activity,
16 which is greater, if the report is filed prior to issuance of a probable cause report by the
17 Enforcement Division.

18 (C) \$1,000 plus 1% of all payments received or payments made for lobbying activity,
19 which is greater, if the report is filed prior to issuance of an accusation by the Enforcement
20 Division.

21 (D) \$1,200 plus 1% of all payments received or payments made for lobbying activity,
22 which is greater, if the report is filed prior to adoption of a default decision and order by the
23 Commission.

1 (g) Cash Contributions or Expenditures of \$100 or More.

2 (1) Tier One Penalty Amount. The streamline penalty for receiving a contribution or
3 making an expenditure of \$100 or more in cash under Tier One is calculated as follows:

4 (A) An amount equal to 25% of the amount of the contribution or expenditure if settled in
5 response to the Enforcement Division's first contact with the person.

6 (B) An amount equal to 50% of the amount of the contribution or expenditure if settled
7 prior to issuance of a probable cause report by the Enforcement Division.

8 (C) An amount equal to 100% of the amount of the contribution or expenditure if settled
9 prior to issuance of an accusation by the Enforcement Division.

10 (D) An amount equal to two times the amount of the contribution or expenditure if settled
11 prior to adoption of a default decision and order by the Commission.

12 (2) Tier Two Penalty Amount. The streamline penalty for receiving a contribution or
13 making an expenditure of \$100 or more in cash under Tier Two is calculated as follows:

14 (A) An amount equal to 50% of the amount of the contribution or expenditure if settled in
15 response to the Enforcement Division's first contact with the person.

16 (B) An amount equal to 75% of the amount of the contribution or expenditure if settled
17 prior to issuance of a probable cause report by the Enforcement Division.

18 (C) An amount equal to 100% of the amount of the contribution or expenditure if settled
19 prior to issuance of an accusation by the Enforcement Division.

20 (D) An amount equal to two times the amount of the contribution or expenditure if settled
21 prior to adoption of a default decision and order by the Commission.

22 (h) Campaign Bank Account.

1 (1) Tier One Penalty Amount. The streamline penalty for failing to deposit a contribution
2 into a campaign bank account, or failing to make a campaign expenditure from the campaign
3 bank account is calculated under Tier One as follows:

4 (A) \$100 plus 11% of the amount not processed through the campaign bank account per
5 statement period during which a violation occurred if settled in response to the Enforcement
6 Division's first contact with the person.

7 (B) \$200 plus 12% of the amount not processed through the campaign bank account per
8 statement period during which a violation occurred if settled prior to issuance of a probable
9 cause report by the Enforcement Division.

10 (C) \$300 plus 13% of the amount not processed through the campaign bank account per
11 statement period during which a violation occurred if settled prior to issuance of an accusation
12 by the Enforcement Division.

13 (D) \$400 plus 14% of the amount not processed through the campaign bank account per
14 statement period during which a violation occurred if settled prior to adoption of a default
15 decision and order by the Commission.

16 (2) Tier Two Penalty Amount. The streamline penalty for failing to deposit a contribution
17 into a campaign bank account, or failing to make a campaign expenditure from the campaign
18 bank account is calculated under Tier Two as follows:

19 (A) \$400 plus 1% of the amount not processed through the campaign bank account per
20 statement period during which a violation occurred if settled in response to the Enforcement
21 Division's first contact with the person.

1 (B) \$600 plus 1% of the amount not processed through the campaign bank account per
2 statement period during which a violation occurred if settled prior to issuance of a probable
3 cause report by the Enforcement Division.

4 (C) \$800 plus 1% of the amount not processed through the campaign bank account per
5 statement period during which a violation occurred if settled prior to issuance of an accusation
6 by the Enforcement Division.

7 (D) \$1,000 plus 1% of the amount not processed through the campaign bank account per
8 statement period during which a violation occurred if settled prior to adoption of a default
9 decision and order by the Commission.

10 (i) Committee Naming.

11 (1) Tier One Penalty Amount. The streamline penalty under Tier One for failing to name
12 the committee properly is calculated as follows:

13 (A) \$400 per reporting period if settled in response to the Enforcement Division's first
14 contact with the person.

15 (B) \$600 per reporting period if settled prior to issuance of a probable cause report by the
16 Enforcement Division.

