

1 Amend 2 Cal. Code Regs., Section 18360.1 to read:

2 **§ 18360.1. Eligibility Requirements and Considerations for Campaign Violations –**  
3 **Streamline (Tiers One and Two), ~~Warning Letters~~ and the Political Reform Education**  
4 **Program (PREP).**

5 (a) General. If eligible, filers may voluntarily resolve violations of the Political Reform  
6 Act (the “Act”) by ~~accepting a Warning Letter,~~ completing the Political Reform Education  
7 Program (“PREP”), paying a Tier One Streamline penalty, or paying a Tier Two Streamline  
8 penalty, ~~or paying a Mainline penalty.~~

9 (1) ~~The Chief of Enforcement will determine the appropriate form and amount of penalty~~  
10 ~~to offer in settlement for a violation depending on the circumstances unless an exclusion applies,~~  
11 ~~in which case the Executive Director of the Commission, after receipt of a recommendation by~~  
12 ~~the Chief of Enforcement, will determine the appropriate form and amount of penalty.~~ Mitigating  
13 circumstances result in consideration of ~~issuance of a Warning Letter or participation in PREP~~  
14 ~~instead of a Streamline penalty or a Tier One Streamline penalty.~~ Aggravating circumstances  
15 result in the consideration of ~~either a Tier Two Streamline penalty or a Mainline penalty.~~ The  
16 Chief of Enforcement has the discretion to decline to charge particular counts after determining  
17 that an overall case is eligible for PREP or Streamline resolution.

18 (2) ~~A Mainline penalty is generally higher, and the stipulation for a Streamline penalty~~  
19 ~~need not~~ includes a full description of the violation(s) and surrounding events but it shall include  
20 sufficient information to identify the specific violation(s) being charged and demonstrate why a  
21 Streamline penalty is appropriate under the terms of this regulation.

22 (3) Nothing in this regulation shall limit the authority of the Chief of Enforcement to  
23 issue a warning letter where a violation of the Act is found but the seriousness of the offense is

1 low, public harm is minimal, or other mitigating circumstances are present such that a monetary  
2 fine is not warranted. A Streamline stipulation may identify counts to which the respondent  
3 admits liability without imposition of a monetary fine. Such a stipulation shall have the same  
4 legal effect as a warning letter for purposes of determining whether a respondent qualifies for  
5 PREP or either Streamline Tier for any subsequent violations of the same type.

6 (4) Nothing in this regulation shall limit the authority of the Commission to impose a  
7 Mainline penalty for a particular violation under any Section of the Act or other regulations  
8 relating to the Act, regardless of whether the violation is eligible for consideration of PREP or a  
9 Streamline penalty, where the seriousness of the offense, the public harm, or other aggravating  
10 circumstances are present such that a warning letter, participation in PREP, or a Streamline  
11 penalty is not warranted.

12 (b) Types of Campaign Violations Eligible for ~~consideration~~ Resolution Under This  
13 Regulation of a Warning Letter, PREP, or a Streamline penalty.

- 14 (1) Late Campaign Statements ~~and~~ or Reports.
- 15 (2) Unreported Contributions ~~and~~ or Expenditures.
- 16 (3) Cash Contribution(s) or Expenditure(s) of \$100 or More.
- 17 (4) Campaign Bank Account.
- 18 (5) Committee Naming.
- 19 (6) Advertising and Mass Mailing Disclosures.
- 20 (7) Slate Mailer Organization Filing Issues.
- 21 (8) Recordkeeping.
- 22 (9) Major Donor Notifications.
- 23 (10) Late Campaign Statements or Reports (Major Donor Filers).

1 (11) Contribution Limits.

2 (12) Section 84308.

3 (13) Recurring Contributions.

4 (c) Penalty Amount. Penalties are not issued for a ~~Warning Letter~~ or completion of  
5 PREP. The Streamline penalty amount for each type of violation is found in Regulation 18360.3.

6 (d) General Requirements for Eligibility, Considerations, and Exclusions.

7 (1) For purposes of this regulation, “City and county small committees” ~~for the purposes~~  
8 ~~of this regulation~~ is defined as city and county committees in jurisdictions with a population of  
9 one million or less and state assembly committees, and “state large committees” for the purposes  
10 of this regulation is defined as city and county committees in jurisdictions with a population of  
11 over one million and state committees, including state senate committees.

