



TEXAS ETHICS COMMISSION MEETING MINUTES

June 11, 2010, 8:31 a.m.

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



COMMISSIONERS PRESENT: Paula M. Mendoza, Chair; Jim Graham, Vice Chair; Jim Clancy, Wilhelmina Delco, Tom Harrison, George H. "Trey" Henderson, III, Tom Ramsay, and Chase Untermeyer.

COMMISSIONERS ABSENT: None.

STAFF PRESENT: Natalie Adelaja, Natalia L. Ashley, Amy Barden, Margie Castellanos, Homer Diaz, Robbie Douglas, Susana Esparza, Ginger Hunter, Brad Johnson, Becky Levy, Bobby Mannas, Mike McElhaney, David A. Reisman, Nadina Rose, Veronica Scott, Tim Sorrells, Ian Steusloff, and Mary Young.

MINUTES

This meeting was 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 recordings on file at the Commission's office.

Agenda Item 1: Call to order; roll call.

The meeting was called to order by Chair Mendoza. 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.

None.

Agenda Item 4: Comments by the executive director.

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

1. Mr. Reisman presented Veronica M. Scott with a plaque, thanking her for her work performance while at the Commission.
2. Mr. Reisman discussed the customer satisfaction surveys received and stated that the Commission ranked with 90% satisfaction.
3. Mr. Reisman discussed the Governor's Fitness Program and presented the Governor's Cup that the Commission staff earned with 100% participation.

4. Mr. Reisman discussed the quarterly report. He gave a brief summary of revenues, expenditures, performance measures, and sworn complaint data.
5. Mr. Reisman discussed the budget cuts and the effect of those cuts on the Commission.

Agenda Item 5: Approve minutes of the April 21, 2010, commission meeting.

Motion by Commissioner Henderson to adopt the April 21, 2010, commission meeting minutes, second by Commissioner Delco. **Motion passed by a vote of eight ayes.**

Agenda Item 6: Presentation, discussion, and possible action regarding the Strategic Plan of the Texas Ethics Commission; David A. Reisman, Executive Director.

David A. Reisman, Executive Director, presented the Strategic Plan for the Fiscal Years 2011-15 Period. Motion by Commissioner Delco to adopt the Strategic Plan with revisions; second by Vice Chair Graham. Motion passed by a vote of eight ayes. **The Strategic Plan for the Fiscal Years 2011-15 Period is adopted.**

For Agenda Items 7 and 8, the following represents the actions taken by the Ethics Commission in the order they occurred during the meeting.

Agenda Item 7: 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.

**23. Wayne G. Raasch (00066256)
Candidate, State Representative**

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Wayne Raasch, retired high school counselor, spoke before the Commission. Motion by Commissioner Clancy to reduce the \$500 late-filing penalty to \$100 on Agenda Item 7, number 23; second by Commissioner Delco. Motion passed by a vote of eight ayes on Agenda Item 7, number 23. **The reduction of the late-filing penalty to \$100 is adopted on Agenda Item 7, number 23.**

**62. William 'Billy' Mitchell (00066537)
Specific-Purpose Political Committee**

Report: 8-day pre-election report due February 22, 2010
Penalty: \$1,300

William Mitchell, farmer, spoke before the Commission. Motion by Commissioner Untermeyer to waive the \$1,300 late-filing penalty on Agenda Item 7, number 62; second by Commissioner Clancy. Motion passed by a vote of eight ayes on Agenda Item 7, number 62. **The waiver of the late-filing penalty is adopted on Agenda Item 7, number 62.**

21. Ruby Jeanette Eddins ‘RJ’ Parham (00061880)
Candidate, District Judge

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Jeanette Parham, attorney, spoke before the Commission. Motion by Vice Chair Graham to reduce the \$500 late-filing penalty to \$200 on Agenda Item 7, number 21; second by Commissioner Henderson. Motion passed by a vote of eight ayes on Agenda Item 7, number 21. **The reduction of the late-filing penalty to \$200 is adopted on Agenda Item 7, number 21.**

58. Ruby Jeanette Eddins ‘RJ’ Parham (00061880)
Candidate, District Judge

Report: 8-day pre-election report due February 22, 2010
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

