



## TEXAS ETHICS COMMISSION MEETING MINUTES

April 4, 2008, 8:52 a.m.

Capitol Extension, Room E1.010, Austin, Texas 78701



**COMMISSIONERS PRESENT:** Tom Harrison, Chair; Ross Fischer, Vice Chair; Raymond R. "Tripp" Davenport, III; Wilhelmina Delco; Jim Graham; Paula M. Mendoza; David Montagne; and Nicholas C. Taylor.

**COMMISSIONERS ABSENT:** None.

**STAFF PRESENT:** Natalia L. Ashley, Amy Barden, Margie Castellanos, Homer Diaz, Robbie Douglas, Sharon Finley, Glenn George, Brad Johnson, Becky Levy, Mike McElhaney, Sandy Mitchell, David A. Reisman, Veronica Scott, Tim Sorrells, Ian Steusloff, and Mary Young.

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### MINUTES

This meeting was tape recorded. These minutes are a summary record of the commission's actions at the meeting. For a detailed record of discussions and statements made by persons speaking at the meeting, please consult the audio tapes on file at the commission's office.

**Agenda Item 1: Call to order; roll call.**

The meeting was called to order by Chair Harrison. David A. Reisman, Executive Director, called the roll. All commissioners were present.

**Agenda Item 2: Communication to the commission from the public.**

None.

**Agenda Item 3: Comments by the commissioners.**

Chair Harrison welcomed Commissioner Delco to the Texas Ethics Commission. Chair Harrison and David A. Reisman, Executive Director, met with the Governor's Office of Budget and Planning to request more funds for the Ethics Commission as a result of the increase in sworn complaints.

**Agenda Item 4: Comments by the executive director.**

David A. Reisman, Executive Director, made the following comments:

1. Mr. Reisman briefed the commissioners on the second quarterly report, a table of sworn complaints filed since calendar year 2000, and a graph of sworn complaints filed in calendar year 1999 through March 31, 2008.
2. Personal financial statements are due on April 30, 2008. Commissioners will not automatically receive an extension and will need to notify staff if one is needed.

**Agenda Item 5: Approve minutes of the February 12, 2008, meeting.**

Motion by Commissioner Davenport to adopt the February 12, 2008, meeting minutes; second by Commissioner Mendoza. Motion passed by a vote of eight ayes.

**Agenda Item 6: Presentation and discussion regarding the budget and financial operations of the Texas Ethics Commission; Mike McElhaney, Director of Finance and Administration.**

Mike McElhaney, Director of Finance and Administration, and David A. Reisman, Executive Director, briefed the commission on this agenda item. The Texas Ethics Commission will be audited by the Civil Rights Division of the Texas Workforce Commission in May 2008.

**Agenda Item 7: Discussion and possible action on the approval of a format for electronic filing of campaign finance reports, as proposed by the City of Dallas.**

Deborah Watkins, City Secretary, City of Dallas, spoke before the commission. Motion by Vice Chair Fischer to approve the format for electronic filing of campaign finance reports as proposed by the City of Dallas and that paper copies be made available to the public upon request; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **The City of Dallas's proposal is adopted on Agenda Item 7.**

**Agenda Item 8: Report from the subcommittee on the City of Houston's request for the Texas Ethics Commission's electronic filing system and possible action.**

Commissioner Davenport briefed the commission on this agenda item. Motion by Vice Chair Fischer to develop a proposal for a central electronic filing system and include the proposal in the commission's task force recommendations to the legislature; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Motion is adopted to develop a proposal for a central electronic filing system and to include the proposal in the commission's task force recommendations to the legislature.**

**For Agenda Items 9 and 10, the following represents the actions taken by the Ethics Commission in the order they occurred during the meeting.**

**Agenda Item 9: Briefing, discussion, and possible action to waive or reduce certain penalties assessed for late filing of campaign finance reports, lobby reports, or personal financial statements.**