12 ~~(2) General Eligibility Considerations for Issuance of a Warning Letter:~~

13 ~~(A) Low level of experience and sophistication of the party.~~

14 ~~(B) Lack of experience or knowledge of the Act's requirements caused multiple~~  
15 ~~violations with minimal public harm that were corrected upon contact.~~

16 ~~(C) Self-reported violations before public discovery.~~

17 ~~(D) Violations resulted in minimal public harm, including low activity during the missing~~  
18 ~~or late reporting period, low amount raised and spent for the election, and amount was a small~~  
19 ~~percentage of overall activity.~~

20 ~~(E) Committee has terminated.~~

21 ~~(F) Unsuccessful or never obtained the office.~~

22 ~~(G) Illness, incapacitation, death, or otherwise unable to perform duties.~~

23 ~~(H) Fraudulent activity of another caused the violation.~~

1 ~~(I) Activity was reported by other participant in the transaction.~~

2 ~~(J) Activity was reported timely on another campaign statement or report of the filer.~~

3 ~~(K) The same candidate, committee, or principal officer has not been issued a Warning~~  
4 ~~Letter for the same type of violation occurring within the last five years.~~

5 (23) A Respondent is excluded from PREP if they do not meet all of the following  
6 eligibility criteria:~~General Eligibility Requirements for PREP:~~

7 (A) Respondent meets all the requirements listed in the PREP agreement, and,

8 (B) Respondents ~~has~~ve not participated in PREP or been ordered to pay a penalty for the  
9 same type of violation listed in subsection (b) within five years of the date the current violation  
10 occurred~~occurring within the last five years.~~

11 ~~(C) Respondent has little or no experience with the section of this title that they violated.~~

12 (34) A Respondent is excluded from both Streamline Tiers if they do not meet all of the  
13 following eligibility criteria:~~General Eligibility Requirements for both Streamline Programs:~~

14 (A) Sign and submit to the Commission a Streamline Stipulation, decision, and order on a  
15 form provided by the Commission,

16 (B) Pay a proposed penalty by cashier's check, electronic payment, or money order in an  
17 amount as determined in Regulation 18360.3, and

18 (C) The same candidate, committee, or principal officer has not ~~paid~~been ordered to pay  
19 a prior penalty to the FPPC for the same type of violation in the same ~~tier~~Streamline Tier  
20 occurring within the last five years.

21 (45) A respondent is excluded ~~Exclusions from a Warning Letter, PREP and both~~  
22 ~~Streamline Programs~~Tiers if evidence shows respondent:

1 (A) ~~Any evidence of an intended~~ to conceal or deliberately violate the Act or  
2 regulations relating to the Act.

3 (B) Presented the FPPC false or altered evidence or made false statements to the FPPC  
4 regarding material facts.

5 (C) ~~Evidence of intentionally~~ interfered ~~with~~ with a witness in the FPPC matter.

6 (D) Committed a violation where, considering the totality of the circumstances, the  
7 extent and gravity of the public harm is more than minimal, or.

8 (E) Has other related violations under review for prosecution that are not eligible for  
9 ~~Warning Letter, PREP, or a Streamline penalty.~~

10 (5) Compliance. Respondents must correct the underlying violation(s) by coming into  
11 compliance with the requirements of the Act prior to completing PREP or executing a Streamline  
12 stipulation. The Chief of Enforcement has discretion to waive this requirement where:

13 (A) The violation relates to unreported information, and the FPPC determines that the  
14 information has been sufficiently disclosed in the stipulation or other public filings,

15 (B) One of the respondents is a committee, and the committee is being or has been  
16 administratively terminated,

17 (C) Failure to come into compliance would result in minimal public harm, or

18 (D) Other circumstances do not make it feasible for the respondents to come into  
19 compliance.

20 (e) Specific Requirements for Eligibility.

21 (1) ~~Late Campaign Statements and or Reports. Respondents who failed to timely file a~~  
22 ~~campaign statement or report must file the late statement or report with the appropriate agency~~

1 unless the relevant information was reported by the person elsewhere or the FPPC determines  
2 that the information has been sufficiently disclosed in the stipulation and/or other filings.

3 (A) ~~Considerations for a Warning Letter include:~~

4 ~~(i) Activity was unrelated to the election that triggered filing requirements.~~

5 ~~(ii) The late statement or report was filed more than three days prior to the relevant  
6 election.~~

7 ~~(iii) The candidate or candidate's wholly owned business was the source of 75% or more  
8 of the funds disclosed on the late statement or report.~~

9 ~~(iv) The statement or report was filed in the wrong jurisdiction.~~

10 ~~(v) The committee raised or spent not more than \$10,000 for the election.~~

11 ~~(vi) Contributions and expenditures on the late statement or report totaled not more than  
12 \$5,000 for city and county committees or not more than \$10,000 for state committees.~~

13 (AB) A violation for late filing of a campaign statement or report, other than a 24 Hour-  
14 Report required to be filed by a committee as defined in Section 82013(a) and (b), is excluded  
15 from PREP and Tier One Streamline if ~~Violations eligible for possible inclusion in PREP and~~  
16 Tier One Streamline:

17 ~~(i) Failure to timely file a statement excluding 24 Hour Reports as defined in Section~~  
18 ~~82013(a) and (b) where the late filing at issue reported contributions and expenditures totaling~~  
19 ~~more than \$25,000 or less for city and county small committees; or more than \$50,000, or less for~~  
20 ~~state large committees.~~

