



OKLAHOMA ETHICS COMMISSION

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June 30, 2021

The Commission will resume the administrative compliance process in July 2021.

This communication is for those who filed reports late or missed a deadline after July 1, 2019.

The Commission halted the administrative compliance process in July of 2019 due to a statutory change. Rather than utilize the formal complaints and investigations process as a temporary measure to address late filings and similar compliance issues, the Commission requested and worked with the Legislature for statutory changes that become effective July 1, 2021. **The Commission will resume issuing proposed compliance orders (PCOs) for late filings on July 20, 2021.**

Commission staff and the regulated community have engaged in valuable discussions to ensure an orderly, timely, and fair process is used to address filings that were filed late after July 1, 2019. This must occur while also addressing late filings that may occur on or after July 1, 2021.

The Commission has approximately 200 late reports from lobbyists and liaisons and over 500 late campaign finance reports that were due between July 1, 2019 and June 30, 2021. PCOs will be issued first for lobbyist expenditure reports according to the schedule below. A schedule for issuing PCOs for campaign finance reports will be released in August.

Goal.

To issue and resolve compliance orders in an orderly and transparent process by the end of 2021:

1. for late reports filed between July 2019 and July 2021; and
2. for late filings due after the date of this communication.

This will ensure that by January the Commission will be in a position to resume routine assessment of compliance orders for late filings for the 2022 election cycle and 2022 lobbyist and liaison registration year.

Administrative Process is more efficient and less costly than the formal complaints process.

The administrative process is a more efficient and a less costly alternative to the formal complaints and investigation procedure. It is managed by staff with late fees assessed according to a fixed schedule that cannot exceed \$1,000. The formal complaints and investigations process is conducted with the Commissioners and should be reserved for substantive or repetitive violations of the Rules. The penalties associated with the formal complaints process are assessed by the District Courts and start at \$5,000.

PCO Procedure Summary.

Filer's Must Verify Email and Street Address: The Commission will **email** the PCO to the email address in The Guardian System but may need to also mail the PCO. **Verify the email address and mailing address on Registrations are accurate on or before July 19, 2021.** These addresses are required to be kept current. If you need assistance amending the Registration contact Commission staff at (405) 521-3451.

1. **PCO Issuance:** The Commission will systematically issue proposed compliance orders (PCOs) in groups to assess outstanding late filing fees. **The Commission must issue PCOs beginning with the oldest late reports to the most recent reports because 2nd and subsequent late filings are considered intentional filings that are out of compliance with the Rules.**
2. **Complete & Return Included Form within 30 days:** A form is included with the PCO for the filer to indicate whether they (1) contest the order and want a hearing; or (2) do not contest the

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order and pay the fee. The most efficient way to return the form is by email to ethics@ethics.ok.gov with the subject line: "PCO Form".

3. **Entities with Multiple Late Filings:** Late filings are issued by *report* not by *entity*. Each late filing will be issued a separate PCO according to the assessment schedule. Similarly, each hearing requested for a late filing must be made separately within 30 days of the PCO for which a hearing is requested.
4. **Assessment Schedule: Beginning July 20, 2021**, lobbyist and liaison assessments will be issued on **Tuesdays** and **Thursdays**.
5. **Administrative Hearings** will be scheduled before an Administrative Law Judge ("ALJ") so long as the hearing is **requested in writing & received by the Commission within 30 days of the date on the Compliance Order**. Administrative Hearings will be held Mondays at 1:00 p.m. and Fridays at 10:00 a.m. We will work with each filer to the extent possible for a mutually convenient date for the hearing.

[Click here for the tentative Assessment Schedule and ALJ Hearing dates.](#)

Proposed Compliance Order Information.

The **Proposed Compliance Order** (see diagram below) will clearly indicate the report that was filed late [1], the name of the entity filing the report [2], the number of days the report was late [3], the amount of the fee being assessed [4], and the date the Proposed Compliance Order was issued [5].

A hearing with an administrative law judge is provided **so long as the request for hearing is received by the Commission within 30 days of the date the Proposed Compliance Order was issued [5].**

The diagram shows a sample of a Proposed Compliance Order with several key pieces of information highlighted and labeled with callouts:

- DATE:** A red box labeled "DATE" points to the date "7/15/2019" in the first sentence of the order.
- 5. Hearings must be requested within 30 days of this date:** A red box labeled "5. Hearings must be requested within 30 days of this date" points to the date "7/15/2019".
- 1. Late Report Name:** A red box labeled "1. Late Report Name" points to the text "2019 JUNE LOBBYIST REPORT" in the subject line.
- 2. Filing Entity Name:** A red box labeled "2. Filing Entity Name" points to the text "JOHN DOE" in the subject line.
- 3. # of Days late:** A red box labeled "3. # of Days late" points to the text "1 day(s)" in the second-to-last sentence.
- 4. Amount of Fee:** A red box labeled "4. Amount of Fee" points to the text "\$100.00" in the second-to-last sentence.

Compliance Fee Payments.

Compliance Fees may be paid online using The Guardian System following the directions in the PCO, or, by delivering a check to the Ethics Commission office. For political committees, fees may be paid with campaign funds and reported as an expense in The Guardian System.

Account inactive? Entities that no longer have an "active" Guardian System account and wish to pay the fees online will need to contact the Commission at ethics@ethics.ok.gov to have their account reactivated.