
LOS ANGELES CITY ETHICS COMMISSION

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City Ethics Commission Levies \$81,773 in Fines for Campaign Finance Violations

At a public hearing today, the City Ethics Commission approved 33 stipulated settlements and levied a total of \$81,773 in fines for violations of the City's campaign finance laws related to the 2001 municipal elections. Mayor James Hahn's 2001 campaign committee and the committee treasurer David L. Gould were fined \$53,522.69 for 64 violations of City campaign finance laws, primarily for accepting campaign contributions in excess of the \$1,000 per person limit. The Commission also held accountable 32 contributors who made excess contributions to 2001 Mayoral candidates and accordingly, levied a combined total of \$28,250 in fines.

"I'm pleased that no evidence was presented that the violations were intentional," said Commission President Gil Garcetti. "As we move into another election cycle, I am committed to even more effective outreach because prevention is always preferable to prosecution."

In the settlement with the Commission, Hahn and Gould admitted to accepting monetary and non-monetary contributions for \$43,887 in excess of the contribution limit and failing to provide campaign literature and telephone scripts for the public's review in 13 instances as required. Hahn and Gould also admitted to using \$1,300 from the Mayor's officeholder account for advertising when such expenditures were not allowed because Hahn was a candidate for office; and to violating public disclosure laws by not providing full information about \$1,335 in expenditures for gifts and meals. Elected officials are permitted to collect limited private contributions to establish officeholder accounts to pay for expenses related to serving or communicating with constituents. These funds may not be used for campaign purposes.

The Commission also levied fines against 32 Mayoral contributors who were found to have made contributions above the legal limit. City law limits contributions to a candidate for Mayor to \$1,000 per person, per election. To prevent the limit from being circumvented, the law requires that under certain circumstances more than one contribution must be treated as from one source. Such circumstances include, for example, when contributions are made by an individual and a corporation in which the individual has more than a 50 percent ownership interest.

"A fair, uniform and transparent enforcement process is fundamental to preserving the integrity of the City's reform laws," said the Commission's Director of Enforcement Deena Ghaly. "The Commission's actions today helped achieve that."

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