17 (C) \$800 per reporting period if settled prior to issuance of an accusation by the
18 Enforcement Division.

19 (D) \$1,000 per reporting period if settled prior to adoption of a default decision and order
20 by the Commission.

21 (2) Tier Two Penalty Amount. The streamline penalty for failing to name the committee
22 properly is calculated under Tier Two as follows:

1 (A) \$800 if settled in response to the Enforcement Division’s first contact with the
2 person.

3 (B) \$1,000 if settled prior to issuance of a probable cause report by the Enforcement
4 Division.

5 (C) \$1,200 if settled prior to issuance of an accusation by the Enforcement Division.

6 (D) \$1,400 if settled prior to adoption of a default decision and order by the Commission.

7 (j) Advertising and Mass Mailing Disclosures.

8 (1) Tier One Penalty Amount. The streamline penalty for failing to include all required
9 advertisement or mass mailing requirements under Tier One is calculated as follows:

10 (A) \$100 plus 1% of each advertisement buy if settled in response to the Enforcement
11 Division's first contact with the person.

12 (B) \$200 plus 12% of each advertisement buy if settled prior to issuance of a probable
13 cause report by the Enforcement Division.

14 (C) \$300 plus 13% of each advertisement buy if settled prior to issuance of an accusation
15 by the Enforcement Division.

16 (D) \$400 plus 14% of each advertisement buy if settled prior to adoption of a default
17 decision and order by the Commission.

18 (2) Tier Two Penalty Amount. The streamline penalty for failing to include all required
19 advertisement or mass mailing requirements under Tier Two is calculated as follows:

20 (A) \$400 plus 1% of each advertisement buy if settled in response to the Enforcement
21 Division’s first contact with the person.

22 (B) \$600 plus 1% of each advertisement buy if settled prior to issuance of a probable
23 cause report by the Enforcement Division.

1 (C) \$800 plus 1% of each advertisement buy if settled prior to issuance of an accusation
2 by the Enforcement Division.

3 (D) \$1,000 plus 1% of each advertisement buy if settled prior to adoption of a default
4 decision and order by the Commission.

5 (k) Recordkeeping.

6 (1) Tier One Penalty Amount. The streamline penalty for failing to maintain adequate
7 records under Tier One is calculated as follows:

8 (A) \$200 per reporting period if settled in response to the Enforcement Division's first
9 contact with the person.

10 (B) \$400 per reporting period if settled prior to issuance of a probable cause report by the
11 Enforcement Division.

12 (C) \$600 per reporting period if settled prior to issuance of an accusation by the
13 Enforcement Division.

14 (D) \$800 per reporting period if settled prior to adoption of a default decision and order
15 by the Commission.

16 (2) Tier Two Penalty Amount. The streamline penalty for failing to maintain adequate
17 records under Tier Two is calculated as follows:

18 (A) \$600 per reporting period if settled in response to the Enforcement Division's first
19 contact with the person.

20 (B) \$800 per reporting period if settled prior to issuance of a probable cause report by the
21 Enforcement Division.

22 (C) \$1,000 per reporting period if settled prior to issuance of an accusation by the
23 Enforcement Division.

1 (D) \$1,200 per reporting period if settled prior to adoption of a default decision and order
2 by the Commission.

3 (I) Gift Limit.

4 (1) Tier One Penalty Amount. The penalty for a gift limit violation is calculated under
5 Tier One as follows:

6 (A) \$200 per gift received over the limit if settled in response to the Enforcement
7 Division's first contact with the person.

8 (B) \$400 per gift received over the limit if settled prior to issuance of a probable cause
9 report by the Enforcement Division.

10 (C) \$600 per gift received over the limit if settled prior to issuance of an accusation by
11 the Enforcement Division.

12 (D) \$800 per gift received over the limit if settled prior to adoption of a default decision
13 and order by the Commission.

14 (2) Tier Two Penalty Amount. The penalty for a gift limit violation is calculated under
15 Tier Two as follows:

16 (A) \$600 per gift received over the limit if settled in response to the Enforcement
17 Division's first contact with the person.

18 (B) \$800 per gift received over the limit if settled prior to issuance of a probable cause
19 report by the Enforcement Division.

20 (C) \$1,000 per gift received over the limit if settled prior to issuance of an accusation by
21 the Enforcement Division.

22 (D) \$1,200 per gift received over the limit if settled prior to adoption of a default decision
23 and order by the Commission.

