

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
JIM RICHARDSON,	§	TEXAS ETHICS
	§	
RESPONDENT	§	COMMISSION

FINDINGS OF FACT, CONCLUSIONS OF LAW, ORDER, AND AGREED RESOLUTION

I.

On July 23, 1992, the Texas Ethics Commission ("commission") met to consider sworn complaint SC-92005 filed against Jim Richardson (the "Respondent"). A quorum of the commission was present, and by majority vote the commission determined there was credible evidence of a violation alleged in SC-92005 and further decided to resolve and settle the complaint, at the discretion of Respondent, on the terms proposed in this order.

II.

On March 30, 1992, the Texas Ethics Commission received a sworn complaint against Respondent alleging that Respondent, as an employee of a political subdivision, violated Election Code, Title 15, §255.003, by authorizing the expenditure of public funds for political advertising.

FINDINGS OF FACT

1. The Nacogdoches County Hospital District, doing business as Nacogdoches Memorial Hospital (the "District"), is organized and operates under state law governing the creation, purpose, and operation of hospital districts. As such, it is a political subdivision of the state. The District is governed by a board of directors, and funds held by the District are public funds.
2. During the time Respondent is alleged to have violated §255.003, Respondent was employed as the administrator for the District.
3. Respondent admits he was responsible for the expenditure of public funds for political advertising in connection with a hospital district tax hike election on January 18, 1992.
4. The total amount of District funds spent on political advertising in support of the election was \$8,244.91.
5. Respondent states he did not intend to violate the law by authorizing expenditures of public funds for political advertising. Upon learning that such expenditures were illegal, Respondent made a good faith effort to identify the amount of the illegal expenditures.
6. On January 23, 1992, Respondent paid \$8,123.99 to Memorial Hospital to reimburse the District for funds spent on political advertising, that being the sum then believed to have been spent by the District on political advertising.

7. After further accounting, an additional reimbursement of \$121.58 to the District was required. This payment was made from the Memorial Campaign Replacement Fund, a specific-purpose political committee formed to raise funds for the political advertising expenditures originally paid from District funds.
8. All public funds expended or debts incurred for political advertising have been reimbursed from non-public funds.
9. Respondent has voluntarily sworn that he will comply with the requirements of the Election Code, Title 15, in the future; and, specifically, will not authorize the expenditure of any public funds for political advertising.

CONCLUSIONS OF LAW

Respondent violated Election Code, Title 15, §255.003, by authorizing the expenditure of District funds for political advertising.

ORDER and AGREED RESOLUTION

The Texas Ethics Commission, by and through its Executive Director, John Steiner, hereby orders that this proposed resolution and settlement be presented to Respondent.

As administrator for a county hospital district organized and operating under state law, Respondent is charged with knowledge of the law regulating expenditure of District funds. Respondent admits there was an expenditure of District funds in violation of the Election Code, Title 15, §255.003, as alleged in sworn complaint SC-92005; and that as administrator of the District he is responsible for ensuring the District operates in accordance with all applicable laws and regulations.

After considering the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the violation; that no previous violations by this Respondent are known to the commission; that Respondent attempted to rectify the consequences of the violation by promptly reimbursing the District for funds spent on political advertising; and the penalty deemed necessary to deter future violations, the Ethics Commission imposes a fine of \$250.00 upon Respondent.

By signing this ORDER and AGREED RESOLUTION, Respondent agrees to its terms; acknowledges his understanding of and agreement with the findings of fact and conclusions of law; and promises he will promptly and fully comply with the mandates of this order or be subject to additional disciplinary action by the Ethics Commission. Payment of the \$250.00 fine imposed by the commission is the final resolution of sworn complaint SC-92005.

SIGNED AND DATED THIS 30th day of July, 1992.

John Steiner, Executive Director
Texas Ethics Commission

AGREED to by Jim Richardson on _____, 1992:

Jim Richardson