41. Albert 'Al' Edwards, Candidate, State Representative (00019917)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Al Edwards spoke before the commission. **The late-filing penalty for Agenda Item 9, number 41, stands due to lack of a motion.**

57. Randy K. Weber, Candidate, State Representative (00060132)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Brian Gilbert, Accountant, spoke before the commission on behalf of Randy K. Weber. Motion by Commissioner Davenport to waive the late-filing penalty for Agenda Item 9, number 57; second by Commissioner Montagne. Motion passed by a vote of eight ayes. **Waiver of the late-filing penalty is adopted on Agenda Item 9, number 57.**

1. Stephen I. Adler, Treasurer, Friends Of Darlene Byrne 2000 (00041401)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
2. Ronald J. Booker, Candidate, State Representative (00057962)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
3. Richie Floyd, Treasurer, 'PFFCEG' Plano Fire Fighters Committee for Effective Government (00053822)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
4. Sarah J. Hudson, Treasurer, 'FIT' Faith in Texas Fund (00060552)  
Report: 8-day pre-election report due February 25, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
5. Antonio M. Rodriguez, Candidate, District Judge (00032177)  
Report: 8-day pre-election report due February 25, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
6. David C. Walker, Treasurer, Texans for Ron Booker (00057985)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
7. Vivian L. Wood, Treasurer, 'WCRW' Williamson County Republican Women – PAC (00016604)  
Report: 8-day pre-election report due February 25, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

8. Carol A. Walker, Treasurer, Republican Women Of Gregg County (00016015)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
9. Sarah Baker, Lobbyist (00057261)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
10. Howard Barton, Candidate, County Party Chair (00063293)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
11. Michael H. Campbell, Treasurer, GEICO TEXAS PAC (00058842)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
12. Brian Cassidy, Lobbyist (00035794)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
13. Andy M. Chatham, District Judge (00058203)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
14. Conservative Study Committee, Legislative Caucus (00059924)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
15. Daniel A. Dodd, Chair, Collin County Democratic Party (P) (00024032)  
Report: semiannual political party report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
16. Mary E. Kelly, Lobbyist (00050801)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

17. Margaret N. Lloyd, Lobbyist (00053149)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
18. Stephen C. Maxwell, Candidate, County Party Chair (00052640)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
19. Marlene S. McMichael, Lobbyist (00053320)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
20. Nancy J. Moffat, Candidate, State Representative (00020479)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
21. James A. Passamano, Candidate, District Judge (00063076)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
22. Alberto Rivera, Treasurer, 'H.C.D.O.' Harris County Deputies Org. (00016580)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
23. Andrew Scheberle, Lobbyist (00057531)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
24. Robert C. Werstler, Treasurer, 'TQHA/PAC' Texas Quarter Horse Assn. PAC (00017209)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
25. Evelyn L. Winn, Treasurer, 'LARW' Lubbock Area Republican Women PAC (00029579)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Montagne to adopt staff's recommendations on Agenda Item 9, numbers 1 through 25; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 9, numbers 1 through 25.**

26. Larry B. 'Blake' Bailey, Candidate, State Representative (00063133)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$100

Motion by Commissioner Davenport to adopt staff's recommendation on Agenda Item 9, number 26; second by Commissioner Graham. Motion passed by a vote of eight ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 9, number 26.**

27. Armando G. Barrera, Candidate, District Attorney (00061532)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
28. Kenneth D. Franks, Candidate, State Representative (00062486)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
29. Edward S. 'Ed' Hubbard, Candidate, Court of Appeals Justice (00062304)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
30. Michael Jergins, District Judge (00041335)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
31. William C. 'Bud' Kirkendall, District Judge (00020348)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
32. Jodie A. Laubenberg, State Representative (00051273)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

33. Dora F. Olivo, State Representative (00032407)  
Report: personal financial statement due February 11, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Graham to adopt staff's recommendations on Agenda Item 9, numbers 27 through 33; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 9, numbers 27 through 33.**

