

TEXAS ETHICS COMMISSION

IN THE MATTER OF

RON J. PRICE,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-2712234

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on February 12, 2009, to consider sworn complaint SC-2712234. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031, 254.063, 254.064 and 254.001 of the Election Code and section 18.9 of the Ethics Commission Rules, 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

This complaint alleges that the respondent failed to include or improperly reported required information on his January 2006, January 2007, and July 2007 semiannual campaign finance reports, and 30-day and 8-day pre-election campaign finance reports filed in connection with the May 2006 election. The complaint also alleges that the respondent failed to correctly identify corrections and failed to timely file those reports. The complaint also alleges that the respondent failed to maintain political contributions in an account separate from his personal funds. The complaint also alleges that the respondent failed to properly maintain a record of all reportable activity.

III. Facts Supported by Credible Evidence

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

1. The respondent is a school board trustee for the Dallas Independent School District (DISD) who was first elected to that office in May 1997 and who was re-elected to that office as an opposed candidate in the May 2006 election.
2. The respondent filed an amended campaign treasurer appointment on October 26, 2007. According to the local filing authority, there is no original campaign treasurer appointment

on file, although the reports at issue all disclose the same individual as the respondent's campaign treasurer.

January 2006 Semiannual Report

3. The respondent filed his January 2006 semiannual report on January 17, 2006. The report disclosed that it covered a period beginning January 15, 2006, through July 15, 2006. The correct period for the respondent's January 2006 semiannual report should have been July 1, 2005, through December 31, 2005. The contributions and expenditures that were disclosed did not include full addresses for five political expenditures. The report did not disclose the purpose of one political expenditure. The report disclosed:
 - \$100 in total political contributions of \$50 or less
 - \$3,250 in total political contributions
 - \$0 political expenditures of \$50 or less
 - \$5968.83 in total political expenditures
 - \$11,312.44 in total political contributions maintained
 - \$0 outstanding loans

4. The respondent filed a corrected report on October 26, 2007, that did not indicate which report was being corrected, but covered the period shown on the original January 2006 semiannual report. The correction affidavit did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The period covered on the report was corrected to cover July 1, 2005, through December 31, 2005. The acceptance date for one political contribution was changed from the original report. Complete addresses were added to four political expenditures. One expenditure still does not disclose an address. It appears that the payee name of one expenditure from the original report was changed from "Ed Valentine," to "Valentine Printing." The report also added one \$500 expenditure to Teddy Hawkins for "consultant." The second corrected report disclosed:
 - \$100 in total political contributions of \$50 or less (no change)
 - \$3,350 in total political contributions (\$100 increase)
 - \$9 in political expenditures of \$50 or less (\$9 increase)
 - \$6,477.83 in total political expenditures (\$509 increase)
 - \$7,453.44 in total political contributions maintained (\$3,859 decrease)
 - \$0 outstanding loans (no change)

30-day Pre-election Campaign Finance Report

5. Due to an unreadable date stamp, it is unclear when the respondent filed his 30-day pre-election report, but the report was notarized on April 13, 2006. The report disclosed that it covered a period beginning January 15, 2006, through May 13, 2006. The correct period was January 1, 2006, through April 3, 2006. The report did not include a complete address for three expenditures. The report disclosed:

- \$0 political contributions of \$50 or less
- \$7,962.44 total political contributions
- \$0 political expenditures of \$50 or less
- \$5,167.67 in total political expenditures
- \$2,794.77 in total political contributions maintained
- \$0 outstanding loans

6. The respondent filed a corrected report on October 26, 2007, which did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The period covered on the report was changed to cover January 1, 2006, through April 12, 2006. The correct end date was April 3, 2006. Complete addresses were included on all itemized expenditures. It appears that an expenditure disclosed on the original report for \$400 was changed into two \$200 expenditures to the same payee on different dates. The report disclosed:

- \$0 political contributions of \$50 or less (no change)
- \$0 total political contributions (\$7,962.44 decrease)
- \$3 in political expenditures of \$50 or less (\$3 increase)
- \$5,170.67 in total political expenditures (\$ 3 increase)
- \$5,632.77 in total political contributions maintained (\$2,838 increase)
- \$0 outstanding loans (no change)

8-day Pre-election Campaign Finance Report

7. The respondent filed his 8-day pre-election report on May 5, 2006. The report disclosed that it covered a period beginning January 15, 2006, through May 13, 2006. The correct period was April 4, 2006, through May 3, 2006. The report did not disclose the acceptance date for one political contribution. The report did not disclose the complete address of three political expenditures. The report also disclosed three dates for one political expenditure. The report disclosed:

