ETHICS COMMISSION IMPOSES FINES TOTALING $31,455 IN TWO EXCESS CONTRIBUTION CASES

The Ethics Commission unanimously approved stipulated orders at its meeting today, imposing fines totaling $31,455 in two enforcement cases involving violations of the $700 per-person limit on contributions made to a single candidate or officeholder.

In the first case, Joseph Kouba (Kouba) and Summit Media, LLC (Summit) each made contributions to the same four City Council campaign and officeholder committees between 2013 and 2015. Because Kouba holds a 50-percent ownership in Summit, those contributions must be aggregated and treated as having been made by a single person. The aggregated contributions exceeded the per-person contribution limit and would not have occurred without Kouba’s involvement. Kouba was fined $15,000 for the four excess contributions.

The second case involved Ingrid I.S. Lee (Lee), a real estate developer and sole managing officer for multiple real estate-related business entities, including Ceiland Coast, Inc.; Coastland Project LLC; Injae, LLC; and West-Cal Property Management Group. Since the 2013 election cycle, Lee personally contributed and also caused each of these business entities to contribute to the same four City Council campaign and officeholder committees. Because Lee wholly controlled the contribution activity of these entities and because three of the entities share the same majority directors, officeholders, shareholders, or members, the contributions must be aggregated and treated as having been made by a single person. The aggregated contributions exceeded the per-person contribution limit, and Lee was fined $16,455 for the four excess contributions and for causing the business entities to violate the campaign finance laws.

“Campaign finance contribution limits are an invaluable part of ensuring fair elections and impartial City decisions,” said Sergio Perez, Director of Enforcement. “Today’s decisions send a clear message that those limits will be treated seriously.”

In a stipulated order, the respondent must admit to engaging in the conduct that violated the law. All fines imposed by the Ethics Commission are paid to the City’s general fund. Copies of enforcement actions and related decisions and orders are available at ethics.lacity.org.

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