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LOS ANGELES CITY ETHICS COMMISSION

**N E W S**

*...preserving the public trust*

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For Immediate Release:  
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For Information:  
David Tristan (213) 978-1960

**CITY ETHICS COMMISSION APPROVES \$67,833 IN PENALTIES  
FOR VIOLATIONS OF CITY CAMPAIGN REPORTING & FINANCE LAWS**

**Clear Channel Agrees to Pay \$30,000 for Independent Spending Disclosure Lapses**

At its monthly public meeting today, the Los Angeles City Ethics Commission approved seven settlement agreements in connection with the 2001 municipal elections involving City campaign reporting laws and contribution limits. Among the fines approved today was a \$30,000 penalty levied against Clear Channel, Inc., for its failure to timely and accurately report independent expenditure billboards and to post disclaimer statements on a number of those billboards, and \$17,000 levied against Design Masonry, Inc. and two of its employees for making or acting as conduits for assumed name violations to City candidates during the 2001 elections. The Commission also voted to assess a \$14,750 fine against former State Assemblymember Carl Washington for receipt of excess contributions, failure to file copies of campaign literature, and recordkeeping failures in connection with his 2001 campaign in the City's Ninth Council District. The Commission will issue a final decision and order in that case next month.

"Our actions today send an important message to candidates and others that the City's disclosure laws and contribution limits are real laws that will be enforced," said Commission President Gil Garcetti, who was unanimously re-elected by the panel to act as the board's President in the coming year.

Commonly referred to as political money laundering, assumed name contributions circumvent contribution limits and hide the true source of a contribution, and are a violation of Los Angeles City Charter section 470(k). In approving the proposed Design Masonry settlements today, fines levied to date by the Commission in 16 cases involving companies and individuals associated with Casden Properties now totals \$425,865.

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In separate enforcement actions today, the Commission also approved two other stipulations involving the 2001 Council campaigns of two current City Councilmembers: Third District Councilmember Dennis Zine agreed to a \$5,583 penalty for receiving excess contributions and for requesting excess public matching funds, and First District Councilmember Ed Reyes was assessed a \$500 penalty for recordkeeping lapses.

All fines levied by the City Ethics Commission are paid to the City of Los Angeles General Fund. The stipulated settlements approved by the Commission resolve all factual and legal issues without holding an administrative hearing. Copies of the stipulations can be accessed at the *Agendas and Minutes* page on the Commission's website at <http://ethics.lacity.org>.

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