- \$0 political contributions of \$50 or less
- \$6,294.77 in total political contributions

- \$0 political expenditures of \$50 or less
 - \$4,597.26 in total political expenditures
 - \$1,294.77 in total political contributions maintained
 - The space for outstanding loans was left blank
8. The respondent filed a corrected report on October 26, 2007, which did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The period covered on the report was changed to cover April 13, 2006, though May 5, 2006. The correct period was April 4, 2006, through May 3, 2006. The date of acceptance for one contribution was changed from April 5, 2006 to April 15, 2006. The report disclosed a single \$550 entry as “unitemized contributions” on the detailed disclosure statement but provided no detailed disclosure. The report changed the acceptance date and amount of one political expenditure. The report added addresses that were not previously disclosed for two political expenditures. The report added one political expenditure for \$1,500 to Anna V. Casey for “consultant (mailer),” which did not disclose a complete address. One other expenditure to the same payee did not disclose a complete address. The report disclosed totals of:
- \$50 in political contributions of \$50 or less (\$50 increase)
 - \$4,050 in total political contributions (\$2,244.77 decrease)
 - \$18 in political expenditures of \$50 or less (\$18 increase)
 - \$5,102.78 in total political expenditures (\$505.52 increase)
 - \$5,329.99 in total political contributions maintained (\$4,035.22 increase)
 - \$0 outstanding loans

July 2006 Semiannual Campaign Finance Report

9. Due to an unreadable date stamp, it is unclear when the respondent filed his July 2006 semiannual report, but the report was notarized on July 13, 2006. The report disclosed that it covered a period beginning January 15, 2006, through July 15, 2006. The correct period was May 4, 2006, through June 30, 2006. The report did not disclose the full address for one political expenditure. The report disclosed:
- \$0 political contributions of \$50 or less
 - \$0 total political contributions
 - \$0 political expenditures of \$50 or less
 - \$1,600 in total political expenditures
 - \$2,794.77 in total political contributions maintained
 - \$1,194.77 outstanding loans

10. The respondent filed a corrected report on October 26, 2007, that did not indicate which report was being corrected, but covered the period shown on the original report. The corrected report also did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The report disclosed that it covered a period beginning May 6, 2006, through June 30, 2006. The report disclosed a single \$1,950 entry as “unitemized contributions” on the detailed disclosure schedule but provided no detailed disclosure. The report disclosed four expenditures that do not appear to have been disclosed on the original report. The report appears to have changed the payee of one political expenditure from the original report. The report disclosed:
- \$0 political contributions of \$50 or less (no change)
 - \$1,950 total political contributions (\$1,950 increase)
 - \$33 in political expenditures of \$50 or less (\$33 increase)
 - \$3,704 in total political expenditures (\$2,104 increase)
 - \$2,825.99 in total political contributions maintained (\$1,631.22 increase)
 - \$0 outstanding loans (\$1,194.77 decrease)

January 2007 Semiannual Campaign Finance Report

11. Due to an unreadable date stamp, it is unclear when the respondent filed his January 2007 semiannual report, but the report was notarized on January 15, 2007. The report disclosed that it covered a period beginning January 15, 2007, through July 15, 2007. The correct period was July 1, 2006, through December 31, 2006. The report did not disclose the full address of three political expenditures. The report did not itemize any political contributions. The report disclosed:
- \$0 political contributions of \$50 or less
 - \$1,294.77 in total political contributions
 - \$0 political expenditures of \$50 or less
 - \$750 in total political expenditures
 - \$544.77 in total political contributions maintained
 - \$0 outstanding loans
12. The respondent filed a corrected report on October 26, 2007, which did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The period covered on the report was changed to cover July 1, 2006, through December 31, 2006. The report added seven expenditures to Bank of America totaling approximately \$92 for “Banking Fee.” The report also added three expenditures to B.C. Foreman totaling approximately \$600 for “rent.” The report also added one expenditure for \$500 to Teddy Hawkins for “consulting.”

