



TEXAS ETHICS COMMISSION MEETING MINUTES

Public Session

March 28, 2018, 9:01 a.m.
Capitol Extension, Room E1.014
Austin, Texas 78701



COMMISSIONERS PRESENT: Steven D. Wolens, Chair; Chad M. Craycraft, Vice Chair; Jim Clancy, Randall H. Erben, Chris Flood, Mary K. “Katie” Kennedy, Tom Ramsay and Joseph O. Slovacek.

COMMISSIONERS NOT PRESENT: None.

STAFF PRESENT: Amy Barden, Brandon Barrett, Margie Castellanos, Nick Espinosa, Betty Gallegos, Angela Goodwin, Jessie Haug, Cristina Hernandez, Joseph Keeney, Becky Levy, Haksoon Andrea Low, Patti Shannon, Ian Steusloff, Sonya Subash, Jim Tinley, Patty Williams and Seana Willing.

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 either the video recording available to view online at: <http://www.house.state.tx.us/video-audio/capitol-events/>, or 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 Wolens. Seana Willing, Executive Director, called the roll. All Commissioners were present.

Agenda Item 2: Approve minutes for the following meetings:

- Executive Session – January 30, 2018; and
- Public Meeting – January 31, 2018.

Chair Wolens requested a modification. Motion by Commissioner Ramsay to approve the meeting minutes listed under Agenda Item 2, as amended; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 3: Discussion regarding the next Texas Ethics Commission meeting.

Chair Wolens addressed the Commission. Commissioner Clancy responded with comments. The next Texas Ethics Commission meetings are set for June 27-28, 2018, subject to change.

Agenda Item 4: Discussion and possible appointment of a Nominating Committee of Commissioners for the positions of Chair and Vice Chair of the Texas Ethics Commission.

Chair Wolens addressed the Commission. Commissioners Clancy, Erben, Kennedy and Ramsay responded with comments. Chair Wolens appointed Commissioners Clancy, Erben, Flood and Ramsay to the Nominating Committee of Commissioners for the positions of Chair and Vice Chair.

Agenda Item 5: Briefing, discussion, and possible action on appeal of fines increased by the Commission, and on appeals of determinations made under Ethics Commission Rules §§ 18.25 and 18.26 relating to administrative waiver or reduction of a fine, for the following individual:

**1. Kelley Sullivan (00081216)
Member, Texas Agricultural Finance Authority**

Report: personal financial statement due June 30, 2017
Penalty: \$500 – no waiver
Recommendation: None.
Appeal Received: November 2, 2017

Amy Barden, Senior Legal Assistant, asked that the item in Agenda Item 5 be postponed at the filer's request. No action was taken.

Agenda Item 6: Discussion of Advisory Opinion Request No. AOR-625: Whether a communication relating to a measure election complies with section 255.003 of the Election Code.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioners Flood, Kennedy, and Mr. Steusloff responded with questions and comments. No action was taken.

Agenda Item 7: Discussion of Advisory Opinion Request No. AOR-624: Whether a candidate may request businesses to offer or confer a deal or discount to a person merely because that person has voted, and whether the candidate may create and distribute fliers advertising such a deal or discount.

Ian Steusloff, General Counsel, and Seana Willing, Executive Director, asked that this item be postponed. No action was taken.

Agenda Item 8: Discussion of Advisory Opinion Request regarding legislative bribery.

Ian Steusloff, General Counsel, and Seana Willing, Executive Director, briefed the Commission on this agenda item. No action was taken.

Agenda Item 9: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 6.1 and new Ethics Commission rules §§ 27.1 and 27.101, regarding when a declaration of intent (JDI) is required to for judicial candidates.

Chair Wolens briefed the Commission on this agenda item. Commissioner Kennedy responded with comments. Motion by Commissioner Kennedy to adopt an amendment to Ethics Commission Rules § 6.1 and new Ethics Commission Rules § 27.1 and 27.101; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 10: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of new Ethics Commission Rules §§ 12.31 and 12.33, regarding decorum and sanctions in sworn complaint proceedings.

