

Los Angeles City Ethics Commission Announces Fines Totaling \$47,500 for Lobbying Disclosure Violations

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By Carol A. Laham and Karen E. Trainer

In February, the Los Angeles City Ethics Commission announced two fines totaling \$47,500 for violations of the Municipal Lobbying Ordinance. Both cases involved lobbyist employers that did not completely and accurately disclose lobbying activity. The Municipal Lobbying Ordinance requires entities that employ lobbyists to file quarterly reports disclosing information on lobbying expenses and activities.

Los Angeles Alliance for a New Economy (LAANE) was fined \$30,000 for failing to report \$175,000 in lobbying expenses as well as information on the issues lobbied. According to the stipulation and order, LAANE filed a total of 12 inaccurate quarterly lobbying reports that disclosed no expenses and no issues lobbied. In another case, the Hospital Association of Southern California (HASC) was fined \$17,500 for failing to report \$108,000 in lobbying expenses and for disclosing inaccurate information on the issues lobbied. HASC filed seven reports that initially listed no expenditures, one of which also listed inaccurate information on the issues lobbied.

Both entities cooperated with the Ethics Commission and filed amended reports to correctly disclose lobbying expenses and issues lobbied. Each fine was half of the maximum penalty that the Ethics Commission could have imposed based on the number of violations.

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According to media reports, representatives of both entities have indicated that the reporting errors were caused by a misunderstanding of the rules. These cases illustrate the importance of understanding applicable rules prior to engaging in lobbying activity in a particular jurisdiction.