

CLOSING MEMORANDUM

TO: FILE

FROM: ALAN YOCHELSON, Head Deputy
PUBLIC INTEGRITY DIVISION

SUBJECTS: NURY MARTINEZ
GERALDO GUZMAN
JAMES DANTONA
P18-0174

DATE: SEPTEMBER 20, 2019

I. INTRODUCTION

Nury Martinez (“Martinez”) is currently the Los Angeles City Council member for the 6th District. She was first elected in 2013 and re-elected in 2015. We investigated an allegation that Martinez’s 2015 campaign defrauded the Los Angeles Ethics Commission out of over \$60,000 in campaign matching funds. After reviewing the evidence, we conclude that there it is insufficient evidence to file criminal charges.

II. SUMMARY OF FACTS

Martinez’s principal campaign opponent in the 2013 and 2015 City Council elections was Cindy Montanez. Gerardo Guzman (“Guzman”) is Martinez’s husband and effectively her campaign manager. Guzman also works as a political consultant through his company G7 Strategy Group (“G7”). James Dantona is Martinez’s Chief of Staff and assisted with the management of Martinez’s 2015 campaign for City Council.

Martinez’s 2015 campaign applied for and received over \$65,000 in matching funds from the City of Los Angeles based on numerous small (typically \$5) donations from individuals within the district. While our investigation proved that some of the \$5 donations were not made by the purported donor, the evidence was insufficient to prove who was ultimately responsible.

We also reviewed the results of audits conducted by the Los Angeles City Ethics Commission (Ethics Commission). The Ethics Commission audited Martinez’s 2015 campaign committee (“Nury Martinez for City Council 2015”) and her officeholder committee (“Nury Martinez for City Council 2013 Officeholder Account”). The audits reviewed the committees’ contribution and expenditure activity during the 2015 election cycle. “Audit Findings” are described as a “failure to comply with state or City law.” Here, the auditors concluded that “[Martinez’s committees] did not have any material findings.”

III LEGAL ANALYSIS

In a criminal case, the prosecution bears the burden of proving each element of the offense beyond a reasonable doubt. Here, although our investigation showed discrepancies in the donor reports, we are unable to determine whether they are the result of fraud or simply poor record keeping. Further, there is no evidence linking these discrepancies to Martinez, Guzman or Dantona. Finally, the city auditors' examination of the campaign records showed no material violation of law. Under these circumstances, a criminal prosecution cannot be sustained.

This matter is closed.