21 (Bii) A violation for late filing of a 24 Hour-Report required to be filed by a committee as  
22 defined in Section 82013(a) and (b) is excluded from PREP and Tier One Streamline

1 ~~unless: Failure to timely file a 24-Hour Report by a committee as defined in Section 82013(a) and~~  
2 ~~(b) where~~

3 ~~(i) The committee disclosed the contribution(s) or expenditure(s) on another statement or~~  
4 ~~report filed by the committee before the election.;~~

5 ~~(ii) Failure to timely file a 24-Hour Report required to be filed by a committee as defined~~  
6 ~~in Section 82013(a) and (b) before the election where a~~ Another committee disclosed the  
7 contribution(s) or expenditure(s) on a timely-filed statement or report earlier than the last 16 days  
8 before the election, and the late filing at issue reported contributions and expenditures totaling no  
9 more than total amount the committee failed to timely report was \$25,000 or less for city and  
10 county small committees; or no more than \$50,000 or less for state large committees,

11 (iii) The committee raised or spent no more than \$10,000 in connection with the total  
12 campaign, or

13 (iv) The committee was a candidate-controlled committee and the late-reported  
14 contribution(s) or expenditure(s) were made entirely from the controlling candidate's own  
15 personal funds.;

16 ~~(iv)~~

17 ~~(C) Failure to timely file a 24-Hour Report required to be filed by a committee as defined~~  
18 ~~in Section 82013(a) and (b) during the last 16 days before the election and was not filed before~~  
19 ~~the election but~~ It shall be a mitigating factor for consideration of possible inclusion in PREP or  
20 Tier One Streamline if the amount required to be reported during the last 16 days before the  
21 election was de minimis in relation to the total campaign.

22 ~~(DC) A violation for late filing of a campaign statement or report, other than a 24 Hour-~~  
23 ~~Report required to be filed by a committee as defined in Section 82013(a) and (b), is excluded~~

1 ~~from Violations eligible for possible inclusion in~~ Tier Two Streamline if the late filing at issue  
2 reported contributions and expenditures totaling more than :

3 (i) ~~Violations where the committee's activity for the reporting period at issue totaled less~~  
4 ~~than \$50,000 for city and county~~small committees; or ~~less~~ more than \$100,000 for ~~state~~ large  
5 committees.

6 (E) A violation for late filing of a 24 Hour-Report required to be filed by a committee as  
7 defined in Section 82013(a) and (b) is excluded from Tier Two Streamline if the late filing at  
8 issue reported contributions and expenditures totaling more than \$25,000 for small committees  
9 or more than \$50,000 for large committees.

10 (2) ~~Unreported Contributions and/or Expenditures. Respondents who failed to timely~~  
11 ~~complete a campaign statement or report must file the necessary amendments with the~~  
12 ~~appropriate agency unless the relevant information was reported by the person elsewhere or the~~  
13 ~~FPPC determines that the information has been sufficiently disclosed in the stipulation and/or~~  
14 ~~other filings.~~

15 (A) ~~Considerations for a Warning Letter include:~~

16 (i) ~~The unreported contributions or expenditures per campaign statement or report totaled~~  
17 ~~not more than \$5,000 for city and county committees or totaled not more than \$10,000 for state~~  
18 ~~committees.~~

19 (ii) ~~Activity was unrelated to the election that triggered filing requirements.~~

20 (A~~B~~) A violation for unreported contributions or unreported expenditures is excluded  
21 from Violations eligible for possible inclusion in ~~PREP and/or~~ Tier One Streamline if :

1           ~~(i) The unreported contributions or unreported expenditures per campaign statement or~~  
2 report totaled ~~not~~ more than \$10,000 for ~~city and county~~small committees or ~~totalled not~~ more  
3 than \$25,000 for ~~state large~~ committees.

4           ~~(B) A violation for unreported contributions or unreported expenditures is excluded~~  
5 ~~from~~Violations eligible for possible inclusion in Tier Two Streamline; if

6           ~~(i) the unreported contributions or unreported expenditures per campaign statement or~~  
7 ~~report~~Violations where the committee's activity for the reporting period at issue totaled more  
8 ~~than \$10,000 or more but less than \$50,000 for city and county~~small committees; or ~~\$25,000 or~~  
9 ~~more but less~~more than \$100,000 for ~~state large~~ committees.

10           (3) Cash Contribution(s) or Expenditure(s) of \$100 or More. For purposes of this  
11 regulation, “Cash” means legal tender, and cashier's checks, or similar instruments which are  
12 not drawn on the contributor's account and that does not include the name of the contributor on  
13 its face. Refund to the source of the contribution or the State of California General Fund, if the  
14 source of a contribution cannot be located or is otherwise unavailable to receive the returned  
15 contribution. Disclose the source of the contribution(s) or recipient(s) of the expenditure(s) on  
16 the appropriate campaign statement(s) or report(s).

