LOS ANGELES CITY ETHICS COMMISSION

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FOR IMMEDIATE RELEASE Thursday, August 13, 2009 CONTACT: David Tristan (213) 978-1960

TEN TRADE UNION PACS ACCUSED OF EXCESS CONTRIBUTIONS IN CONNECTION WITH AN INDEPENDENT EXPENDITURE OPPOSING A CITY CANDIDATE

Public Accusation Released Today by Los Angeles City Ethics Commission

Probable cause exists to believe that Plumbers Local No. 78 PAC violated City law by accepting nine contributions in the 2005 Primary municipal election in excess of the \$500 limit established by the Los Angeles City Charter, according to a public Accusation issued today by Los Angeles City Ethics Commission Executive Director, LeeAnn Pelham. The Accusation charges that Plumbers Local No. 78 PAC, a non-candidate controlled committee that raised funds and made an independent expenditure to oppose then mayoral candidate Robert Hertzberg during the City's 2005 Primary, violated Charter Section 470(c)(5) and LAMC Section 49.7.24 by accepting contributions in excess of allowable limits. In addition, the Accusation charges nine other committees with making contributions to Plumbers Local No. 78 PAC in excess of limits established in Charter Section 470(c)(5).

The nine committees charged with making an excess contribution to Plumbers Local No. 78 PAC are: International Brotherhood of Electrical Workers Local No. 11 PAC; Plumbers and Steamfitters Local Union No. 114 PAC; Plumbers and Steamfitters Local Union No. 398 PAC; Plumbers and Steamfitters Local Union No. 409 State & Local PAF (now Plumbers and Steamfitters Local Union No. 403 State & Local PAF); Plumbers and Steamfitters Local Union No. 484 PAC; Plumbers and Steamfitters Local Union No. 582 PAC; Plumbers and Steamfitters Local Union No. 761 PAC; Southern California Pipe Trades District Council No. 16 PAC; and Sprinkler Fitters United Association 709 PAC. The Accusation charges that these committees violated Charter Section 470(c)(5) when each made a payment to support City candidates at the behest of Plumbers Local No. 78 PAC in excess of the allowable limit.

Los Angeles City Charter Section 470(c)(5) limits contributions from any person to any non-candidate controlled committee supporting or opposing any candidate for Mayor, City Attorney, Controller, or City Council to \$500 per calendar year. It further prohibits any non-candidate controlled committee supporting a City candidate from accepting any contribution greater than \$500 from a single person in any calendar year. Additionally, Los Angeles Municipal Code Section 49.7.24 prohibits any committee that

makes independent expenditures supporting or opposing a City candidate from accepting any contribution in excess of the amounts set forth in Charter Section 470(c)(5).

The Accusation was announced today following Pelham's finding of probable cause and according to public disclosure procedures required by City law. The matter will now go to the agency's five-member Ethics Commission for an administrative hearing to determine if a violation occurred. Procedurally, the Commission may 1) conduct its own hearing, 2) hear the matter itself with a hearing officer presiding, or 3) refer the matter to a hearing officer for a preliminary recommendation. City Charter Section 706(c) authorizes the Commission to levy fines of up to \$5,000 for each violation or three times the amount improperly reported, unlawfully contributed, expended, given, or received, 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 proved in an administrative hearing held pursuant to Charter Section 706 (c).

The Commission and its staff may not comment on this matter until after a final determination has been made. A copy of the Accusation can be obtained by calling the Commission at (213) 978-1960.

The City Ethics Commission is a semi-independent agency created by Los Angeles voters in 1990 to impartially administer and enforce the governmental ethics, campaign finance, and lobbying laws of the City of Los Angeles. With a staff of 24 and an operating budget of \$2.2 million, the Commission conducts training, provides advice, audits political campaigns, and makes legislative recommendations. It also is authorized by the voters to conduct investigations and levy administrative penalties against violators of the laws under its jurisdiction. More information on the Commission and its mandate is available at http://ethics.lacity.org.