



THE CITY OF SAN DIEGO
PRESS RELEASE

Ethics Commission

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**ETHICS COMMISSION ANNOUNCES SETTLEMENT
WITH CITY COUNCILMEMBER TONY YOUNG
CONCERNING VIOLATIONS OF CAMPAIGN LAWS**

Stacey Fulhorst, Executive Director of the City of San Diego Ethics Commission, announced today the Commission's approval of a stipulated settlement agreement with Tony Young, the City Councilmember who represents City Council District 4. Councilmember Young has agreed to pay a fine of \$10,000 for several campaign law violations, the most serious being his failure to timely pay two vendor debts incurred in connection with his election to office in the January 2005 special runoff election.

At the time these debts were incurred, City law required candidates to pay their campaign debts within 90 days (the law was subsequently changed to extend the time limit to 180 days). The Commission's investigation reveals that Councilmember Young agreed to pay "win bonuses" of \$20,000 and \$10,000 to two consultants who provided services to his campaign committee. One consultant was not paid in full until June of 2006, approximately eighteen months after the January 2005 election. The other consultant was not paid in full until February of 2006, more than thirteen months after the January 2005 election.

Ms. Fulhorst explained that the practice of soliciting and accepting contributions to pay campaign debts long after an election is contrary to public policy because it typically involves people making contributions and hosting fundraisers who may have business pending before the City Council. According to Fulhorst, "It suggests that the fundraisers and contributors may be attempting to curry favor with the elected official." Although this special election was called on relatively short notice,

Ms. Fulhorst noted that Councilmember Young was well aware of the City’s vendor debt provisions.

In the settlement agreement, Councilmember Young acknowledged that he also violated other provisions of the City’s campaign laws, including allowing someone other than himself or his campaign treasurer to sign many of his campaign committee’s disbursement checks, and failing to retain copies of supportive documentation for several vendor payments. Ms. Fulhorst stated that “these campaign laws are designed to ensure that campaign contributions and expenditures are subject to proper accounting rules. When these rules are not followed, the public loses confidence that campaign funds are being spent appropriately.”

Finally, according to the settlement agreement, six campaign mailers distributed by Councilmember Young did not include a proper “paid for by” disclosure in that the disclosure was printed in a much smaller type size than required by law. In addition, one mailer did not include any “paid for by” disclosure. Ms. Fulhorst observed that the “paid for by” disclosure is intended to make certain that the public receives information regarding the identity of persons who pay to disseminate campaign materials.

The Commission Chair, Dorothy Leonard, commented that the Commission felt that the amount of the fine was appropriate in light of all the underlying facts. In particular, she explained that Councilmember Young had an unusually short amount of time to prepare for the special election that took place after the death of former Councilmember Charles Lewis, and was unable to retain any of the City’s top campaign treasurers. Ms. Leonard also observed that Councilmember Young began working with his campaign staffers to retire the Committee’s debts immediately after the January 2005 election, and had made substantial progress before he was contacted by the Ethics Commission. Finally, Commissioner Leonard noted that Councilmember Young was a novice candidate who naively agreed to pay win bonuses to his consultants based on their representations that they would raise the funds necessary to pay the bonuses in a timely manner. Commissioner Leonard observed that, “Without these factors in mitigation, it is likely the fine would have been substantially higher.”

Ethics Commission fines are paid to the City of San Diego’s General Fund. The stipulated settlements approved by the Commission resolve all factual and legal issues without the necessity of holding an administrative hearing.

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