17           ~~(A) Considerations for a Warning Letter include:~~

18           ~~(i) The total amount of cash of \$100 or more received or spent for the reporting period~~  
19 ~~was not greater than \$500.~~

20           ~~(A) A violation for cash contribution(s) or expenditure(s) of \$100 or more is excluded~~  
21 ~~from PREP and both Streamline Tiers if the Enforcement Division possesses evidence that:~~

22           ~~(i) The majority of the cash of \$100 or more was not timely disclosed on a campaign~~  
23 ~~statement or report,~~

1 (ii) The campaign records were insufficient to determine if use of cash concealed other  
2 violations, or

3 (iii) The person made personal use of campaign funds.

4 (B) A violation for cash contribution(s) or expenditure(s) of \$100 or more is excluded  
5 from Violations eligible for possible inclusion in PREP and/or Tier One Streamline if:

6 (i) The majority of the cash of \$100 or more was timely disclosed on a campaign  
7 statement or report.

8 (i) The total amount of cash of \$100 or more for the reporting period was less ~~more~~ than  
9 \$5,000 ~~2,500~~.

10 (C) A violation for cash contribution(s) or expenditure(s) of \$100 or more is excluded  
11 from Violations eligible for possible inclusion in Tier Two Streamline if the total amount of cash  
12 of \$100 or more was:

13 (i) Committees failed to timely disclose a majority of the cash of \$100 or more on a  
14 campaign statement or report, if the total amount of cash was not more than \$510,000.

15 (D) For purposes of coming into compliance under subsection(d)(5), respondents who  
16 received a cash contribution from a source other than a controlling candidate's own personal  
17 funds should return the amount to the source of the contribution or, if the source of a contribution  
18 cannot be located or is otherwise unavailable to receive the returned contribution, to the State of  
19 California General Fund.

20 (ii) The total amount of cash for the reporting period was \$5,000 or more but was not  
21 greater than \$10,000.

22 (D) Exclusions from a Warning Letter, PREP and both Streamline Programs:

1           ~~(i) The campaign records were insufficient to determine if use of cash concealed other~~  
2 ~~violations.~~

3           ~~(ii) The person made personal use of campaign funds.~~

4           ~~(4) Campaign Bank Account. Disclose the contribution(s) or expenditure(s) on the~~  
5 ~~appropriate campaign statement(s) or report(s).~~

6           ~~(A) Considerations for a Warning Letter include:~~

7           ~~(i) The contribution(s) or expenditure(s) was reported timely on the correct campaign~~  
8 ~~statement or report of the committee.~~

9           ~~(ii) The candidate or the candidate's wholly owned business was the source of 50% or~~  
10 ~~more of the committee's overall contributions.~~

11           ~~(iii) The activity was isolated to the beginning of the campaign.~~

12           ~~(AB) A violation of the campaign bank account requirement is excluded from~~ Violations  
13 eligible for possible inclusion in PREP and and both Streamline Tiers One Streamline if the  
14 Enforcement Division possesses evidence that:

15           (i) The contributions or expenditures not deposited into or made from the campaign bank  
16 account were not reported prior to the relevant election,

17           (ii) The campaign records were insufficient to determine if use of a non-campaign bank  
18 account concealed other violations, or

19           (iii) The person made personal use of campaign funds.

20           (B) A violation of the campaign bank account requirement is excluded from PREP and  
21 Tier One Streamline if the total amount of contributions or expenditures not deposited into or  
22 made from the campaign bank account was more than \$10,000, except that it may still be a factor  
23 for possible inclusion in PREP and Tier One Streamline if ~~(i) The total amount raised and spent~~

1 for the campaign was not greater than \$10,000 and the activity was reported prior to the relevant  
2 election.

3 (ii) ~~The total amount raised and spent for the campaign was more than \$10,000 and the~~  
4 ~~total contributions not deposited in the campaign bank account during the reporting period was~~  
5 ~~less than 10% of the total contributions received for that period, or if the total expenditures~~  
6 ~~not made from the campaign bank account during the reporting period were less than 10% of the~~  
7 ~~total expenditures made for that period.~~

8 (iii) ~~The total amount raised and spent for the campaign was more than \$10,000 and the~~  
9 ~~total expenditures not made from the campaign bank account during the reporting period was~~  
10 ~~less than 10% of the total expenditures made for that period.~~

11 (C) ~~A violation of the campaign bank account requirement is excluded from~~ Violations  
12 ~~eligible for possible inclusion in Tier Two Streamline:~~

13 (i) ~~The total contributions not deposited in the campaign bank account during the~~  
14 ~~reporting period was greater than 10% but was not more than 40% of the total contributions~~  
15 ~~received for that period, if the total amount of contributions or expenditures not deposited into or~~  
16 ~~made from the campaign bank account was more than \$25,000, except that it may still be a factor~~  
17 ~~for possible inclusion in Tier Two Streamline if the total contributions not deposited into the~~  
18 ~~campaign bank account during the reporting period were less than 40% of the total contributions~~  
19 ~~received for that period, or if the total expenditures not made from the campaign bank account~~  
20 ~~during the reporting period were less than 40% of the total expenditures made for that period.~~

