LOS ANGELES CITY ETHICS COMMISSION

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PUBLIC ACCUSATION OF CAMPAIGN RECORD VIOLATIONS ISSUED AGAINST FORMER COUNCIL CAMPAIGN TREASURER BY ETHICS COMMISSION DIRECTOR

Proposed Settlement Agreement with Candidate Scheduled for Commission Action

In accordance with public disclosure procedures required by City law, a public accusation against former campaign treasurer Renita L. Smith was issued today by Los Angeles Ethics Commission Executive Director LeeAnn M. Pelham alleging that Smith was responsible for failing to retain or provide original source documentation for 486 contributions received and 324 expenditures made by the campaign of former Tenth District Council candidate Deron Williams during his 2003 primary election campaign, in violation of Charter §470(i). A proposed settlement agreement with Williams and his 10th Council District campaign committee, "Deron Williams for City Council," resolving his personal liability for those violations was released today as one of the agenda items to be considered by the Ethics Commission at its next regular meeting on March 11. The charges against Smith now go to the Commission for a procedural determination about how it will choose to hear the matter. Under the City Charter, the Commission has the responsibility to determine whether the alleged violations occurred, and if so, what penalty should apply. City Charter §706(e) authorizes the Commission to levy fines of up to \$5,000 for each violation or three times the amount that was failed to be reported, or that was unlawfully contributed or expended, whichever is greater. As in all cases referred to the Commission for an administrative hearing, the Respondents are presumed innocent of any violation of City law, unless and until such time that the violation is determined by the Commission at a public hearing.

Charter §470(i) requires a candidate, his or her controlled committee, and/or the committee's treasurer to maintain detailed accounts, records, bills and receipts as are necessary to prepare campaign statements; to retain those detailed records for the periods specified in the Political Reform Act of 1974, as amended; and to make them available to agencies for purposes including audits and investigations. Failure to provide those documents prevents independent verification that campaign statements fully and truthfully disclosed a campaign's contribution and expenditure activity.

The Commission and its staff may not comment on this matter until after a final determination has been made. For a copy of the Accusation or proposed stipulation, please contact the Commission at (213) 978-1960.

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