Jeanette Parham, attorney, spoke before the Commission. Motion by Vice Chair Graham to waive the \$500 late-filing penalty on Agenda Item 7, number 58; second by Commissioner Henderson. Motion passed by a vote of eight ayes on Agenda Item 7, number 58. **The waiver of the late-filing penalty is adopted on Agenda Item 7, number 58.**

1. Manuel J. Barraza (00062515)
Criminal District Court Judge

Report: personal financial statement due April 30, 2010
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

2. David W. Chew (00026521)
Court of Appeals Chief Justice

Report: personal financial statement due April 30, 2010
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Henderson to adopt staff’s recommendations on Agenda Item 7, numbers 1 and 2; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 1 and 2. **Staff’s recommendations are adopted on Agenda Item 7, numbers 1 and 2.**

3. Hubert Deloyd ‘Dee’ Bailey (00066082)
Candidate, Court of Appeals Chief Justice

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

4. Eric L. Baumgart (00063628)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

5. Billy E. 'Bill' Burton (00065689)
Candidate, Land Commissioner

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

6. Robyn L. Burwell (00066365)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

7. Tony Cunningham (00033098)
Candidate, State Board of Education

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

8. James M. 'Jim' Foreman (00066345)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

9. Gene Freeman (00058860)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

10. John V. Garza (00062837)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

Agenda Item 7, number 10, is postponed at filer's request.

**11. Derek D. Grayson (00066344)
Candidate, State Representative**

Report: personal financial statement due February 16, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

**12. Dale S. Hanna (00020391)
District Attorney**

Report: personal financial statement due April 30, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

**13. Eric M. Holdt (00066381)
Candidate, State Representative**

Report: personal financial statement due February 16, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

**14. Robert C. Kline (00057059)
Executive Director, Texas Bond Review Board**

Report: personal financial statement due April 30, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

**15. Star Locke (00058626)
Candidate, Governor**

Report: personal financial statement due February 16, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

**16. David A. Lopez (00058478)
District Judge**

Report: personal financial statement due February 16, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

17. Charles McCoy (00066356)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

18. Michael E. McLelland (00028614)
Candidate, Criminal District Attorney

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

19. Cliff L. Messina (00033097)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

20. Rebecca Osborne (00065407)
Candidate, State Board of Education

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

22. Carl Pendergrass (00041377)
District Judge

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

24. Clinton P. Sayers (00056100)
Member, Texas Appraiser Licensing and Certification Board

Report: personal financial statement due April 30, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

25. Lindy Suze (00066367)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

26. Lori I. Valenzuela (00065993)
District Judge

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

28. James P. Wilson, Jr. (00061926)
Member, Texas A&M University System Board of Regents

Report: personal financial statement due April 30, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Henderson to adopt staff's recommendations on Agenda Item 7, numbers 3 through 9, 11 through 20, 22, 24 through 26, and 28; second by Commissioner Delco. Motion passed by a vote of eight ayes on Agenda Item 7, numbers numbers 3 through 9, 11 through 20, 22, 24 through 26, and 28. **Staff's recommendations are adopted on Agenda Item 7, numbers 3 through 9, 11 through 20, 22, 24 through 26, and 28.**

27. Rose Vela (00040868)
Candidate, Supreme Court Justice

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Vice Chair Graham to adopt staff's recommendation on Agenda Item 7, number 27; second by Commissioner Harrison. Motion passed by a vote of seven ayes on Agenda Item 7, number 27. Commissioner Clancy recused himself. **Staff's recommendation is adopted on Agenda Item 7, number 27.**

29. Lyle T. Larson (00025726)
Candidate, State Representative

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

30. Debra H. Lehrmann (00041325)
Candidate, Supreme Court Justice

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

**31. Meca L. Walker (00065986)
Candidate, District Judge**

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

Motion by Commissioner Delco to adopt staff's recommendations on Agenda Item 7, numbers 29 through 31; second by Commissioner Ramsay. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 29 through 31. **Staff's recommendations are adopted on Agenda Item 7, numbers 29 through 31.**

