

APPENDIX H

ADMINISTRATIVE FINE PROGRAM

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Appendix H: Administrative Fine Program

The Commission's Administrative Fine Program was designed to improve timely disclosure of campaign finance activity through improving the timely filing of disclosure reports. It was also designed to automate and regularize the enforcement of the filing provisions, and to remove late and non-filer cases from the more costly and time-consuming FEC enforcement process. It was further designed to regularize and standardize the collection of fines and penalties for late and non-filers. Finally, the program was designed to increase the ability of the Commission to process and close more enforcement actions with a higher percentage of cases resolved with substantive Commission action instead of dismissal without action.

From FY 1995 (when the Enforcement Priority System, or EPS, was installed) through FY 2000, the Commission averaged 205 case closures each fiscal year. In FY 2001 the Commission closed a total of 517 enforcement matters or compliance actions, including cases in the Administrative Fine Program and the ADR program. This represents a 152% increase. The FEC anticipates that the Administrative Fine Program will continue to enable the Commission to close more enforcement cases and to assign OGC enforcement resources to more complex, substantive matters. In FY 2002, the Commission closed 292 enforcement matters, 184 of which were administrative fine cases.

The FEC enforcement goals, established in the FEC Strategic Plan and the Annual Performance Plans, seek to activate more enforcement cases and to reduce the number of cases dismissed without substantive action. These goals build upon the FY 2000 record when the FEC closed over 70% of the cases processed with some form of substantive action and over 50% of the average monthly caseload was actively being processed. Since 1995 all enforcement cases are triaged through the Enforcement Priority System (EPS), and cases are held in the Central Enforcement Docket (CED) until activated.

The Administrative Fine Program has allowed the Commission to expand the scope and reach of the enforcement process, by streamlining the case resolution process for late and non-filers, and by expediting the resolution of cases that might not have been activated under the EPS, and might never have reached substantive resolution under the formal enforcement process. This is in response to both recommendations from the PricewaterhouseCoopers (PwC) review of the FEC and a desire by the Commission to improve the timeliness of FEC compliance actions. The Administrative Fine Program was also congressionally authorized in the Commission's appropriations legislation.

Since the inception of the program, 507 cases have been placed on the public record, and civil money penalties totaling almost \$721,371 have been collected as of February 2003.