1 (m) Slate Mailer Organization Filing Issues.

2 (1) Penalty Amount. The streamline penalty for failing to properly file slate mailer
3 organization statements is calculated as follows:

4 (A) \$400 per reporting period if settled in response to the Enforcement Division's first
5 contact with the person.

6 (B) \$600 per reporting period if settled prior to issuance of a probable cause report by the
7 Enforcement Division.

8 (C) \$800 per reporting period if settled prior to issuance of an accusation by the
9 Enforcement Division.

10 (D) \$1,000 per reporting period if settled prior to adoption of a default decision and order
11 by the Commission.

12 (n) Proper Recusal for a Conflict of Interest.

13 (1) Penalty Amount. The streamline penalty for failing to properly recuse for a conflict of
14 interest is calculated as follows:

15 (A) \$400 per incident if settled in response to the Enforcement Division's first contact
16 with the person.

17 (B) \$600 per incident if settled prior to issuance of a probable cause report by the
18 Enforcement Division.

19 (C) \$800 per incident if settled prior to issuance of an accusation by the Enforcement
20 Division.

21 (D) \$1,000 per incident if settled prior to adoption of a default decision and order by the
22 Commission.

23 (o) Major Donor Notifications.

1 (1) Penalty Amount. The streamline penalty for failing to properly notify a potential
2 major donor is calculated as follows:

3 (A) \$200 per reporting period if settled in response to the Enforcement Division's first
4 contact with the person.

5 (B) \$400 per reporting period if settled prior to issuance of a probable cause report by the
6 Enforcement Division.

7 (C) \$600 per reporting period if settled prior to issuance of an accusation by the
8 Enforcement Division.

9 (D) \$800 per reporting period if settled prior to adoption of a default decision and order
10 by the Commission.

11 (p) Major Donor Filers.

12 (1) Tier One Penalty Amount. The streamline penalty for failing to properly file
13 campaign statements and reports as a major donor committee under Tier One is calculated as
14 follows:

15 (A) \$400 per statement or report if settled in response to the Enforcement Division's first
16 contact with the person.

17 (B) \$600 per statement or report if settled prior to issuance of a probable cause report by
18 the Enforcement Division.

19 (C) \$800 per statement or report if settled prior to issuance of an accusation by the
20 Enforcement Division.

21 (D) \$1,000 per statement or report if settled prior to adoption of a default decision and
22 order by the Commission.

1 (2) Tier Two Penalty Amount. The streamline penalty for failing to properly file
2 campaign statements and reports as a major donor committee under Tier Two is calculated as
3 follows:

4 (A) \$800 per statement or report if settled in response to the Enforcement Division’s first
5 contact with the person.

6 (B) \$1,000 per statement or report if settled prior to issuance of a probable cause report
7 by the Enforcement Division.

8 (C) \$1,200 per statement or report if settled prior to issuance of an accusation by the
9 Enforcement Division.

10 (D) \$1,400 per statement or report if settled prior to adoption of a default decision and
11 order by the Commission.

12 (q) Behested Payment Reports.

13 (1) Tier One Penalty Amount. The streamline penalty for failing to properly file behested
14 payment reports under Tier One is calculated as follows:

15 (A) \$200 per statement or report if settled in response to the Enforcement Division’s first
16 contact with the person.

17 (B) \$400 per statement or report if settled prior to issuance of a probable cause report by
18 the Enforcement Division.

19 (C) \$600 per statement or report if settled prior to issuance of an accusation by the
20 Enforcement Division.

21 (D) \$800 per statement or report if settled prior to adoption of a default decision and
22 order by the Commission.

1 (2) Tier Two Penalty Amount. The streamline penalty for failing to properly file behested
2 payment reports under Tier Two is calculated as follows:

3 (A) \$600 per statement or report if settled in response to the Enforcement Division’s first
4 contact with the person.

5 (B) \$800 per statement or report if settled prior to issuance of probable cause report by
6 the Enforcement Division.

7 (C) \$1,000 per statement or report if settled prior to issuance of an accusation by the
8 Enforcement Division.

9 (D) \$1,200 per statement or report if settled prior to adoption of a default decision and
10 order by the Commission.

11 Note: Authority cited: Section 83112, Government Code. Reference: Section 83116,
12 Government Code.