**32. Kelley B. Brown (00016532)
Treasurer, University Park Community League**

Report: 30-day pre-election report due April 8, 2010
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Henderson to adopt staff's recommendation on Agenda Item 7, number 32; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 7, number 32. **Staff's recommendation is adopted on Agenda Item 7, number 32.**

**33. Anthony Aranda (00017278)
Treasurer, 'TCSOA' Travis County Sheriff's Officers Assn. PAC**

Report: 8-day pre-election report due February 22, 2010
Penalty: \$1,200
Staff recommendation: waiver of the late-filing penalty

**34. John K. Courage (00055171)
Candidate, State Senator**

Report: semiannual report due January 15, 2010
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

**35. Neil J. Devroy (00065576)
Lobbyist**

Report: lobby activities report due January 11, 2010
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

**36. D. Shawn 'Shawn' Stevens (00065809)
Candidate, County Party Chair**

Report: 8-day pre-election report due February 22, 2010
Penalty: \$600

Staff recommendation: waiver of the late-filing penalty

37. Michelle A. Thomas (00065001)
Lobbyist

Report: lobby activities report due March 10, 2010

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

38. Guy C. Williams (00041199)
Candidate, District Judge

Report: 8-day pre-election report due February 22, 2010

Penalty: \$800

Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Henderson to adopt staff's recommendations on Agenda Item 7, numbers 33 through 38; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 33 through 38. **Staff's recommendations are adopted on Agenda Item 7, numbers 33 through 38.**

39. Kathleen Bethune (00016871)
Treasurer, Andrews & Kurth Texas PAC

Report: monthly report due March 5, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

40. Elaine G. Bishop (00055170)
Candidate, County Party Chair

Report: 8-day pre-election report due February 22, 2010

Penalty: \$600

Staff recommendation: no waiver of the late-filing penalty

41. Rickey Howard Brannon, Sr. (00062292)
Treasurer, 'HESP COPE' Houston Education Support Personnel Committee on Political Education

Report: semiannual report due January 15, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

42. C. M. English, Jr. (00016109)
Treasurer, UTU PAC

Report: 8-day runoff report due April 5, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

- 45. Leslie Midgley (00016375)**
Treasurer, Texas Land Title Assn. PAC
- Report: 8-day pre-election report due February 22, 2010
Penalty: \$600
Staff recommendation: no waiver of the late-filing penalty
- 47. Rosemarie Selman (00016070)**
Treasurer, San Antonio Apartment Assn. PAC
- Report: 8-day runoff report due April 5, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- 48. Bart C. Standley (00038214)**
Treasurer, Conservative Republicans of Texas
- Report: 8-day pre-election report due April 30, 2010
Penalty: \$800
Staff recommendation: no waiver of the late-filing penalty

Agenda Item 7, number 48, postponed at filer's request.

- 50. Robert J. 'Sam' Tessen (00016104)**
Treasurer, Texas Osteopathic Medical Assn. PAC
- Report: monthly report due April 5, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- 51. Michael Young (00055341)**
Lobbyist
- Report: lobby activities report due March 10, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Delco to adopt staff's recommendations on Agenda Item 7, numbers 39 through 42, 45, 47, 50, and 51; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 39 through 42, 45, 47, 50, and 51. **Staff's recommendations are adopted on Agenda Item 7, numbers 39 through 42, 45, 47, 50, and 51.**

- 43. S. Tanner Garth (00061994)**
Candidate, District Judge
- Report: special pre-election report due April 9, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Clancy to waive the \$500 late-filing penalty on Agenda Item 7, number 43; second by Commissioner Ramsay. Motion passed by a vote of eight ayes on Agenda Item 7, number 43. **The waiver of the late-filing penalty is adopted on Agenda Item 7, number 43.**

**44. Leonard M. Martinez (00065162)
Candidate, District Judge**

Report: 8-day pre-election report due February 22, 2010
Penalty: \$4,100
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Clancy to reduce the \$4,100 late-filing penalty to \$1,000 on Agenda Item 7, number 44; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 7, number 44. **The reduction of the late-filing penalty to \$1,000 is adopted on Agenda Item 7, number 44.**

