

# TEXAS ETHICS COMMISSION

IN THE MATTER OF  
RANDY GRAY,  
RESPONDENT

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§

BEFORE THE  
TEXAS ETHICS COMMISSION  
SC-2512245

## ORDER and AGREED RESOLUTION

### I. Recitals

The Texas Ethics Commission (the commission) met on July 14, 2006, to consider sworn complaint SC-2512245. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031(a)(2), 254.0611(a)(5), 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 report the aggregate principal amount of all outstanding loans on his July 2004 semiannual report. The complaint also alleges that the respondent failed to report the required information regarding outstanding loans on his July 2004 semiannual report. The complaint further alleges that the respondent failed to report loan payments on his July 2004 semiannual report.

### III. Facts Supported by Credible Evidence

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

1. The respondent was a candidate for county court at law judge.
2. The evidence indicates that the respondent did not report on his July 2004 semiannual report the aggregate principal amounts of all outstanding loans as of the last day of the reporting period.
3. The respondent did not disclose on his July 2004 semiannual report the full name and address of the person or financial institution who made a loan to him or was the guarantor of the loan for him.

4. The loan at issue had been disclosed on prior reports.
5. The respondent did not disclose loan payments on his July 2004 semiannual report.
6. The respondent filed corrected reports to provide the information at issue.

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

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

1. A candidate must report the aggregate principal amount of all outstanding loans as of the last day of the reporting period. ELEC. CODE § 254.031(a)(2).
2. The evidence indicates that the respondent failed to properly report the aggregate principal amount of all outstanding loans as of the last day of the reporting period on his July 2004 semiannual report. Therefore, there is credible evidence of a violation of section 254.031(a)(2) of the Election Code.
3. A judicial candidate must report for each outstanding loan as of the last day of the reporting period: the full name and address of the person or financial institution making the loan; and the full name and address of each guarantor of the loan other than the candidate. ELEC. CODE § 254.0611(a)(5). That information should be included on Schedule L. The respondent did not file Schedule L or otherwise provide the information on his July 2004 semiannual report. Therefore, there is credible evidence of a violation of section 254.0611(a)(5) 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 report payments made on his campaign loan on his July 2004 semiannual report. 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 must report the aggregate principal amount of all outstanding loans as of the last day of the reporting period. The respondent acknowledges that a judicial candidate must report for each outstanding loan as of the last day of the reporting period: the full name and address of the person or financial institution making the loan; and the full name and address of each guarantor of the loan other than the candidate. The respondent 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.
4. 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. 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 a \$100 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-2512245.

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

\_\_\_\_\_  
Randy Gray, Respondent

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

Texas Ethics Commission

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