

## ETHICS COMMISSION IMPOSES FINE OF \$5,000 IN INDEPENDENT EXPENDITURE CASE

The Ethics Commission unanimously approved a stipulated order at its meeting today, imposing a fine of \$5,000 on the committee Angelenos for Safe Transportation PAC sponsored by L.A. Taxi Cooperative, Inc. and South Bay Cooperative, Inc. (Angelenos), and its principal officer Marco Soto (Soto). Angelenos and Soto admitted that they failed to incorporate disclaimers into two independent expenditure communications that they distributed during the 2017 election cycle, thereby denying the public information about who was responsible for the communications.

An investigation prompted by a whistleblower complaint revealed that Angelenos and Soto failed to include disclaimers on two separate independent expenditure communications supporting Los Angeles City Council candidates. An independent expenditure communication is a political communication that expressly advocates the election or defeat of a clearly identified City candidate and is not authorized, distributed, paid for, or behested by the affected candidate. LAMC § 49.7.2(L). A committee that makes or incurs independent expenditures of \$1,000 or more in a City election is required to incorporate the following disclaimer language into its communications:

“Paid for by [name, address, and city]. Not authorized by or coordinated with a City candidate or a committee controlled by a candidate. Major funding provided by [the two contributors who gave the most in the six prior months] in the amount of [amount of their combined contributions in the six prior months]. Additional information is available at [ethics.lacity.org](http://ethics.lacity.org).” Charter § 470(1); LAMC § 49.7.33(B)(1)-(4).

“The Ethics Commission places a high value on public disclosure,” said Kirsten Pickenpaugh, the Ethics Commission’s Deputy Director of Enforcement. “The penalty in this case shows that this priority applies to everyone who attempts to influence City elections.”

A committee and its principal officers are jointly and severally liable for violations of City law that are committed by the committee. LAMC § 49.7.38(F)(1). The maximum administrative penalty for a violation of the City’s campaign finance laws is the greater of \$5,000 per violation or three times the amount that was improperly reported, spent, or received. Charter § 706(c)(3).

All fines levied by the Ethics Commission are paid to the City’s general fund. Enforcement orders can be viewed and searched through the Ethics Commission’s [Public Data Portal](#).

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*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.*