
LOS ANGELES CITY ETHICS COMMISSION
N E W S
...preserving the public trust

For Immediate Release: October 11, 2011

Contact: Jennifer Bravo (213) 978-1960

**ETHICS COMMISSION IMPOSES FINES TOTALING \$250,750
IN TWO MONEY LAUNDERING CASES**

The Los Angeles City Ethics Commission acted unanimously today to impose penalties in two separate enforcement actions arising out of the 2009 City elections. Both cases involved excess campaign contributions and contributions made under assumed names, which is commonly referred to as political money laundering.

In one case, the commissioners approved a stipulation that imposed a penalty of \$67,000 against Alcion Ventures LP. In the second case, the commissioners determined, based on uncontested facts, that Alexander Hugh had violated City laws that prohibit money laundering and limit campaign contributions. The commissioners imposed a penalty of \$183,750, the maximum under City law.

“Money laundering is one of the most serious violations of our campaign finance laws,” said Commission President Paul Turner, “and the commissioners’ unanimous actions today are an important reminder that the Ethics Commission will be vigilant in upholding contribution limits and the integrity of City elections.”

The City Charter prohibits contributions that are made in a name other than the legal name of the true source of the contributed funds, because such contributions circumvent the City’s campaign contribution limits and deprive the public of information about the true source of a candidate’s financial support. The City’s contribution limits are intended to prevent contributors from exercising undue influence over candidates or elections. A single contributor may not give more than \$500 per election to a single candidate for City Council office or more than \$1,000 per election to a single candidate for a Citywide office. A contributor’s total contributions in a single election are also limited, based on the number and type of seats on the ballot.

All fines levied by the Ethics Commission are paid to the City’s general fund. Copies of enforcement actions and the related decisions and orders can be obtained through the Ethics Commission’s web site or by calling the Ethics Commission offices.

The City Ethics Commission was created by Los Angeles voters in 1990 to impartially administer and enforce the City’s governmental ethics, campaign financing, and lobbying laws.