**46. Scott A. Miller (00024761)
Lobbyist**

Report: lobby activities report due January 11, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Clancy to reduce the \$500 late-filing penalty to \$100 on Agenda Item 7, number 46; second by Commissioner Henderson. Motion passed by a vote of eight ayes on Agenda Item 7, number 46. **The reduction of the late-filing penalty to \$100 is adopted on Agenda Item 7, number 46.**

**49. Shawn Stevens (00024032)
Chair, Collin County Democratic Party (P)**

Report: 8-day pre-election report due February 22, 2010
Penalty: \$600
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Clancy to reduce the \$600 late-filing penalty to \$50 on Agenda Item 7, number 49; second by Commissioner Untermeyer. Motion passed by a vote of seven ayes on Agenda Item 7, number 49. Vice Chair Graham voted no. **The reduction of the late-filing penalty to \$50 is adopted on Agenda Item 7, number 49.**

**25. Lindy Suze (00066367)
Candidate, State Representative**

Report: personal financial statement due February 16, 2010
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Ramsay to reconsider Agenda Item 7, number 25; second by Commissioner Harrison. Lindy Suze, pilot, spoke before the Commission. Motion by Vice Chair Graham to reduce the \$500 late-filing penalty to \$100 on Agenda Item 7, number 25; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 7, number 25. **The reduction of the late-filing penalty to \$100 is adopted on Agenda Item 7, number 25.**

52. Mark F. Banar (00065870)
Treasurer, 'Old American PAC' Old American Holdings, LLC PAC

Report: 8-day pre-election report due February 22, 2010
 Penalty: \$4,100
 Staff recommendation: reduction of the late-filing penalty to \$500

Agenda Item 7, number 52, postponed at filer's request.

53. Frederick H. 'Fred' Brown (00037009)
State Representative

Report: 8-day runoff report due April 5, 2010
 Penalty: \$500
 Staff's recommendation: reduction of late-filing penalty to \$250

54. Teresa J. Hawthorne (00033149)
Candidate, Criminal District Court Judge

- (a) Report: 30-day pre-election report due February 1, 2010
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due February 22, 2010
 Penalty: \$700
 Staff recommendation: no waiver of the late-filing penalty

Total penalties: \$1,200 Total recommended penalties: \$700

55. Ralph Kelly (00060167)
Treasurer, Suddenlink Texas PAC

Report: 8-day runoff report due April 5, 2010
 Penalty: \$500
 Staff recommendation: reduction of the late-filing penalty to \$250

56. Lane M. Luskey (00061696)
Lobbyist

Report: lobby activities report due January 11, 2010
 Penalty: \$500
 Staff recommendation: reduction of the late-filing penalty to \$250

57. Christopher T. Owens (00053822)
Treasurer, 'PFFCEG' Plano Fire Fighters Committee for Effective Government

Report: 8-day pre-election report due January 22, 2010
Penalty: \$6,400
Staff recommendation: reduction of the late-filing penalty to \$500

Motion by Commissioner Henderson to adopt staff's recommendations on Agenda Item 7, numbers 53 through 57; second by Commissioner Delco. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 53 through 57. **Staff's recommendations are adopted on Agenda Item 7, numbers 53 through 57.**

59. David Hanschen (00051934)
District Judge

Report: 8-day pre-election report due February 22, 2010
Penalty: \$500

Motion by Commissioner Henderson to reduce the \$500 late-filing penalty to \$250 on Agenda Item 7, number 59; second by Commissioner Untermeyer. Motion passed by a vote of eight ayes on Agenda Item 7, number 59. **The reduction of the late-filing penalty to \$250 is adopted on Agenda Item 7, number 59.**

60. David A. Lopez (00058478)
District Judge

Report: 8-day pre-election report due February 22, 2010
Penalty: \$500

Motion by Commissioner Henderson to let the \$500 late-filing penalty stand on Agenda Item 7, number 60; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 7, number 60. **The \$500 late-filing penalty is adopted on Agenda Item 7, number 60.**

