
LOS ANGELES CITY ETHICS COMMISSION

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For Information:
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**CITY ETHICS COMMISSION LEVIES \$358,115 IN FINES
FOR CAMPAIGN FINANCE VIOLATIONS**

Action Today Includes Largest Individual Fine to Date in Political Money Laundering Case

At its monthly public meeting today, the Los Angeles City Ethics Commission unanimously approved 22 settlement agreements, levying fines totaling \$358,115 for violations of the City's campaign finance laws in connection with the 2001 and 2003 municipal elections. Fines approved today by the Commission include \$270,000 in penalties against real estate developer Mark Abrams for making a total of \$65,500 in contributions in the 2001 and 2003 elections to various City candidates, either through "assumed named" contributions by reimbursing others or by making contributions through companies he controlled, and for soliciting and accepting a \$25,000 contribution to help pay for an independent expenditure supporting mayoral candidate James Hahn in the 2001 runoff election. The penalty resulted from today's public hearing, at which the Commission determined that Abrams violated campaign finance laws of the City Charter as alleged in the public Accusation issued by the Commission staff on January 10, 2005. The penalty is the highest ever assessed by the Commission against an individual in a case assumed name contributions, commonly referred to as political money laundering.

"This case strikes at the heart of the democratic process," said Commission President Gil Garcetti. "This fine is the highest level of deterrence and punishment the Commission can levy."

In separate enforcement actions today, the Commission also approved 15 stipulations with fines totaling \$79,865 in penalties against 18 companies and individuals associated with Casden Properties, Inc., in connection with aiding and abetting or making "assumed name" contributions in connection with the 2001 municipal elections. In approving six separate stipulated settlements, the Commission assessed another \$8,250 in fines against six former employees and others affiliated with Abrams for their roles in acting as conduits for Abrams' laundered contributions.

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The levied fines 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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