

Los Angeles City

**ETHICS COMMISSION**

Presented to the

*Governance Reform  
Task Force*

*October 8, 2025*



*The Ethics Commission helps to preserve the public trust by promoting elections and government decisions that are fair, transparent, and accountable. The Ethics Commission shapes, administers, and enforces the City's laws regarding campaign financing, governmental ethics, and lobbying.*

*Established in 1990*

## **Charter Amendment H**

- ✓ Voters adopted the most comprehensive package of local governmental ethics laws in the country at the time.
- ✓ Created the Ethics Commission and charged it with overseeing governmental ethics, campaign financing, and lobbying in the City.

# *Amended in 2024*

## **Measure ER**

- ✓ Voters modified various provisions in Article VII of the Charter, which became effective 1/8/2025.
- ✓ Increased the maximum fixed administrative penalty from \$5,000 to \$15,000 for violating a law within the Ethics Commission's jurisdiction.
- ✓ Authorized outside counsel in certain enforcement scenarios.
- ✓ Established a \$7M minimum budget (adjusted annually to reflect revenue changes).
- ✓ Made other administrative changes.

# Goals of Ethics Laws

- ★ Integrity
  - ★ Impartiality
    - ★ Transparency
      - ★ Accountability

“Compliance, not prosecution, is the central goal of an ethics code, but to be truly effective the code must contain tough sanctions ....”

*Cowan Commission Report, 1989*

# *Leadership*

## **5 Commissioners**

- Appointed by Mayor, City Attorney, Controller, Council President, Council President Pro Tem.
- Staggered, five-year terms.
- Part-time, volunteer positions.

## **1 Executive Director**

- Appointed by commissioners.
- Conducts day-to-day business.
- Hires and oversees staff.

## *Fiscal Year 2025-26 Numbers*

- **46** full-time staff positions
  
- **\$7M** budget
  - *Mandatory appropriation, starting this fiscal year.*
  - *Adjusted annually to reflect changes in revenues.*
  
- **\$23M** in matching funds
  - *Mandatory appropriation (\$4,152,900 this fiscal year).*
  - *Adjusted annually to reflect changes in CPI.*

## Program: Governmental Ethics

- Financial disclosure
- Recusals / recusal reviews
- Gifts and travel
- Officeholder accounts
- Revolving door
- Outside employment
- Misuse of authority/city resources
- Political activities

*\*\*City Attorney handles conflicts.*

# Program: Lobbying

## **Lobbying Entities**

- Lobbyist *(30+ hours of compensated lobbying in 3 mos.)*
- Lobbying firm *(paid \$1,000+ and owner/employee is lobbyist)*
- Lobbyist employer *(employ in-house lobbyist)*

## **Registration**

- Required annually.
- Fees: \$450/lobbyist; \$75/client.
- As of 6/30/25: 729 lobbyists, 171 firms, 1,905 clients, and 129 employers.

## **Reporting**

- Required quarterly for lobbying entities, major filers.

## Program: Contracts

- **City departments** must quarterly disclose their procurement processes, bidders, contractors.
- **Bidders** must disclose their principals and subcontractors when bidding on certain contracts.
- **Bidders** cannot make campaign contributions or engage in prohibited fundraising from date of bid until contract is awarded (or 12 months later for successful bidders).
  - ✓ *If City Council approves contract, applies to all candidates.*
  - ✓ *If Citywide office approves contract, applies to candidates for that office.*

## Program: Developers

- **Restricted developers** (applicants and property owners) must disclose themselves and their principals when they apply for a significant planning entitlement.
  - ✓ *A planning application is not complete until the disclosure has been filed with the Ethics Commission.*
- **Restricted developers and their principals** cannot make campaign contributions to candidates for Mayor, City Attorney, or City Council from date of application until 12 months after a final decision on the application is made.

## Program: Campaign Financing

The raising and spending of **campaign funds** by City and LAUSD candidates is regulated.

- *Most limits and amounts are adjusted annually to reflect changes in CPI.*

### **Contribution Limits**

A person may not give a candidate more than the following cumulative amounts in a 2026 primary or general election:

- City Council..... \$1,000
- LAUSD..... \$1,500
- Citywide..... \$1,800

## Program: Campaign Financing

Some contributions are **prohibited**.

Prohibition	City	LAUSD
Contribution made in the name of someone other than the true source.	X	X
Contribution from a foreign national.	X	X
Contribution of \$500+ from a party to an entitlement proceeding before the candidate for 12 months after decision.	X	X
Contribution from lobbyist or lobbying firm required to register to lobby the office the candidate seeks or holds.	X	
Contribution from bidder, contractor, or subcontractor on certain contracts valued at over \$100,000, depending on who approves the contract.*	X	
Contribution from developer or other party to certain significant planning entitlements (does not apply to candidates for Controller).*	X	

*\*Prohibition applies to contributor.*

## Program: Campaign Financing

Candidates must **disclose** their campaign activity.

- Contributions and contributors.
- Expenditures and vendors.
- Communications.
  - ✓ *Disclaimer on the communication, itself.*
  - ✓ *Copy of communication sent to 200+.*

## Program: Matching Funds

- **Effective** with 1993 elections.
- **Voluntary** program for City candidates.
- **Qualification requirements** apply, such as:
  - ✓ Raising threshold amount from City residents.

2026 City Council:	\$14,300
City Attorney / Controller:	\$38,600
Mayor:	\$77,100
  - ✓ Raising \$5 contributions from 100 individuals residing in the council district or City.
  - ✓ Limiting personal funds.
  - ✓ Limiting campaign spending.
  - ✓ Participating in a debate.

## Program: Matching Funds

- City candidates may receive public money as a match to qualified contributions from City residents.
- Up to \$143 (Council) or \$257 (Citywide) per contributor may be matched.
- 6 public dollars are paid for each matchable private dollar.
- The amount each candidate may receive is limited.

<b>MAXIMUM FUNDING: 2026 ELECTIONS</b>		
<b>Office</b>	<b>Primary Election</b>	<b>General Election</b>
<b>Mayor</b>	\$1,257,000	\$1,507,000
<b>City Attorney</b>	\$566,000	\$659,000
<b>Controller</b>	\$503,000	\$566,000
<b>City Council</b>	\$189,000	\$236,000

## Mandate: Education

- **Trainings**

- Mandatory for candidates, treasurers, City officials, lobbyists.

- **Advice**

- Regulate tens of thousands of persons.

- **Publications**

- Website.
- Guides, brochures, videos, etc.
- Interactive dashboards.

## Mandate: Disclosure

### **27,000+ Filings Each Year**

- Campaign contributions and expenditures
- Independent expenditures
- Political communications
- Lobbying activity
- Procurement processes
- Planning entitlements
- Statements of economic interests

# Mandate: Disclosure

## Online Filing Systems

- Four proprietary systems:
  - Campaign finance
  - Lobbying
  - Bidders/contractors
  - Developers
  
- One leased system
  - Statements of economic interests
  
- Filings and data searchable via Public Data Portal

## Mandate: Policy

- **Analyze** data
- **Solicit** public input
- **Adopt** policies and procedures
- **Recommend** legislative changes

# Mandate: Enforcement

- **Audits**
- **Investigations**
  - ✓ Complaint hotline required.
  - ✓ Subpoena power; 4-year statute of limitations; comprehensive procedural safeguards.
  - ✓ Administrative penalties up to the greater of \$15,000 per count or 3x amount at issue.
  - ✓ Coordinate with DA, DOJ, and other law enforcement agencies.



Los Angeles City  
**ETHICS COMMISSION**

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