61. Debra Medina (00065376)
Candidate, Governor

Report: 8-day pre-election report due February 22, 2010
Penalty: \$500

Motion by Commissioner Henderson to reduce the \$500 late-filing penalty to \$250 on Agenda Item 7, number 61; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 7, number 61. **The reduction of the late-filing penalty to \$250 is adopted on Agenda Item 7, number 61.**

63. Charles L. Perry (00066066)
Candidate, State Representative

Report: 8-day runoff report due April 5, 2010
Penalty: \$500

Motion by Commissioner Henderson to reduce the \$500 late-filing penalty to \$250 on Agenda Item 7, number 63; second by Vice Chair Graham. Motion by Commissioner Clancy to amend the motion and reduce the \$500 late-filing penalty to \$100 on Agenda Item 7, number 63; second by Commissioner Untermeyer. Motion failed. Motion to reduce the late-filing penalty to \$250 passed by a vote of eight ayes on Agenda Item 7, number 63. **The reduction of the late-filing penalty to \$250 is adopted on Agenda Item 7, number 63.**

**64. Amy L. Everhart (00025689)
Treasurer, 'SAD PAC' South Austin Democrats PAC**

Report: 30-day pre-election report due February 1, 2010

Penalty: \$500

Staff recommendation: At the April 2010 meeting, the Commission voted not to waive the \$500 late-filing penalty.

Motion by Vice Chair Graham to postpone Agenda Item 7, number 64, until the next Commission meeting; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 7, number 64. **The motion to postpone is adopted on Agenda Item 7, number 64.**

Agenda Item 8: 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. Martin J. Hoffman (00057750)
District Judge**

Report: 8-day pre-election report due February 22, 2010

Penalty: \$3,700

Staff recommendation: that the original report substantially complied with the applicable law

**2. Richard B. Lawson (00015611)
Treasurer, Verizon Communications Inc. Good Government Club – Texas**

Report: monthly report due March 6, 2006

Penalty: \$400

Staff recommendation: that the original report substantially complied with the applicable law

**3. Melinda 'Mindy' Montford (00063215)
Candidate, District Judge**

Report: 8-day pre-election report due February 22, 2010

Penalty: \$2,600

Staff recommendation: that the original report substantially complied with the applicable law

**4. Marie P. Smith (00016894)
Treasurer, Williamson County Democratic Party PAC**

Report: 8-day pre-election report due February 22, 2010

Penalty: \$4,700

Staff recommendation: that the original report substantially complied with the applicable law

**5. Martha J. Wong (00040436)
Candidate, State Representative**

Report: semiannual report due January 18, 2005

Penalty: \$10,000

Staff recommendation: that the original report substantially complied with the applicable law

Motion by Commissioner Delco to adopt staff's recommendations on Agenda Item 8, numbers 1 through 5; second by Commissioner Henderson. Motion passed by a vote of eight ayes on Agenda Item 8, numbers 1 through 5. **Staff's recommendations are adopted on Agenda Item 8, numbers 1 through 5.**

**6. Alice J. O'Neill (00065719)
Candidate, District Judge**

Report: special pre-election report due February 25, 2010

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Henderson to adopt staff's recommendation on Agenda Item 8, number 6; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 8, number 6. **Staff's recommendation is adopted on Agenda Item 8, number 6.**

**7. Mabrie Griffith Jackson (00066109)
Candidate, State Representative**

Report: special pre-election report due April 9, 2010

Penalty: \$500

Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Harrison to adopt staff's recommendation on Agenda Item 8, number 7; second by Vice Chair Graham. Motion passed by a vote of eight ayes on Agenda Item 8, number 7. **Staff's recommendation is adopted on Agenda Item 8, number 7.**

**8. Kelley B. Brown (00016532)
Treasurer, University Park Community League**

Report: 8-day pre-election report due April 30, 2010 (original report filed late)

Penalty: \$1,000

Staff recommendation: reduction of the late-filing penalty to \$500

**9. Josh Flynn (00025207)
Treasurer, 'HCRP' Harris County Republican Party (CEC)**

Report: 8-day pre-election report due February 22, 2010

Penalty: \$4,800

Staff recommendation: reduction of the late-filing penalty to \$1,000

**10. Howard H. Gano, Jr. (00062855)
Candidate, State Representative**

Report: 8-day pre-election report due February 22, 2010 (original report filed late)

