
LOS ANGELES CITY ETHICS COMMISSION

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\$127,000 IN FINES LEVIED BY CITY ETHICS COMMISSION FOR CAMPAIGN LIMIT AND REPORTING VIOLATIONS

Political Money Laundering and Independent Expenditure Laws Are Focus of Commission's Actions

At its monthly meeting today, the Los Angeles City Ethics Commission approved seven separate settlement agreements with fines totaling more than \$127,000 for violations of City bans on political money laundering and excess contributions, and for failures to comply with the City's campaign independent expenditure reporting laws. Among the penalties levied was a \$108,000 fine against Sean Anderson and Richard Manhire for violating Charter Section 706 on 28 separate occasions by causing the funds of Travel Traders, LLC, Travel Traders Inc., and WH Smith to be used to make 28 "assumed name" contributions in violation of Charter Section 470(k) totaling \$36,000 to the "Villaraigosa for Mayor 2005" and "Villaraigosa for Mayor 2005 – General" committees. Assumed name contributions conceal the true source of contributions to candidates' campaigns and are a serious violation of City campaign laws. Charter Section 470 (k) prohibits any person from directly or indirectly making a contribution to a candidate for Los Angeles City office or to his or her controlled committee in the name of another person.

In a separate action, the Commission also levied a \$4,499 fine against a contributor to the "Ballona Wetlands Committee to Stop Playa Vista," a committee that raised funds to make independent expenditures to support candidates in the City's 2005 General Election. City Charter Section 470(c)(5) prohibits any person from contributing more than \$500 per calendar year to any committee, other than a candidate controlled committee, that supports or opposes any candidate for Mayor, City Attorney, Controller, or City Council. Four other settlements approved today levied an additional \$5,500 in fines for failures to fully comply with City independent expenditure reporting and disclaimer laws:

- *SEIU – Los Angeles Homecare Workers Union Local 434-B State PAC* was fined for four counts of failing to indicate that independent expenditure communications were not authorized by a candidate or candidate-controlled committee, in violation of Charter Section 470(l); and three counts of failing to include its full committee name in independent expenditure communications, in violation of LAMC Section 49.7.26.3(B).

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- The *Apartment Association of Greater Los Angeles* was fined for nine counts for failing to indicate that its independent expenditure communications were not authorized by a candidate or candidate-controlled committee, in violation of Charter Section 470(1).
- The *Southwest Regional Council of Carpenters Political Action Fund* was fined for one count of failing to indicate in the text of a postcard mailer that the mailer was not authorized by a candidate or candidate-controlled committee, in violation of Charter Section 470(1).
- The *District Council of Iron Workers Political Action League* was fined for one count for failing to include its full committee name in an independent expenditure mailing, in violation of LAMC Section 49.7.26.3(B).

In a seventh case, the Commission levied a \$9,045 fine against 2007 City Council candidate Monica Rodriguez and her committee, “Monica Rodriguez for City Council,” for 32 counts of soliciting or accepting contributions prior to filing a Declaration of Intent to Solicit and Receive Contributions in violation of Charter Section 470(c)(1), and for five counts of filing to file copies of scripts or recordings related to recorded telephone calls made by her campaign in violation of LAMC Section 49.7.26(E).

A copy of each Stipulation, Decision and Order can be obtained by calling the Commission at (213) 978-1960.

The City Ethics Commission is a semi-independent agency created by Los Angeles voters in 1990 to impartially administer and enforce the governmental ethics, campaign finance, and lobbying laws of the City of Los Angeles. With a staff of 27 and an operating budget of \$2.3 million, the Commission conducts training, provides advice, audits political campaigns, and makes legislative recommendations. It also is authorized by the voters to conduct investigations and levy administrative penalties against violators of the laws under its jurisdiction.