Complete addresses were added to the expenditures that were not included in the original report. The report disclosed totals of:

- \$0 political contributions of \$50 or less (no change)
- \$0 in total political contributions (\$1,294.77 decrease)
- \$0 political expenditures of \$50 or less (no change)
- \$1,942 in total political expenditures (\$1,192 increase)
- \$882.99 in total political contributions maintained (\$338.22 increase)
- \$0 outstanding loans (no change)

July 2007 Semiannual Campaign Finance Report

13. The respondent filed his July 2007 semiannual report on July 26, 2007. The report disclosed that it covered a period beginning January 15, 2007, through July 15, 2007. The correct period was January 1, 2007, through June 30, 2007. The report did not itemize any political contributions. The report disclosed:

- No political contributions of \$50 or less
- \$400 in total political contributions
- No political expenditures of \$50 or less
- \$400 in total political expenditures
- \$235 in total political contributions maintained
- No outstanding loans

14. The respondent filed a corrected report on October 26, 2007, which did not include an explanation of the corrections and only modified the totals of the original report. The respondent filed a second corrected report on March 24, 2008. The period covered on the report was changed to cover January 1, 2007, through June 30, 2007. The report added seven expenditures to Bank of America totaling approximately \$98 for "Banking Fee." The report also added two expenditures to Foreman Tax Service totaling \$270 for "share of utilities for campaign office." The report disclosed:

- \$0 political contributions of \$50 or less (no change)
- \$0 in total political contributions (\$400 decrease)
- \$0 political expenditures of \$50 or less (no change)
- \$768 in total political expenditures (\$368 increase)
- \$114.99 in total political contributions maintained (\$120.01 decrease)
- \$0 outstanding loans (no change)

15. The respondent swore that the cash-on-hand amounts he reported "are reasonably within the range of the actual cash-on-hand."

16. The respondent swore that all campaign funds have been and are currently kept in a separate Bank of America bank account.
17. The respondent swore that he has maintained records of all reportable activity, but that some records of contributions during or around May 2006 are missing due to a former consultant taking records from his campaign office.

IV. Findings and Conclusions of Law

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

1. Each campaign finance report must include the amount of political contributions from each person that in the aggregate exceed \$50 and that are accepted during the reporting period by the person required to file a report, the full name and address of the person making the contributions, and the dates of the contributions. The report must also include the amount of loans that are made during the reporting period for campaign or officeholder purposes to the person required to file the report and that in the aggregate exceed \$50, the dates the loans are made, the interest rate, the maturity date, the type of collateral for the loans, if any, the full name and address of the person or financial institution making the loans, the full name and address, principal occupation, and name of the employer of each guarantor of the loans, the amount of the loans guaranteed by each guarantor, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. The report must also 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. The report must also include the total amount or a specific listing of the political contributions of \$50 or less accepted and the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period. The report must also include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period. The report must also include, as of the last day of a reporting period for which the person is required to file a report, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. ELEC. CODE § 254.031(a)(1), (2), (3), (5), (6), and (8).

January 2006 Semiannual Campaign Finance Report

2. The complaint alleged that the respondent failed to disclose the proper amount of political contributions maintained on his January 2006 semiannual report. The respondent corrected this report after the filing of this sworn complaint to change, among other things, the amount of total political contributions maintained. There was an approximate \$3,859 increase in

total political contributions maintained on the respondent's corrected report. Thus, the evidence indicates that the respondent did not correctly disclose the amount of political contributions maintained on his original report.

3. The evidence also indicates that the respondent's original report failed to disclose the correct amount of total political contributions, total political expenditures of \$50 or less, and total political expenditures, failed to disclose complete addresses for five political expenditures, failed to include the correct payee name of one political expenditure, and failed to disclose one political expenditure that was added to his corrected report.
4. Therefore, as to the respondent's January 2006 semiannual report, there is credible evidence of violations of sections 254.031(a)(3), (5), (6), and (8) of the Election Code.

30-day Pre-election Campaign Finance Report

5. The complaint alleged that the respondent failed to disclose the proper amount of political contributions maintained on his 30-day pre-election report (filed in connection with the May 2006 election). The respondent corrected this report after the filing of this sworn complaint to change, among other things, the amount of political contributions maintained. There was an approximate \$2,840 increase in total political contributions maintained on the respondent's corrected report. Thus, the evidence indicates that the respondent did not correctly disclose the amount of political contributions maintained on his original report.
6. The complaint also alleged that the respondent failed to itemize political contributions exceeding \$50 on the report. Although the respondent disclosed \$7,962.44 in total political contributions on his originally filed report, his corrected report disclosed that he had no political contributions during the period covered by the report. Thus, the evidence indicates that the respondent failed to disclose the correct amount of total political contributions on his original report.
7. The evidence also indicates that the respondent failed to disclose the correct amount of total political expenditures of \$50 or less, and total political expenditures, failed to disclose complete addresses for three political expenditures, and disclosed a single political expenditure that was actually two separate expenditures that occurred on different dates.
8. Therefore, as to the respondent's 30-day pre-election report (filed in connection with the May 2006 election), there is credible evidence of violations of sections 254.031(a)(1), (3), (5), (6), and (8) of the Election Code.

