

Ethics Commission

FOR IMMEDIATE RELEASE

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CONTACT:

Charles B. Walker, Ethics Commission
Executive Director, (619) 533-3476

Ethics Commission Announces Resolution with Councilman Byron Wear *Stipulation Reached Resolving Issues Regarding Vendor Debt of the Wear for Mayor Committee*

SAN DIEGO Dorothy Leonard, Chairperson of the San Diego Ethics Commission, announced today that on November 7, 2002, the Commission approved a stipulation that resolves all factual and legal issues between the Commission and the Wear for Mayor Committee. Councilman Byron Wear's committee had been the subject of a Commission investigation into settlement and late payment of vendor debt in July 2001. The investigation focused on allegations the Wear for Mayor Committee failed to pay debts accrued during the March 2000 primary campaign within the time provided under City law, and that one debt was settled for less than the original contract price, contrary to the City's Elections Campaign Control Ordinance [ECCO].

Councilman Wear's Cooperation Cited

Leonard said Councilman Wear, "Cooperated fully with the Ethics Commission staff in assisting with the investigation." Leonard noted that, "Councilman Wear demonstrated to us he made earnest efforts to retire his campaign debts but was unable to do so, and ultimately loaned personal funds to his campaign to retire the committee's debts." Under the resolution agreed to, Councilman Wear stipulated he violated the rule that vendor debt must be retired within 90 days, and stipulated that settling a vendor debt for less than the contract price violated the contribution limit provided under ECCO. Leonard noted that, "Although ECCO provides that campaign debt may be renegotiated where there is a "good faith dispute," Councilman Wear mistakenly believed renegotiation was permissible when a candidate discovers the agreed upon price exceeds that paid by other candidates for the same goods and services." The reduced debt at issue advertised Wear's mayoral candidacy in a slate mailer distributed to voters. Prices charged to other candidates featured in the mailer were significantly less than that charged to Wear.

Vendor Debt Rules Have Never Been Previously Enforced or Interpreted by the City

Leonard said the stipulated settlement acknowledges that, "The exact meaning of the provisions of ECCO at issue have never been interpreted or enforced by any formal opinion of the City Clerk, the

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City Attorney or the Ethics Commission." Under ECCO's current language, even a candidate who has no willful purpose to violate the 90-day rule or to improperly compromise a vendor debt, can still be found in violation of the ordinance. Leonard said, "There are issues and problems with reconciling San Diego's local law with the requirements imposed by the State - state law allows candidates to close their committees with debt on the books." Leonard also said, "The Ethics Commission intends to hold a series of workshops to explore changes to the law and to bring those recommendations forward to the City Council for consideration." The real value of the settlement, says Leonard, is that the stipulation provides clarity for other candidates who must comply with ECCO.

Councilman Wear Praises Ethics Commission

Councilman Wear praised the dedication and professionalism of the Ethics Commission, and their willingness to fairly consider the facts. "From the beginning, my goal was to fully comply with the law, and I ultimately cashed out retirement funds to obtain money to retire the Wear for Mayor debt. I am pleased the Commission recognized this administrative violation was based on a mistaken understanding of the ordinance, not on willful misconduct." Councilman Wear added, "I hope that by stepping forward to settle this matter and thereby being the first candidate against whom these two provisions of ECCO have ever been enforced, my experience will serve to educate other candidates and the public regarding the City's campaign rules." Wear also said, "I am extremely grateful that the Commission and I have been able to work together in a good faith effort to resolve this matter. Much credit for this result goes to the Commission, Mr. Walker, and his staff."

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