

TEXAS ETHICS COMMISSION

IN THE MATTER OF

DUNCANVILLE FAMILY VALUES
NETWORK, MARY KAE KAMM,
and LLOYD WILLIAMS,

RESPONDENTS

§
§
§
§
§
§
§

BEFORE THE

TEXAS ETHICS COMMISSION

SC-230954

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on November 13, 2003, to consider Sworn Complaint SC-230954. A quorum of the commission was present. The commission determined that there is credible evidence of a violation of a law administered and enforced by the commission. To resolve this complaint without further proceedings, the commission proposes this agreed resolution to the respondents.

II. Allegations

The complainant alleges that the respondents, a specific-purpose committee, the treasurer of the specific-purpose committee, and the individual appointing the treasurer, failed to timely file a campaign treasurer appointment and failed to timely file a July 2003 semiannual campaign finance report.

III. Facts Supported by Credible Evidence

Credible evidence available to the commission supports the following findings of fact:

1. The complaint arises out of a local option election. The respondents are a specific-purpose committee, the treasurer of the committee, and a member of the committee in a city with a population of 35,748.
2. The committee was formed to oppose a local option election to allow beer and wine sales. Voters approved the local option measure on September 13, 2003. The respondents opposed the measure.
3. The complainant alleges that the respondents accepted political contributions and made political expenditures exceeding \$500 without filing a campaign treasurer appointment.

4. The complainant also alleges that the respondents failed to timely file the July 2003 semiannual campaign finance report.
5. The complainant submitted copies of the committee's campaign treasurer appointment and its July 2003 semiannual campaign finance report. Both were filed with the local filing authority on July 21, 2003.
6. The July 2003 semiannual report discloses that the respondents accepted \$7,894.19 in total political contributions and made \$7,930.19 in total political expenditures.
7. The report further discloses that all contributions and expenditures were accepted and made between June 17 and June 30, 2003.
8. The respondents filed a sworn response to the complaint. The respondents swear that, on June 17, 2003, they filed a DBA (Doing Business As) certificate with the Dallas County clerk in the name of Duncanville Family Values Network. The respondents swear that they were under the impression that they had fully complied with Texas law by filing the DBA.
9. The respondents further swear that they were contacted in July by the Dallas County District Attorney's office and were informed that they needed to file a campaign treasurer appointment and a campaign finance report.

IV. Findings and Conclusions of Law

The facts described in Section III support the following findings and conclusions of law:

1. A political committee may not knowingly accept political contributions totaling more than \$500 or make or authorize political expenditures totaling more than \$500 at a time when a campaign treasurer appointment for the committee is not in effect. ELEC. CODE § 253.031(b).
2. The committee filed a July semiannual report on July 21, 2003. The report discloses that the committee accepted total political contributions of \$7,894.19 and made total political expenditures of \$7,930.19 between June 17 and June 30, 2003. The committee was therefore required to file a campaign treasurer appointment when the committee's contributions or expenditures exceeded \$500.
3. The campaign finance report filed on July 21 discloses that the committee exceeded \$500 both for contributions and expenditures at least by June 30. However, the committee did not file a campaign treasurer appointment with the local filing authority until July 21, 2003, at least three weeks after the committee accepted contributions and made expenditures exceeding \$500. Therefore, there is credible evidence that the respondent committee violated section 253.031(b) of the Election Code by knowingly accepting contributions and making expenditures exceeding \$500 at a time when a campaign treasurer appointment for the committee was not in effect.

4. The campaign treasurer of a specific-purpose committee is required to file semiannual campaign reports not later than July 15 and January 15 of each year. ELEC. CODE § 254.123.
5. Under title 15 of the Election Code, the campaign treasurer is responsible for filing campaign finance reports. A committee's campaign treasurer cannot be held liable for failing to file reports that were due before he was appointed campaign treasurer.
6. The treasurer was not appointed until July 21, 2003, and thus was not required under title 15 of the Election Code, to file a July 15, 2003, campaign finance report. Therefore, there is credible evidence that respondent Williams did not violate section 254.123 of the Election Code.

V. Representations and Agreement by Respondents

By signing this ORDER and AGREED RESOLUTION and returning it to the commission:

1. The respondents neither admit nor deny the facts described under Section III and the commission's findings and conclusions of law described under Section IV, and consents to the entry of this ORDER and AGREED RESOLUTION solely for the purpose of resolving this sworn complaint.
2. The respondents consent to the entry of this Order before any adversarial hearings or argument before the commission, and before any formal adjudication by the commission. The respondents waive any right to a hearing before the commission or an administrative law judge, and further waive any right to any post-hearing procedure.
3. The respondents acknowledge that a political committee may not knowingly accept political contributions totaling more than \$500 or make or authorize political expenditures totaling more than \$500 at a time when a campaign treasurer appointment for the committee is not in effect. The respondents agree to comply with this requirement of the law.
4. Notwithstanding any other provisions of this ORDER and AGREED RESOLUTION, the respondents agree that the commission will consider the respondents to have committed the violation described under Section IV if it is necessary to consider a sanction to be assessed in any future sworn complaint against the respondents.

VI. Confidentiality

This ORDER and AGREED RESOLUTION describes a violation that the commission has determined is neither technical nor *de minimis*. Accordingly, this ORDER and AGREED RESOLUTION is not confidential under section 571.140 of the Government Code, and may not be disclosed by members and staff of the commission.

VII. Sanction

The commission imposes a civil penalty of \$1,000 against the respondents for the violation described under Section IV.

VIII. Order

The commission hereby ORDERS:

1. that this proposed AGREED RESOLUTION be presented to the respondents;
2. that if the respondents consent to the proposed AGREED RESOLUTION, this ORDER and AGREED RESOLUTION is a final and complete resolution of SC-230954;
3. that the respondents may consent to the proposed AGREED RESOLUTION only by signing an original of this document and mailing the signed original and the \$1,000 civil penalty to the Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711, no later than December 11, 2003; and
4. that the executive director shall set SC-230954 for a preliminary review hearing if the respondents do not agree to the resolution of SC-230954 as proposed in this ORDER and AGREED RESOLUTION.

AGREED to by the respondents on this _____ day of _____, 20____.

 Mary Fae Kamm, Duncanville Family Values Network

 Lloyd Williams, Duncanville Family Values Network

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
 Karen Lundquist, Executive Director