8-day Pre-election Campaign Finance Report

9. The complaint alleged that the respondent failed to disclose the proper amount of political contributions maintained on his 8-day pre-election report (filed in connection with the May 2006 election). The respondent corrected this report after the filing of this sworn complaint to change, among other things, the amount of political contributions maintained. There was an approximate \$4,035 increase in total political contributions maintained on the respondent's corrected report. Thus, the evidence indicates that the respondent did not correctly disclose the amount of political contributions maintained on his original report.
10. The evidence also indicates that the respondent's original report failed to disclose the correct amount of total political contributions of \$50 or less, total political contributions, total political expenditures of \$50 or less, and total political expenditures, failed to disclose the correct date of acceptance for one political contribution, failed to disclose the correct date for one political expenditure, failed to disclose the complete address of four political expenditures, and failed to disclose one political expenditure on his originally filed report.
11. Therefore, as to those disclosures on the respondent's May 2006 8-day pre-election report, there is credible evidence of violations of sections 254.031(a)(1), (3), (5), (6), and (8) of the Election Code.
12. The evidence also indicates that the respondent disclosed \$550 in a single entry in political contributions as "unitemized contributions," and did not report the name, address, and amount of each individual contribution that made up the amount. However, the evidence indicates that the respondent does not have records pertaining to those political contributions. As such, it is unclear whether any of those contributions were less than \$50 from any individual during the reporting period. As such, there is insufficient evidence to determine whether detailed reporting was required for any of the contributions included in the \$550 "unitemized contributions."
13. Therefore, as to the "unitemized contributions" on the respondent's May 2006 8-day pre-election report, there is insufficient evidence of violations of sections 254.031(a)(1) and (5) of the Election Code.

July 2006 Semiannual Campaign Finance Report

14. The respondent made corrections to his July 2006 semiannual report as a result of this sworn complaint. The corrections show violations of section 254.031 of the Election Code. The evidence indicates that the respondent's original report failed to properly disclose the correct amount of total political contributions, total political expenditures of \$50 or less, total political expenditures, total political contributions maintained and total outstanding loans,

failed to disclose the complete address for one political expenditure, and failed to disclose four expenditures on the originally filed report.

15. Therefore, as to those disclosures on the respondent's July 2006 semiannual report, there is credible evidence of violations of sections 254.031(a)(2), (3), (5), (6), and (8) of the Election Code.
16. The evidence also indicates that the respondent disclosed in a single entry \$1,950 in political contributions as "unitemized contributions," and did not report the name, address and amount of each individual contribution that made up the amount. However, the evidence indicates that the respondent does not have records pertaining to those political contributions. As such, it is unclear whether any of those contributions were less than \$50 from any individual during the reporting period. As such, there is insufficient evidence to determine whether detailed reporting was required for any of the contributions included in the \$550 "unitemized contributions."
17. Therefore, as to the "unitemized contributions" on the respondent's July 2006 semiannual report, there is insufficient evidence of violations of sections 254.031(a)(1) and (5) of the Election Code.

January 2007 Semiannual Campaign Finance Report

18. The complaint alleged that the respondent failed to disclose the proper amount of political contributions maintained on his January 2007 semiannual report. The respondent corrected this report after the filing of this sworn complaint to change, among other things, the amount of political contributions maintained. There was an approximate \$1,631 increase in total political contributions maintained on the respondent's corrected report. Thus, the evidence indicates that the respondent did not correctly report the amount of political contributions maintained on his original report.
19. The complaint also alleged that the respondent failed to itemize political contributions exceeding \$50 on the report. Although the respondent disclosed \$1,294.77 in total political contributions on his originally filed report, his corrected report disclosed he had no political contributions during the period covered by the report. Thus, the evidence indicates that the respondent failed to disclose the correct amount of political contributions on the original report.
20. The evidence also indicates that the respondent's original report failed to disclose the correct amount of total political contributions and total political expenditures, failed to disclose a complete address for three political expenditures, and failed to disclose eleven political expenditures.

21. Therefore, as to the respondent's January 2007 semiannual report, there is credible evidence of violations of sections 254.031(a)(3), (6), and (8) of the Election Code.