21

1           ~~(ii) The total expenditures not made from the campaign bank account during the reporting~~  
2 ~~period was greater than 10% but was not more than 40% of the total expenditures made for that~~  
3 ~~period.~~

4           ~~(iii) The total amount of activity not deposited into or made from the campaign bank~~  
5 ~~account was greater than \$10,000 but was not more than \$25,000.~~

6           ~~(D) Exclusions from a Warning Letter, PREP and both Streamline Programs:~~

7           ~~(i) The campaign records were insufficient to determine if use of cash concealed other~~  
8 ~~violations.~~

9           ~~(ii) The person made personal use of campaign funds.~~

10          ~~(5) Committee Naming. Committee name must be amended to comply with committee~~  
11 ~~naming requirements.~~

12          ~~(A) Considerations for a Warning Letter include:~~

13          ~~(i) Name included essentially all required elements and was not misleading.~~

14          ~~(AB) A violation of the committee naming requirement is excluded from Exclusions from~~  
15 ~~PREP and/or Tier One Streamline if the Enforcement Division possesses evidence that:~~

16          ~~(i) The incorrect Nname was misleading or ambiguous.;~~

17          ~~(ii) The fincorrect name caused advertisements to be incorrect and when included on an~~  
18 ~~advertisement, the incorrect name was likely to result in confusion regarding the identity of the~~  
19 ~~committee responsible for the advertisement, or.~~

20          ~~(iii) The fincorrect name failed to disclose at least one sponsor.;~~

21          ~~(B) It shall be a mitigating factor for consideration of possible inclusion in PREP or Tier~~  
22 ~~One Streamline if~~

1           ~~(iv) The committee had activity contributions or expenditures of over \$10,000 or less for~~  
2 the reporting period during which the committee's name was incorrect.

3           ~~(CB) A violation of the committee naming requirement is excluded from~~Violations  
4 ~~eligible for possible inclusion in Tier Two Streamline if the Enforcement Division possesses~~  
5 ~~evidence that the incorrect name failed to disclose more than one sponsor.~~

6           ~~(D) It shall be a mitigating factor for consideration of possible inclusion in Tier Two~~  
7 ~~Streamline if the committee had contributions or expenditures of \$50,000 or less for the~~  
8 ~~reporting period during which the committee's name was incorrect.~~

9           ~~(6) Advertising and Mass Mailing Disclosures. Correction of the advertisement or mass~~  
10 ~~mailing, if feasible, was done.~~

11           ~~(A) Violations eligible for possible inclusion in PREP and Tier One Streamline:~~

12           ~~(i) Failure to include "paid for by" or "ad paid for by" in the same manner and~~  
13 ~~immediately adjacent to a committee name.~~

14           ~~(ii) Disclosures in a font type, color, position, or size that does not comply with a~~  
15 ~~requirement but was as legible as the requirement.~~

16           ~~(iii) Disclosures that include a committee name that does not match the name as stated in~~  
17 ~~the statement of organization but clearly identifies the source of the advertisement.~~

18           ~~(iv) Failure to include a street address but other identifying information, such as a website~~  
19 ~~address, was included.~~

20           ~~(v) Inadvertent failure to list top contributors in proper order but they are all included.~~

21           ~~(vi) Required size or duration of disclosure was not correct, but the disclaimer was~~  
22 ~~identifiable, and the remainder of the disclosure was correct.~~

1           ~~(vii) Failure to use the precise disclaimer language but the remainder of the disclosure~~  
2 ~~was correct.~~

3           (B) ~~Exclusions from~~A violation is excluded from PREP and and Tier One Streamline if  
4 the Enforcement Division possesses evidence that:

5           (i) The violation was likely to result in confusion regarding the identity of the candidate  
6 or committee responsible for the advertisement, or-

7           (ii) The advertisement or mass mailing containeds two or more of the following missing  
8 or incorrect disclosures: (1) the committee name requirement, (2) top contributor information  
9 (top contributor must be substantially correct), or (3) the statement that the advertisement was  
10 not authorized by a candidate or committee controlled by a candidate. Each missing or incorrect  
11 top contributor is considered a single “missing or incorrect disclosure.”