Chair Wolens briefed the Commission on this agenda item. Commissioners Kennedy and Ramsay, and Ian Steusloff, General Counsel, responded with questions and comments. Motion by Commissioner Ramsay to republish new Ethics Commission Rules §§ 12.31 and 12.33 in the Texas Register for public comment, as amended; second by Commissioner Slovacek. **Motion passed by a vote of eight ayes.**

Agenda Item 11: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 20.5, regarding a county elections administrator or tax assessor-collector acting as the filing authority for campaign finance reports.

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt an amendment to Ethics Commission Rules § 20.5; second by Commissioner Clancy. **Motion passed by a vote of eight ayes.**

Agenda Item 12: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 20.33, regarding the authority of the Commission or local filing authority to terminate an inactive filer's campaign treasurer appointment.

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Ramsay to adopt an amendment to Ethics Commission Rules § 20.33; second by Commissioner Slovacek. **Motion passed by a vote of eight ayes.**

Agenda Item 13: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of new Ethics Commission Rules § 12.36 (Assessment of Civil Penalty) and a repeal of Ethics Commission Rules § 18.27 (Sworn Complaints), clarifying the facts that the Commission will consider when assessing a civil penalty in the complaint process.

Chair Wolens briefed the Commission on this agenda item. Motion by Vice Chair Craycraft to adopt new

Ethics Commission Rules § 12.36 and repeal Ethics Commission Rules § 18.27; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

Agenda Item 14: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 12.87 (Resolution of Preliminary Review Hearing), regarding procedures for preliminary review hearings.

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Clancy to adopt an amendment to Ethics Commission Rules § 12.87; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 15: Public discussion and possible action on the proposal and publication in the Texas Register of amendments to Ethics Commission Rules §§ 6.7, 12.53, 12.81, 12.83 and 12.84, and new Ethics Commission Rules § 12.82, regarding communications between commission staff and members.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioners Clancy, Flood and Slovacek, Seana Willing, Executive Director, and Mr. Steusloff responded with questions and comments. Motion by Commissioner Flood to publish Option Two of the drafts provided, including amendments to Ethics Commission Rules §§ 12.53 and 12.83 in the Texas Register for public comment; second by Commissioner Clancy. **Motion passed by a vote of eight ayes.**

Agenda Item 16: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 26.1, regarding political advertising on the Internet.

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Kennedy to publish an amendment to Ethics Commission Rules §§ 26.1 in the Texas Register for public comment; second by Commissioner Ramsay. **Motion passed by a vote of eight ayes.**

Agenda Item 17: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 12.13, regarding non-resident attorneys appearing before the commission.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioners Clancy, Flood, Kennedy and Slovacek, and James Tinley, Assistant General Counsel, responded with questions and comments. Motion by Commissioner Slovacek to publish an amendment to Ethics Commission Rules § 12.13 in the Texas Register for public comment, as amended; second by Commissioner Ramsay. **Motion passed by a vote of eight ayes.**

Agenda Item 18: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 18.7, regarding the late filing of a report when the Commission's office is closed.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens, Commissioners Clancy and Kennedy responded with questions and comments. No action was taken.

Agenda Item 19: Public discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules in Chapter 12, regarding new procedural rules for the formal hearing process.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioner Slovacek, and Mr. Steusloff responded with questions and comments. Motion by Commissioner Slovacek to publish new Ethics Commission Rules §§ 12.101, 12.102, 12.121, 12.123, 12.125, 12.127, 12.131, 12.133, 12.151, 12.153, 12.155, 12.161, 12.163, 12.165, 12.167, 12.171, 12.173, and 12.175 in the Texas Register for public comment; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

Agenda Item 20: Public discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules Chapter 16 (Facial Compliance Review & Full Audits), including §§ 16.1 – 16.11, regarding procedures for facial compliance reviews and audits.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens and Commissioners Kennedy and Slovacek responded with questions and comments. No action was taken.

Agenda Item 21: Discussion of possible recommendations for statutory changes to the 86th Legislature as required by § 571.073 of the Government Code.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens and Commissioner Slovacek responded with questions and comments. No action was taken.

Agenda Item 22: Adjourn.

Motion by Chair Wolens to adjourn. **Commission meeting adjourned by unanimous consent.**

Meeting adjourned at 10:06 a.m.