Ethics Commission Imposes Fines Totaling $67,500 In Two Enforcement Actions

The Los Angeles City Ethics Commission (Commission) imposed fines in two separate enforcement cases today.

In the first case, the commissioners approved a stipulation fining Juan Carlos Jaramillo and his company, Financial Success, $45,000 for engaging in political money laundering during the 2011 City elections. Mr. Jaramillo solicited and reimbursed employees of Nick Pacheco Law Group, their relatives, and others for making contributions in their names to the Rudy Martinez for Council 2011 Committee. City law specifically prohibits contributions that are made in the name of anyone other than the source of the funds, because such contributions circumvent the City’s campaign contribution limits and conceal information from the public about who financially supports City candidates.

In the second case, the commissioners unanimously approved a stipulation imposing a fine of $22,500 against Onnik Mehrabian, and his companies Glendale Kia and International Television Network, Inc., for failing to comply with the City’s disclosure and disclaimer requirements for independent expenditure communications. Mr. Mehrabian paid for a large sign and a billboard supporting City Attorney candidate Carmen Trutanich during the 2013 election cycle. Neither the sign nor the billboard carried a disclaimer, and neither was timely reported to the Commission. City law imposes disclosure and disclaimer requirements on independent expenditure communications to help ensure the public is aware of who is spending money to influence City elections.

“The Commission’s actions today reaffirm its commitment to the robust enforcement of the City’s campaign finance laws,” said Neama Rahmani, the Ethics Commission’s Director of Enforcement. “Whether it is money laundering or independent expenditures, the Commission will investigate and enforce against those who attempt to conceal their election-related spending from the public.”

All fines imposed by the Ethics Commission are paid to the City’s general fund. Copies of enforcement actions and related decisions and orders can be obtained through the Ethics Commission’s website or by calling the Ethics Commission offices.

The City Ethics Commission was created by Los Angeles voters in 1990 to impartially administer and enforce the governmental ethics, campaign financing, and lobbying laws of the City of Los Angeles.