12           (C) It shall be a factor for consideration of possible inclusion in~~Violations eligible for~~  
13 ~~possible inclusion in~~ Tier Two Streamline if:

14           (i) The violation resulted from a lack of committee formation through ignorance of the  
15 requirements and the committee raised not more than \$25,000 and spent not more than \$25,000~~;~~

16           (ii) The violation ~~was inadvertent or negligent and~~ was disclosed on a campaign  
17 statement or report of the committee but was likely to result in confusion regarding the identity  
18 of the candidate or committee responsible for the advertisement, or-

19           (iii) The advertisement or mass mailing containeds no more than three of the following  
20 missing or incorrect disclosures: (1) top contributor information (top contributor must be  
21 substantially correct), (2) the statement that the advertisement was not authorized by a candidate  
22 or committee controlled by a candidate, or (3) the committee name requirement. If there are two

1 or more missing or incorrect top contributors, the advertisement or mass mailing does not meet  
2 the requirements of this inclusion.

3 (7) Slate Mailer Organization Filing Issues. It shall be a factor for consideration of  
4 possible inclusion in Tier One Streamline if a slate mailer organization~~Slate Mailer~~  
5 ~~Organizations qualify for possible participation in Tier One Streamline if they have~~ timely filed  
6 campaign statements and reports as a committee under the Act disclosing essentially all the  
7 information required to be reported by the late filed slate mailer organization campaign  
8 statements and reports.

9 (8) Recordkeeping. Violations shall be charged by calendar year unless discretion is used  
10 by the Chief of Enforcement.

11 ~~(A) Considerations for a Warning Letter include:~~

12 ~~(i) The missing records do not rise to the level to be considered a material violation.~~

13 (B) A violation of the recordkeeping requirements is excluded ~~Exclusions~~ from PREP and  
14 Tier One Streamline if the Enforcement Division possesses evidence that:

15 (i) The lack of recordkeeping inhibited a FPPC or FTB ~~audit efforts.~~

16 (ii) The lack of recordkeeping made it impracticable to determine if the committee  
17 substantially complied with the Act's campaign reporting requirements, or:

18 (iii) The lack of recordkeeping may have inhibited discovery of other violations.

19 (C) It shall be a factor for consideration of ~~Violations eligible for possible inclusion in~~  
20 Tier Two Streamline if the violation was ÷

21 ~~(i) The inadvertent or negligent lack of recordkeeping inhibited audit efforts.~~

22 ~~(ii) The inadvertent or negligent lack of recordkeeping made it impracticable to determine~~  
23 ~~if the committee substantially complied with the Act's campaign reporting requirements.~~

1           ~~(iii) The inadvertent or negligent lack of recordkeeping may have inhibited discovery of~~  
2 ~~other violations.~~

3           (9) Major Donor Notifications.

4           It shall be a factor~~(A) Considerations for a Warning Letter include:~~

5           ~~(i) The committee has been in existence not more than one year.~~

6           ~~(ii) The committee has not previously been required to send out the major donor~~  
7 ~~notification.~~

8           ~~(iii) All persons who would have received the notifications timely filed campaign~~  
9 ~~statement(s) or report(s) as a major donor committee, if required.~~

10          ~~(B) Violations eligible~~ for possible inclusion in Tier One Streamline if the :

11          ~~(i) C~~committee failed to timely send out major donor notifications required by Section  
12 84105.

13          (10) Late Campaign Statements or Reports (Major Donor Filers). ~~Respondents who failed~~  
14 ~~to timely file a campaign statement or report as a major donor committee must file the late~~  
15 ~~statement or report with the appropriate agency unless the relevant information was reported by~~  
16 ~~the person elsewhere or the FPPC determines that the information has been sufficiently disclosed~~  
17 ~~in the stipulation and/or other filings.~~

18          (A) Considerations for a Warning Letter include:

19          ~~(i) First-time major donor filer and the respondent was not sent the major donor~~  
20 ~~notification as required.~~

21          ~~(ii) Contributions for the calendar year were \$50,000 or less.~~

22          ~~(iii) 24 Hour Report(s) was filed prior to the relevant election and disclosed the~~  
23 ~~contributions.~~

1            ~~(A) A violation for late filing of a campaign statement or report by a major donor filer~~  
2 ~~is excluded from~~ Violations eligible for possible inclusion in PREP or and Tier One Streamline if  
3 ~~the~~

4            ~~(i) c~~Contributions for the calendar year ~~were not greater~~ totalled more than \$75,000.

5            ~~(B) It shall be a factor for consideration of possible inclusion in PREP or Tier One~~  
6 Streamline if the cContributions required 24-Hour Reports to be filed within the last 16 days  
7 before the relevant election and either the donor or the recipient of the contribution filed a 24-  
8 Hour Report before the relevant election.

9            (C) A violation for late filing of a campaign statement or report by a major donor filer is  
10 excluded from ~~Violations eligible for possible inclusion in~~ Tier Two Streamline if the :

11            ~~(i) c~~Contributions for the calendar year ~~were not~~ totalled more than \$150,000.

12            ~~(D) It shall be a factor for consideration of possible inclusion in Tier Two Streamline if~~  
13 the cContributions required 24-Hour Reports to be filed within the last 16 days before the  
14 relevant election and the recipient of the contribution did not file a 24-Hour Report before the  
15 relevant election and the contributions ~~did not~~ totalled no more than \$100,000 ~~or greater~~.