34. Armando G. Barrera, Candidate, District Attorney (00061532)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

35. Carolyn J. Belk, Lobbyist (00055103)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

36. Anita Y. Bradberry, Lobbyist (00014976)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

37. Christopher Copeland, Lobbyist (00037698)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

38. Johnny M. Cowan, Lobbyist (00053746)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

39. Carla J. Cox, Lobbyist (00013288)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

40. James P. 'Patriot' Dillon, Candidate, State Representative (00060120)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

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42. Tommy Engelke, Treasurer, 'TACC PAC' Texas Agricultural Cooperative Council PAC (00017363)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
43. Jesse W. Gore, Candidate, State Representative (00062503)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
44. Jeffrey E. Heckler, Lobbyist (00040150)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
45. Ken Hodges, Lobbyist (00043000)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
46. Suzanna G. 'Suzy' Hupp, Candidate, State Representative (00032746)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
47. Robert J. King, Treasurer, Good PAC (00052861)  
Report: 8-day pre-election report due February 25, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
48. Julie K. Klumpyan, Lobbyist (00032764)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
49. Randal Kuykendall, Lobbyist (00053685)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
50. Juan J. Maldonado, Candidate, County Party Chair (00055110)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty



51. Lyda Anastasia Ness-Garcia, Candidate, District Judge (00061857)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
52. P. Allan Port, Treasurer, Amegy Bank Political Action Committee (00024835)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
53. Vera Denise Rose, Lobbyist (00059333)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
54. Anastasia Semos, Lobbyist (00055958)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
55. Paul Terrill, Lobbyist (00057423)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
56. Carla C. Vela, Candidate, County Party Chair (00058597)  
Report: 8-day pre-election report due February 25, 2008  
Penalty: \$1,100  
Staff recommendation: no waiver of the late-filing penalty

Motion by Vice Chair Fischer to adopt staff's recommendations on Agenda Item 9, numbers 34 through 40, and 42 through 56; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 9, numbers 34 through 40, and 42 through 56.**

58. Maria Luisa Alvarado, Candidate, Lieutenant Governor (00057429)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$100
59. A. Scott Anderson, Lobbyist (00013637)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250

60. Manuel J. Barraza, Candidate, Criminal District Court Judge (00062515)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
61. Amos L. Barton, Candidate, District Attorney (00061974)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
62. Jesus 'Jesse' Contreras, Candidate, District Judge (00062099)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
63. C. Coleman G. Edmunds, Treasurer, AutoNation, Inc. Political Action Committee (00057861)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
64. Jose Roberto 'Bobby' Flores, District Judge (00054826)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
65. Rolando 'Rolie' Garza, Candidate, District Attorney (00062306)  
Report: semiannual report due January 15, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
66. Marlene Gonzalez, Candidate, District Judge (00062864)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
67. Aloysius Hoang, Candidate, District Judge (00063357)  
Report (a): 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
- Report (b): 8-day pre-election report due February 25, 2008  
Penalty: \$1,500  
Staff recommendation: reduction of the late-filing penalty to \$600
- Total penalties: \$2,000      Total recommended penalties: \$600

68. Jim Marston, Lobbyist (00012980)  
Report: lobby activities report due January 10, 2008  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
69. Antonio Rosas, Treasurer, 'CMPOA' Combined Metro Police Officers Association (00051472)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$100

Motion by Vice Chair Fischer to adopt staff's recommendations on Agenda Item 9, numbers 58 through 69; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 9, numbers 58 through 69.**

**Agenda Item 10: Briefing, discussion, and possible action to waive or reduce late-filing penalties in connection with certain corrected reports or to determine whether certain corrected reports as originally filed substantially complied with the applicable law.**