Penalty: \$700

Staff recommendation: reduction of the late-filing penalty to \$600

**11. Farouk Shami (00065915)
Candidate, Governor**

Report: 8-day pre-election report due February 22, 2010

Penalty: \$7,000

Staff recommendation: reduction of the late-filing penalty to \$1,000

Motion by Commissioner Harrison to adopt staff's recommendations on Agenda Item 8, numbers 8 through 11; second by Commissioner Henderson. Motion passed by a vote of eight ayes on Agenda Item 8, numbers 8 through 11. **Staff's recommendations are adopted on Agenda Item 8, numbers 8 through 11.**

Agenda Item 9: Discussion and possible action regarding the termination of a campaign treasurer appointment of an inactive political committee.

Natalia Luna Ashley, General Counsel, briefed the Commission on this agenda item. Motion by Vice Chair Graham to adopt staff's recommendation on Agenda Item 9; second by Commissioner Harrison. Motion passed by a vote of eight ayes on Agenda Item 9. **Staff's recommendation is adopted on Agenda Item 9.**

Agenda Item 10: Creation of a subcommittee of commissioners to consider Advisory Opinion Request No. 555 in which we are asked to consider the following: Whether a conclusion that an expense is "reimbursable with public funds" for purposes of sections 251.001(4) and (9) of the Election Code requires that public funds be appropriated or otherwise available to cover the expense.

Natalia Luna Ashley, General Counsel, briefed the Commission on this agenda item. Ed Shack, attorney, spoke before the Commission. The following were appointed to the subcommittee: Chair Paula Mendoza, and Commissioners Chase Untermeyer, Jim Clancy, and Tom Harrison.

Agenda Item 11: Public discussion and possible action on the proposal or adoption and publication in the Texas Register of section 12.81 of the Ethics Commission Rules (Technical, Clerical or De Minimis Violations), relating to the procedures for investigating and resolving technical and clerical violations of laws within the Commission's jurisdiction as provided by section 571.0631 of the Government Code.

Vice Chair Jim Graham briefed the Commission on this agenda item. Motion by Commissioner Harrison to publish for public comment in the Texas Register; second by Commissioner Delco. Motion passed by a vote of eight ayes. **Proposed section 12.81 of the Ethics Commission Rules is to be published in the Texas Register for public comment.**

Agenda Items 12 and 13 were considered together.

Agenda Item 12: Public discussion and possible action on the proposal and publication in the Texas Register of section 22.6 of the Ethics Commission Rules (Reporting Direct Campaign Expenditures), relating to the reporting of direct campaign expenditures after *Citizens United v. Federal Election Commission* and Ethics Advisory Opinion No. 489.

Agenda Item 13: Public discussion and possible action on the proposal and publication in the Texas Register of the repeal of section 22.5 of the Ethics Commission Rules (Direct Campaign Expenditures), relating to direct campaign expenditures before *Citizens United v. Federal Election Commission* and Ethics Advisory Opinion No. 489.

Natalia L. Ashley, General Counsel, briefed the Commission on these agenda items. Motion by Commissioner Delco to propose for publication section 22.6 of the Ethics Commission Rules; second by Commissioner Henderson. Motion passed by a vote of eight ayes. **Section 22.6 of the Ethics Commission Rules is to be published in the Texas Register for public comment.** Motion by Vice Chair Graham to propose for publication the repeal of section 22.5 of the Ethics Commission Rules; second by Commissioner Ramsay. **The repeal of section 22.5 of the Ethics Commission Rules to be published in the Texas Register for public comment.**

Agenda Item 14: Creation of a subcommittee of commissioners to consider recommendations to the 82nd Legislature as required by section 571.073 of the Government Code.

The following were appointed to the subcommittee: Chair Paula Mendoza, and Commissioners Chase Untermeyer, Wilhelmina Delco, and Jim Clancy.

Agenda Item 15: Adjourn.

Motion by Commissioner Delco to adjourn the Commission meeting; second by Vice Chair Graham. Motion passed by a vote of eight ayes.