



## **NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

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### **ETHICS COMMISSION LEVIES FINES TOTALING \$35,000 IN CAMPAIGN MONEY LAUNDERING CASES**

Stacey Fulhorst, Executive Director of the City of San Diego Ethics Commission, announced today the Commission's approval of four stipulations in two cases involving campaign money laundering. In the first case, the Commission approved a settlement imposing a \$20,000 fine against Amir Iravani, the owner of NK Towing and Roadside Services, for laundering campaign contributions to the Bonnie Dumanis for Mayor 2012 committee. Iravani solicited and illegally reimbursed four employees for contributions totaling \$2,000 made in their names between January and March 2012.

In the second case, the Commission approved stipulations involving three individuals associated with Ernesto Encinas, the owner of Coastline Protection and Investigations. The Commission imposed a \$5,000 fine against each individual. According to Ms. Fulhorst, these individuals agreed to participate in a money laundering scheme by accepting cash from Encinas to serve as "straw donors" and make contributions in their own names to the Bonnie Dumanis for Mayor 2012 committee on December 31, 2011.

The City's campaign laws expressly prohibit contributions made in the name of anyone other than the true source of the funds because such contributions circumvent the City's contribution limits and deprive the voters of valuable information regarding the financial supporters of City candidates. In light of the seriousness of the violations, the Commission imposed the maximum penalty of \$5,000 per violation in all four stipulations.

"Campaign money laundering undermines the integrity of the City's elections," said Clyde Fuller, the Commission's Vice Chair. "As evidenced by the stipulations approved today, anyone who participates in this illegal practice will be held accountable."

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. Stipulations can be viewed on the Commission's website at <http://www.sandiego.gov/ethics/documents/stipulations.shtml>.

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