## LOS ANGELES CITY ETHICS COMMISSION

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## CITY ETHICS COMMISSION LEVIES \$20,000 IN FINES AGAINST LEASE HOLDER AT PORT OF LOS ANGELES

## Panel Approves Three Stipulations in Related Cases Involving Political Money Laundering

The Los Angeles City Ethics Commission today levied \$20,000 in administrative penalties against Trans Pacific Container Service Corporation ("TraPac"), a West Coast terminal operator and vessel stevedore that leases space at the Port of Los Angeles, and two of its vice presidents, in three related cases involving political money laundering in connection with the 2003 and 2005 municipal elections. In three separate stipulations approved today, TraPac was fined \$15,500, while two of its senior-level employees, Frank Pisano and Scott Axelson, were fined \$2,750 and \$1,750, respectively, for making assumed named contributions with TraPac funds in violation of Los Angeles City Charter Section 470(k) to the 2003 and 2005 re-election campaigns of three City candidates. According to the stipulations, TraPac acknowledged that it reimbursed Pisano and Axelson for political donations made in their names. At the time, TraPac was in the process of renegotiating its lease with the City.

Los Angeles City Charter section 470(k) prohibits contributions from being made in a name "other than the name by which they are identified for legal purposes" and prohibits persons from making contributions "of anything belonging to another person". Commonly known as political money laundering, assumed name contributions are considered serious violations of the law because they can circumvent the City's campaign contribution limits – which are intended to prevent any person from exercising undue influence over candidates or elections -- and deprives the public of information about the true source of a candidate's financial support.

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 <a href="http://ethics.lacity.org">http://ethics.lacity.org</a>.

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