1. Doloris A. LaJoie, Treasurer, 'DPCC' Democratic Party of Collin County (CEC) (00054753)  
Report: 8-day pre-election report due October 29, 2007  
Penalty: \$10,000  
Staff recommendation: that the original report substantially complied with the applicable law
2. David C. Searle, Treasurer, 'RCPAC' R Club PAC (00031537)  
Report: 8-day pre-election report due October 29, 2007  
Penalty: \$9,900  
Staff recommendation: that the original report substantially complied with the applicable law

Motion by Commissioner Davenport that the original report substantially complied with the applicable law on Agenda Item 10, numbers 1 and 2; second by Commissioner Montagne. Motion passed by a vote of eight ayes. **The report substantially complied with the applicable law is adopted on Agenda Item 10, numbers 1 and 2.**

3. Spencer Berthelsen, Treasurer, 'MDPAC' Medical Defense PAC (00063193)  
Report: special pre-election report of contributions due February 27, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
4. Gladys E. 'Terri' Hodge, State Representative (00032165)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
5. Bob Leonard, Jr., Candidate, State Representative (00014532)  
Report: 8-day pre-election report due October 29, 2007  
Penalty: \$8,200  
Staff recommendation: waiver of the late-filing penalty

6. Elliott Naishtat, State Representative (00020642)  
 Report: personal financial statement due April 30, 2007  
 Penalty: \$500  
 Staff recommendation: waiver of the late-filing penalty

Motion by Vice Chair Fischer to adopt staff's recommendations on Agenda Item 10, numbers 3 through 6; second by Commissioner Taylor. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 10, numbers 3 through 6.**

7. David White, Treasurer, Texas Psychology PAC (00016388)  
 Report: 8-day pre-election report due February 25, 2008  
 Penalty: \$1,300  
 Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Graham to adopt staff's recommendation on Agenda Item 10, number 7; second by Commissioner Mendoza. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda Item 10, number 7.**

8. Rafael M. Anchia, State Representative (00054808)  
 Report (a): semiannual report due January 17, 2006  
 Penalty: \$500  
 Staff recommendation: no waiver of the late-filing penalty
- Report (b): semiannual report due July 17, 2006  
 Penalty: \$9,000  
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- Report (c): 8-day pre-election report due October 30, 2006  
 Penalty: \$10,000  
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- Total penalties: \$19,500                      Total recommended penalties: \$2,500

Motion by Commissioner Mendoza to adopt staff's recommendations on Agenda Item 10, number 8; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 10, number 8.**

**Agenda Item 11: Discussion and possible action regarding the termination of a campaign treasurer appointment of an inactive political committee.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Taylor to adopt staff's recommendation on Agenda Item 11; second by Commissioner Delco. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda Item 11.**

**Agenda Item 12: AOR 543: Whether an elected judge may use political contributions to compensate a court employee under the judge's supervision for lost vacation time, and if so, whether the judge may use personal funds for that purpose with the intent to seek reimbursement from political contributions.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Davenport to adopt staff's recommendation on Agenda Item 12; second by Commissioner Delco. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda Item 12.**

**Agenda Item 13: Public discussion and possible action on the adoption and publication in the Texas Register of Ethics Commission Rule § 20.50 (Total Political Contributions Maintained), relating to the reporting of the total amount of political contributions maintained as of the last day of the reporting period for purposes of sections 254.031(8) and 254.0611(a)(1) of the Election Code.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Gardner Pate, Attorney, spoke before the commission. Brian Gilbert, Accountant, spoke before the commission. Motion by Vice Chair Fischer to republish with changes for public comment in the Texas Register on Agenda Item 13; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Agenda Item 13 to be republished in the Texas Register for comment.**

**Reconsider Agenda Item 9, number 40.**

40. James P. 'Patriot' Dillon, Candidate, State Representative (00060120)  
Report: 30-day pre-election report due February 4, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Motion by Vice Chair Fischer to reconsider Agenda Item 9, number 40; second by Commissioner Davenport. Motion passed by a vote of eight ayes. James P. Dillion spoke before the commission. Motion by Vice Chair Fischer to reduce the \$500 late-filing penalty to \$50; second by Commissioner Davenport. Motion passed by a vote of seven ayes. Commissioner Davenport was off the dais. **Reduction of the late-filing penalty to \$50 is adopted on Agenda Item 9, number 40.**

