

# TEXAS ETHICS COMMISSION

IN THE MATTER OF  
CAROL ALVARADO,  
RESPONDENT

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BEFORE THE  
TEXAS ETHICS COMMISSION  
SC-2512244

## ORDER and AGREED RESOLUTION

### I. Recitals

The Texas Ethics Commission (the commission) met on September 21, 2006, to consider sworn complaint SC-2512244. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 253.032(d) and 254.031(a)(3) of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposes this resolution to the respondent.

### II. Allegations

The complaint alleges that the respondent failed to provide a copy of contributing out-of-state committees' statements of organization on her 8-day pre-election report for a November 8, 2005, city election. The complaint also alleges that the respondent failed to properly report political expenditures on her 8-day pre-election report for the November 8, 2005, city election.

### III. Facts Supported by Credible Evidence

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

1. The respondent is a council member for the City of Houston.
2. The respondent's 8-day pre-election report discloses a contribution of \$2,000 and a contribution of \$2,500 from two out-of-state political committees.
3. The information required by section 253.032(e) of the Election Code for the two contributions from out-of-state committee's was not included with the respondent's reports.
4. After the complaint was filed the respondent filed a corrected report with the city that includes the information required for contributions from out-of-state political committees.

5. The respondent's 8-day pre-election report for the November 8, 2005, election discloses a reimbursement to herself for expenses for travel and lodging, but does not disclose the actual payee.

#### **IV. Findings and Conclusions of Law**

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

1. In a reporting period, a candidate, officeholder, or political committee may not knowingly accept political contributions totaling more than \$500 from an out-of-state political committee unless, before accepting a contribution that would cause the total to exceed \$500, the candidate, officeholder, or political committee, as applicable, receives from the out-of-state committee: a written statement, certified by an officer of the out-of-state committee, listing the full name and address of each person who contributed more than \$100 to the out-of-state committee during the 12 months immediately preceding the date of the contribution; or a copy of the out-of-state committee's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state committee. ELEC. CODE § 253.032(a).
2. A candidate, officeholder, or political committee shall include the statement of contributors or copy of the statement of organization as a part of the report filed under chapter 254 of the Election Code that covers the reporting period during which the political contributions totaling more than \$500 from an out-of-state political committee are accepted. ELEC. CODE § 253.032(d).
3. The evidence indicates that both of the contributions at issue were from out-of-state committees. The respondent did not include the information required by section 253.032(a) of the Election Code with her campaign finance report. Therefore, there is credible evidence of a violation of section 253.032(d) of the Election Code.
4. A candidate must report the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
5. The evidence indicates that the respondent failed to properly report the actual payees of political expenditures she disclosed as a reimbursement to herself. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code.

#### **V. Representations and Agreement by Respondent**

By signing this order and agreed resolution and returning it to the commission:

1. The respondent neither admits nor denies the facts described under Section III or 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 respondent consents to this order and agreed resolution and waives any right to further proceedings in this matter.
3. The respondent acknowledges that a candidate, officeholder, or political committee is required to include a statement of contributors or a copy of the statement of organization as a part of the report filed under chapter 254 of the Election Code that covers the reporting period during which the political contributions totaling more than \$500 from an out-of-state political committee are accepted.
4. The respondent also acknowledges that a candidate must report the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. The respondent agrees to comply with these requirements of the law.

#### **VI. Confidentiality**

This order and agreed resolution describes violations that the commission has determined are neither technical nor *de minimis*. Accordingly, this order and agreed resolution is not confidential under section 571.140 of the Government Code and may be disclosed by members and staff of the commission.

#### **VII. No Sanction**

After considering the seriousness of the violations described under Sections III and IV, including the nature, circumstances, and consequences of the violations, and after considering the sanction necessary to deter future violations, the commission imposes no civil penalty for the violations described under Sections III and IV.

#### **VIII. Order**

The commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-2512244.

AGREED to by the respondent on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Carol Alvarado, Respondent

EXECUTED ORIGINAL received by the commission on: \_\_\_\_\_.

Texas Ethics Commission

By: \_\_\_\_\_  
David A. Reisman, Executive Director