

# TEXAS ETHICS COMMISSION

IN THE MATTER OF

GEORGE MATHEW KAKKANATT,

RESPONDENT

§  
§  
§  
§  
§

BEFORE THE

TEXAS ETHICS COMMISSION

SC-2706142

## ORDER and AGREED RESOLUTION

### I. Recitals

The Texas Ethics Commission (the commission) held a preliminary review hearing on April 3, 2008, to consider sworn complaint SC-2706142. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.061 and 254.063 of the Election Code, and section 571.1242 of the Government 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 file semiannual campaign finance reports and failed to include required information on a campaign finance report.

### III. Facts Supported by Credible Evidence

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

1. The respondent ran for a position on the board of directors of the Burney Road Municipal Utility District during the May 2006 election.
2. The respondent filed a campaign treasurer appointment in March 2006.
3. The respondent filed a final campaign finance report in May 2007 covering the period of March 13, 2006, through June 30, 2006.
4. The report discloses that the respondent received a notice of direct expenditure from "Director's Electives [or Elections]," a general-purpose political committee.

5. The report did not disclose the address of the general-purpose political committee nor did it indicate the name and address of the committee's campaign treasurer.
6. The report discloses a \$50 political expenditure made from personal funds to "Print4U," on April 10, 2007, for "copies/fliers."
7. The report did not include an address for the payee, "Print4U."
8. On July 2, 2007, the commission sent a notice by certified mail to the respondent that a sworn complaint had been filed against him. The notice required that the respondent send a response within 10 business days of receipt of the notice and advised that a failure to timely respond to a notice of sworn complaint is a Category One violation.
9. On September 5, 2007, the commission again sent the sworn complaint notice by certified mail.
10. On September 28, 2007, the commission sent the sworn complaint notice a third time, this time by certified mail and by delivery confirmation.
11. United States Postal Service records indicate that the sworn complaint notice was delivered to the respondent on October 1, 2007.
12. The respondent did not contact the commission nor did he file a response to the sworn complaint.

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

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

1. A candidate shall file two reports for each year, the first report shall be filed not later than July 15, and cover the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through June 30. The second report shall be filed not later than January 15, and cover the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through December 31. ELEC. CODE § 254.063.
2. The respondent filed a campaign treasurer appointment in March 2006. Therefore, the respondent was required to file semiannual reports as a candidate.

3. The respondent terminated his campaign treasurer appointment in May 2007 when he filed a final campaign finance report. Thus, he was required to file semiannual reports as a candidate for July 2006 and January 2007.
4. Although the respondent filed a final campaign finance report in May 2007, the respondent did not timely file the semiannual reports due in July 2006 and January 2007. Therefore, there is credible evidence of violations of section 254.063 of the Election Code.
5. Each campaign finance report filed by a candidate must include 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.
6. Although the respondent was required to provide the full name and address of a person to whom expenditures were made that in aggregate exceeds \$50, the evidence indicates that the expenditure in question was for \$50. Because the amount at issue did not exceed \$50, the respondent was not required to provide the payee's address. Therefore, there is credible evidence of no violation of section 254.031 of the Election Code.
7. Each campaign finance report filed by a candidate must include the full name and address for each political committee from which the candidate received notice of a direct expenditure and the full name and address of the committee's campaign treasurer. ELEC. CODE § 254.061.
8. The respondent's May 2007 report discloses the name of a committee but does not include the address of the committee and the name of the committee's campaign treasurer, as well as the treasurer's address. Therefore, there is credible evidence that the respondent violated section 254.061 of the Election Code.
9. A respondent must respond to the notice of a Category One violation not later than the 10th business day after the date the respondent receives the notice and failure to respond to a notice of sworn complaint within the time required is a separate Category One violation. GOV'T CODE § 571.1242(a)(c).
10. The evidence shows that the respondent received the notice of a Category One violation and failed to respond to the notice within 10 business days. Therefore, there is credible evidence of a violation of section 571.1242 of the Government 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 shall file two reports for each year, the first report shall be filed not later than July 15, and cover the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through June 30. The second report shall be filed not later than January 15, and cover the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through December 31. The respondent also acknowledges that each campaign finance report filed by a candidate must include the full name and address for each political committee from which the candidate received notice of a direct expenditure and the full name and address of the committee's campaign treasurer. The respondent further acknowledges that a respondent must respond to a notice of a Category One violation not later than the 10th business day after the date the respondent receives the notice and failure to respond to the notice within the time required is a separate Category One violation. 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 \$200 civil penalty.

**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-2706142.

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

\_\_\_\_\_  
George Mathew Kakkanatt, Respondent

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

Texas Ethics Commission

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