16            (11) Contribution Limits. ~~Respondents who violated Sections 85301, 85302, 85303,~~  
17 ~~85316, or 85702 by making or receiving contributions over the limit or prohibition must refund~~  
18 ~~the amount over the contribution limit or unlawfully obtained contribution(s) back to the source~~  
19 ~~of the contribution(s) or the State of California General Fund, if the source of a contribution(s)~~  
20 ~~cannot be located or is otherwise unavailable to receive the returned contribution.~~

21            ~~(A) Considerations for a Warning Letter include:~~

22            ~~(i) The contribution(s) was reported timely on the correct campaign statement or report of~~  
23 ~~the committee.~~

1           ~~(ii) The contributions from that source totaled not more than \$50 over the applicable limit~~  
2 ~~or ban.~~

3           ~~(iii) The contribution was returned or attributed outside the 14 days of receiving the~~  
4 ~~contribution but before the relevant election.~~

5           ~~(iv) The contribution was outside the 90-day period preceding the relevant election.~~

6           ~~(A) A violation of the contribution limits is excluded Exclusions~~ from PREP and Tier  
7 One Streamline if t:

8           ~~(i) The contribution(s) was not reported timely on the correct campaign statement or~~  
9 ~~report of the committee.~~

10           ~~(ii) The contribution(s) from that source totaled more than \$500 over the applicable limit~~  
11 ~~or ban.~~

12           ~~(B) It shall be a factor for consideration of possible inclusion in PREP or Tier One~~  
13 ~~Streamline if:~~

14           ~~(i) The contribution was reported timely on the correct campaign statement or report of~~  
15 ~~the committee, or~~

16           ~~(iii) The contribution was within outside the 90-day period preceding the relevant~~  
17 ~~election.~~

18           ~~(C) A violation of the contribution limits is excluded from Violations eligible for possible~~  
19 ~~inclusion in Tier Two Streamline if:~~

20           ~~(i) Committees failed to timely disclose a contribution over the limit on the correct~~  
21 ~~campaign statement or report but only if the total amount over the limit was not greater than~~  
22 ~~\$500.~~

1           ~~(ii) The contribution(s) from that source totaled more than \$1,0\$500 over the applicable~~  
2 ~~limit but was not greater than \$1,000 over the applicable limit or ban.~~

3           ~~(D~~ii~~) It shall be a factor for consideration of possible inclusion in Tier Two Streamline if~~  
4 ~~the circumstances of the violation were limited to either of the following:~~

5           ~~(i) The contribution was not reported timely on the correct campaign statement or report~~  
6 ~~of the committee, but only if the total amount over the limit was not more than \$500, or~~

7           ~~(ii) The contribution was(s) being within the 90-day period preceding the relevant~~  
8 ~~election, but only if the total amount over the limit was not greater more than \$500.~~

9           ~~(E) For purposes of coming into compliance under subsection(d)(5), Respondents who~~  
10 ~~violated Sections 85301, 85302, 85303, 85316, or 85702 by making or receiving contribution(s)~~  
11 ~~over the limit or ban must refund the amount over the contribution limit or unlawfully obtained~~  
12 ~~contribution(s) back to the source of the contribution(s) or, if the source of a contribution(s)~~  
13 ~~cannot be located or is otherwise unavailable to receive the returned contribution, to the State of~~  
14 ~~California General Fund,.~~

15           ~~(12) Section 84308. Respondents who failed to timely disclose a contribution(s) of more~~  
16 ~~than \$250 must disclose the contribution(s) to the appropriate agency unless the FPPC~~  
17 ~~determines that the information has been sufficiently disclosed in the stipulation and/or other~~  
18 ~~filings. Respondent officers must refund the amount greater than \$250 back to the source of the~~  
19 ~~contribution(s) or the State of California General Fund, if the source of a contribution(s) cannot~~  
20 ~~be located or is otherwise unavailable to receive the returned contribution.~~

21           ~~(A) Considerations for a Warning Letter include:~~

22           ~~(i) An untimely disclosure was untimely by 30 days or fewer and prior to a decision being~~  
23 ~~rendered in the proceeding.~~

1           (ii) ~~A party that submitted an incomplete or otherwise inaccurate disclosure made a good~~  
2 ~~faith effort to determine and include the required information, and any missing or inaccurately~~  
3 ~~reported contribution(s) totaled fewer than \$250.~~

4           (iii) ~~A contribution that violated Section 84308 was greater than the limit by less than~~  
5 ~~\$250, for a total contribution of less than \$500.~~

6           (iv) ~~A participant violated Section 84308 as a result of making a good faith, but~~  
7 ~~inaccurate determination that they did not qualify as a “participant” or that the officer did not~~  
8 ~~qualify as an “officer of the agency.”~~

9           ~~(A) Violations eligible for possible inclusion in~~ A violation is excluded from PREP and  
10 Tier One Streamline if:

