



TEXAS ETHICS COMMISSION MEETING MINUTES

Public Agenda

February 28, 2020, 9:02 a.m.
Capitol Extension, Room E1.014
Austin, Texas 78701



COMMISSIONERS PRESENT: Chad M. Craycraft, Chair; Mary K. “Katie” Kennedy, Vice Chair; Randall H. Erben, Chris Flood, Patrick W. Mizell, Richard S. Schmidt, Joseph O. Slovacek and Steven D. Wolens

COMMISSIONERS NOT PRESENT: None.

STAFF PRESENT: Margie Castellanos, Nick Espinosa, Betty Gallegos, Jessie Haug, Cristina Hernández, Jordan Hunn, Haksoon Andrea Low, Natalie McDermon, Amy Padilla, Anne Temple Peters, Jim Tinley, and Preston Tom.

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 Craycraft. Anne Temple Peters, Executive Director, called the roll. All Commissioners were present

Agenda Item 2: Discussion regarding dates for next Commission meeting.

Chair Craycraft briefed the Commission on this agenda item. Chair Craycraft, Vice Chair Kennedy and Commissioners Mizell, Schmidt, Slovacek, and Wolens responded with questions and comments. Tentative dates for the next Commission meeting, subject to change, are May 14-15, 2020.

Agenda Item 3: Approve minutes for the following meetings:

- **Executive Session – November 20, 2019;**
- **Formal Hearing – November 20, 2019; and**
- **Public Meeting – November 21, 2019.**

Chair Craycraft briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt the minutes in Agenda Item 3; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 4: Discussion and possible action 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 filers:

1. **Manufacturing Caucus (00068983)**
2. **Martina Salinas (00069864)**
3. **John Sparks, Campaign Treasurer, Holly-Lake Hawkins Republican Club (00054783)**
4. **Michael Paul Jones (00070977)**
5. **Chris Hale (00082360)**
6. **Demetrius Walker (00082413)**
7. **Marla Naylor, Campaign Treasurer, WISD Bond Realists (00084218)**
8. **Stuart Sutton, Campaign Treasurer, Canyon ISD Cares FOR Kids (00082994)**
9. **Paul Stafford (00069699)**
10. **Kyle Austin Frels-Henry (00082449)**

Preston Tom, Assistant General Counsel, briefed the Commission on this agenda item. Ed Thompson and Kyle Austin Frels-Henry addressed the Commission. Chair Craycraft and Vice Chair Kennedy, and Commissioners Erben, Flood, Mizell, Slovacek, and Wolens responded with questions comments. Preston Tom, Assistant General Counsel, asked Agenda Item 5, number 9, be postponed at the filer's request. Motion by Commissioner Slovacek to waive the fine on Agenda Item 4, number 1; second by Commissioner Schmidt. **Motion passed unanimously.** Motion by Commissioner Flood to waive the fine on Agenda Item 4, number 10; second by Commissioner Schmidt. **Motion passed unanimously.** Motion by Commissioner Erben to adopt staff recommendations on Agenda Item 4, numbers 2 through 8; second by Commissioner Flood. **Motion passed unanimously.**

Agenda Item 5: Discussion and possible action on the adoption or proposal and publication in the Texas Register of new Ethics Commission Rule §12.86, regarding motions for continuance in preliminary review hearings.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Ethics Commission Rule §12.86; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 6: Discussion and possible action on the adoption or proposal and publication in the Texas Register of new Ethics Commission Rule §12.174, regarding the summary disposition of a matter in a formal hearing.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Ethics Commission Rule §12.174; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 7: Discussion and possible action on the adoption or proposal and publication in the Texas Register of new Ethics Commission Rules §§18.10 and 18.11, regarding the procedures for waiving or reducing fines assessed for corrected reports, and an amendment to Ethics Commission Rule §18.9, regarding corrected and amended reports.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Commission Ethics Rules §§18.10, 18.11 and §18.9; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 8: Discussion and possible action on the adoption or proposal and publication in the Texas Register of the repeal of Ethics Commission Rules §22.5, regarding corporate and labor organization contributions to direct campaign expenditure committees, and amendments to Ethics Commission Rules §§20.1 and 22.6 regarding definitions of terms in Title 15 of the Election Code that are in conflict with or made obsolete by, legislation passed in the 86th Legislative Session.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Ethics Commission Rules §§ 22.5, 20.1 and 22.6; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 9: Discussion and possible action on the adoption or proposal and publication in the Texas Register of the repeal of Ethics Commission Rules §§22.33, 27.1, and 27.101, regarding expenditure limits in the Judicial Campaign Fairness Act that were repealed by legislation passed in the 86th Legislative Session.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Ethics Commission Rules §§22.33, 27.1, and 27.101; second by Commissioner Wolens. **Motion passed unanimously.**

Agenda Item 10: Discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules §12.29 and new Ethics Commission Rules §12.30, regarding the issuance of subpoenas by a respondent's attorney.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Chair Craycraft and Vice Chair Kennedy responded with question and comments, which were addressed by Jordan Hunn, Assistant General Counsel. Motion by Commissioner Flood to publish an amendment to Ethics Commission Rule §12.29 and new Ethics Commission Rule §12.30; second by Commission Slovacek. **Motion passed unanimously.**

Agenda Item 11: Discussion and possible action on the proposal and publication in the Texas Register of: (1) amendments to Ethics Commission Rules §§20.1 and 24.18, regarding hybrid political committees and designation of corporate political contributions of administrative purposes; and (2) new Ethics Commission Rules §§22.35 and 24.19, regarding political contributions to political committees by corporations and labor organizations, and the affidavit by a direct campaign expenditure only political committee that accepts contributions from corporations or labor organizations.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Chair Craycraft and Commissioner Erben responded with question and comments, which were addressed by Jim Tinley, Deputy Director of Enforcement. Motion by Commissioner Erben to publish amendments to Ethics Commission Rules §§20.1 and 24.18 and new Ethics Commission Rules §§22.35 and 24.19; second by Vice Chair Kennedy. **Motion passed unanimously.**

Agenda Item 12: Discussion and possible action on the proposal and publication in the Texas Register of amendments to Ethics Commission Rules §§8.1 through 8.21 and new Ethics Commission Rule §8.18, regarding advisory opinion request procedures.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Wolens to publish amendments to Ethics Commission Rules §§8.1 through 8.21 and new Ethics Commission Rule §8.18; second by Commission Mizell. **Motion passed unanimously.**

Agenda Item 13: Discussion and possible action on the proposal and publication in the Texas Register of amendments to Ethics Commission Rules §§12.83 and 12.84 regarding sworn complaint procedures.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Erben to publish amendments to Ethics Commission Rules §§ 12.83 and 12.84; second by Commission Flood. **Motion passed unanimously.**

Agenda Item 14: Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rule §12.34 regarding agreed orders.

Anne Temple Peters, Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Flood to publish new Ethics Commission Rule §12.34; second by Vice Chair Kennedy. **Motion passed unanimously.**

Agenda Item 15: Discussion of, and possible action on, any unfinished business from the Executive Session or Public Meeting held on February 27, 2020.

Chair Craycraft addressed the Commission. No action was taken.

Agenda Item 16: Adjourn.

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

Meeting adjourned at 9:41 a.m.