**Agenda Item 14: Public discussion and possible action on the adoption and publication in the Texas Register of an amendment to Ethics Commission Rules §§ 34.45 (Entity Registration), 34.85 (Individual Reporting Expenditure by Entity), and 34.65 (Compensation Reported by Lobby Firm Employee), relating to reporting requirements by a lobbyist or an entity.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Jack Gullahorn, Attorney, Professional Advocacy Association of Texas, spoke before the commission. James P. Dillion spoke before the commission. Patrick Dudley, Chief Clerk of the House Committee on Elections, spoke before the commission. Edward Shack, Attorney, spoke before the commission. Motion by Commissioner Davenport to postpone until the next commission meeting; second by Commissioner Taylor. Motion passed by a vote of eight ayes. **Agenda Item 14 is postponed until the next commission meeting.**

**Agenda Item 15: Public discussion and possible action on the adoption and publication in the Texas Register of an amendment to Ethics Commission Rule § 34.11 (Attribution of Expenditure to More Than One Person; Reimbursement of Lobby Expenditure), relating to the reporting of a lobby expenditure attributed to more than one person.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Vice Chair Fischer to adopt and publish in the Texas Register Ethics Commission Rule § 34.11; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Ethics Commission Rule § 34.11 is adopted.**

**Agenda Item 16: Public discussion and possible action on the adoption and publication in the Texas Register of rules implementing conflict of interest provisions of H.B. 3560, 80th Legislature, Regular Session, that relate to the Texas Facilities Commission.**

David A. Reisman, Executive Director, briefed the commission on this agenda item. Motion by Vice Chair Fischer to adopt Agenda Item 16; second by Commissioner Davenport. Motion passed by a vote of eight ayes. **Conflict of Interest Rules relating to the Texas Facilities Commission are adopted.**

**Agenda Item 17: Public discussion and possible action on the adoption and publication in the Texas Register of rules implementing conflict of interest provisions of H.B. 3560, 80th Legislature, Regular Session, that relate to conflict of interest requirements for the chief clerk or any other employee of the Comptroller.**

David A. Reisman, Executive Director, briefed the commission on this agenda item. Motion by Vice Chair Fischer to adopt Agenda Item 17; second by Commissioner Graham. Motion passed by a vote of eight ayes. **Conflict of Interest Rules relating to the Texas Comptroller of Public Accounts and employees of the Comptroller are adopted.**

**Agenda Item 18: Public discussion and possible action on the adoption and publication in the Texas Register of an amendment to Ethics Commission Rule § 34.21 (Contingent Fees for Influencing Purchasing Decisions), relating to contingent fees.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Jack Gullahorn, Attorney, Professional Advocacy Association of Texas, spoke before the commission. James P. Dillion spoke before the commission. Motion by Commissioner Davenport to postpone until the next commission meeting; second by Commissioner Mendoza. Motion passed by a vote of eight ayes. **Agenda Item 18 is postponed until the next commission meeting.**

**Agenda Item 19: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rule § 34.5 (Certain Compensation Excluded), relating to exceptions from the requirement to register as a lobbyist under the registration threshold in Government Code § 305.003(a)(2).**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Jack Gullahorn, Attorney, Professional Advocacy Association of Texas, spoke before the commission. Chair Harrison asked Ms. Ashley to research how the federal government and other states are handling this topic. Motion by Commissioner Davenport to postpone until the next commission meeting; second by Commissioner Mendoza. Motion passed by a vote of eight ayes. **Agenda Item 19 is postponed until the next commission meeting.**

**The next Ethics Commission meetings are scheduled for June 9 and 10, 2008, and August 14 and 15, 2008.**

**Agenda Item 20: Adjourn.**

Commission meeting adjourned by unanimous consent.