11           ~~(i) An untimely disclosure was made prior to a decision being rendered in the proceeding.~~

12           ~~(ii) An untimely return of a contribution was untimely by 30 days or less and returned~~  
13 ~~prior to a decision being rendered in a proceeding.~~

14           ~~(iii) A~~ the contribution that violated Section 84308 was greater than the limit by ~~less than~~  
15 ~~\$500 or more, for a total contribution of less than \$750.~~

16           (B) It shall be a factor for consideration of possible inclusion in PREP or Tier One  
17 Streamline if:

18           (i) An untimely disclosure was made prior to a decision being rendered in the proceeding,

19           (ii) An untimely return of a contribution was late by 30 days or less, or

20           ~~(iii) An officer violated Section 84308 as a result of making a good faith, but inaccurate~~  
21 ~~determination that a person did not qualify as a “participant.”~~

22           (C) A violation is excluded from ~~Violations eligible for possible inclusion in~~ Tier Two  
23 Streamline if the:

1           ~~(i) An untimely return of a contribution was late by more than 30 days but was returned~~  
2 ~~prior to a decision being rendered in a proceeding.~~

3           ~~(ii) A contribution that violated Section 84308 was greater than the limit by less than~~  
4 ~~\$1,000 or more, for a total contribution of less than \$1,250.~~

5           (D) It shall be a factor for consideration of possible inclusion in Tier Two Streamline if  
6 an untimely return of a contribution was late by more than 30 days.

7  
8           (13) Recurring Contributions. ~~Respondents who received recurring contributions~~  
9 ~~unlawfully under Section 85701.5 must refund the amount of the unlawfully obtained~~  
10 ~~contribution(s) back to the source of the contribution(s) or the State of California General Fund,~~  
11 ~~if the source of a contribution(s) cannot be located or is otherwise unavailable to receive the~~  
12 ~~returned contribution.~~

13           ~~(A) Considerations for a Warning Letter include:~~

14           ~~(i) The contribution(s) was reported timely on the correct campaign statement or report of~~  
15 ~~the committee.~~

16           ~~(ii) Affirmative consent was incomplete or incorrect but was corrected.~~

17           ~~(iii) Some receipts were incomplete or incorrect but were corrected.~~

18           ~~(iv) All the necessary information to cancel the recurring contribution was not included in~~  
19 ~~each communication with the contributor that concerned the contribution but was included in the~~  
20 ~~majority of the communications.~~

21           ~~(v) A request to cancel or return was not completed timely but within 30 days.~~

22           (AB) A violation of the recurring contribution requirements of the Act is excluded from  
23 Violations eligible for possible inclusion in Tier One Streamline if:

1           ~~(i) The recurring contribution solicitation required affirmative consent from the person~~  
2 ~~making the recurring contribution but was not sent with the initial solicitation but was sent in~~  
3 ~~later solicitations and the recurring contributions, from that source in the aggregate, were totaled~~  
4 ~~more than \$1,000 but not more than \$10,000.~~

5           (B) It shall be a factor for consideration of possible inclusion in Tier One Streamline if  
6 the circumstances of the violation were limited to any of the following:

7           (i) The recurring contribution solicitation required affirmative consent from the person  
8 making the recurring contribution but was not sent with the initial solicitation but was sent in  
9 later solicitations.

10           (ii) The recurring contribution solicitation did not provide all necessary information to  
11 cancel the recurring contribution in the majority of the communications with the contributor that  
12 concerned the contribution, ~~and the recurring contributions, from that source in the aggregate,~~  
13 ~~were more than \$1,000 but not more than \$10,000.~~

14           (iii) The recurring contribution was accepted in response to a solicitation that did not  
15 require affirmative consent, was returned to the contributor after 14 days but before 60 days of  
16 the earlier of receipt of a request from the contributor to return the contribution or the date on  
17 which the candidate or committee becomes aware that the solicitation of the recurring  
18 contribution was in violation, or ~~and the recurring contributions, from that source in the~~  
19 ~~aggregate, were more than \$1,000 but not more than \$10,000.~~

20           (iv) The recurring contribution was accepted after a contributor requested to cancel a  
21 recurring contribution and not returned within 14 days but before 60 days of the request to cancel  
22 the recurring contribution ~~and the recurring contributions, from that source in the aggregate,~~  
23 ~~were more than \$1,000 but not more than \$10,000.~~

1           (C) For purposes of coming into compliance under subsection(d)(5), Respondents who  
2 received recurring contributions unlawfully under Section 85701.5 should refund the amount of  
3 the unlawfully obtained contribution(s) back to the source of the contribution(s) or, if the source  
4 of a contribution(s) cannot be located or is otherwise unavailable to receive the returned  
5 contribution, to the State of California General Fund.

6

7 NOTE: Authority cited: Section 83112, Government Code. Reference: Section 83116.5,  
8 Government Code.