July 2007 Semiannual Campaign Finance Report

22. The complaint alleged that the respondent failed to report the proper amount of political contributions maintained on his July 2007 semiannual report. The respondent corrected this report after the filing of this sworn complaint to change, among other things, the amount of political contributions maintained. There was an approximate \$120 decrease in total political contributions maintained on the respondent's corrected report. Thus, the evidence indicates that respondent did not correctly report the amount of political contributions maintained on his original report.
23. The complaint also alleged that the respondent failed to itemize political contributions exceeding \$50 on the report. The respondent disclosed \$400 in total political contributions on his originally filed report. That report disclosed no total for political contributions of \$50 or less and included no political contributions schedule (Schedule A). The respondent's corrected report disclosed that he had no political contributions during the period covered by the report. Thus, the evidence indicates that the respondent failed to disclose the correct amount of political contributions on the original report.
24. The evidence also indicates that the respondent's original report failed to disclose the correct amount of total political expenditures and failed to disclose nine political expenditures.
25. Therefore, as to the respondent's July 2007 semiannual report, there is credible evidence of violations of sections 254.031(a)(3), (6), and (8) of the Election Code.

Failure to Properly Identify Corrections to a Report

26. A corrected report must clearly identify how the corrected report is different from the report being corrected. A filer who files a corrected report must submit an affidavit identifying the information that was corrected. Ethics Commission Rules §18.9.
27. The evidence indicates that the respondent filed corrections to his January 2006, July 2006, January 2007, and July 2007 semiannual reports and April 2006 30-day and May 2006 8-day pre-election reports on October 26, 2007. The evidence indicates that the correction affidavits included with those reports were left blank. Thus, the corrected reports failed to clearly identify how the reports were different from the reports being corrected. Therefore, as to the respondent's January 2006, July 2006, January 2007, and July 2007 semiannual

reports and April 2006 30-day and May 2006 8-day pre-election reports, there is credible evidence of violations of section 18.9 of the Ethics Commission Rules.

Failure to Timely File Reports

28. A campaign finance report is considered late if it is incomplete at the time of filing. Ethics Commission Rules §18.7(c)(1).
29. In addition to other required reports, a candidate shall file two campaign finance reports for each year. The first report shall be filed not later than July 15. The report covers 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. The report covers 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.
30. The evidence indicates that the local filing authority does not have an original campaign treasurer appointment on file for the respondent. The evidence indicates that the respondent filed an amended campaign treasurer appointment on October 26, 2007. The evidence also indicates that the respondent did not file a final campaign finance report between July 1, 2005, and October 26, 2007. Thus, the evidence reasonably indicates that the respondent had a campaign treasurer on file during the reporting period covered by his January 2006, July 2006, January 2007, and July 2007 semiannual reports. Therefore, the respondent was required to file semiannual campaign finance reports as a candidate.
31. The evidence indicates that the respondent's originally filed January 2006, July 2006, and January 2007 semiannual reports were filed by the deadline but were incorrect or were missing required information. The July 2007 semiannual report was filed late and was also incorrect or contained missing information. The evidence indicates that the respondent filed corrections to those reports on later dates to include the missing or incorrect information. Thus, three of the original semiannual reports were incomplete and considered late, and the other was actually filed after the deadline. Therefore, as to the respondent's January 2006, July 2006, January 2007, and July 2007 semiannual reports, there is credible evidence of violations of section 254.063 of the Election Code.
32. In addition to other required reports, for each election in which a person is a candidate and has an opponent whose name is to appear on the ballot, the person shall file two reports. The first report shall be filed not later than the 30th day before election day. The report covers the period beginning 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 the 40th day before election day. The second report shall be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before election day and continuing through the 10th day before election day. ELEC. CODE § 254.064.

33. The evidence indicates that the respondent was an opposed candidate for school board trustee in an election held on May 13, 2006. As an opposed candidate the respondent was required to file a 30-day pre-election report on April 13, 2006, and an 8-day pre-election report on May 5, 2006.
34. The evidence is insufficient to show the date the respondent originally filed his 30-day pre-election report. The evidence does indicate that the respondent filed his 8-day pre-election report on May 5, 2006. However, the evidence indicates that both of the respondent's originally filed 30-day and 8-day pre-election reports were missing required information. The evidence also indicates that the reports were corrected on October 26, 2007, and again on March 24, 2008. Thus, the original reports were incomplete and considered late. Therefore, as to the respondent's 30-day and 8-day pre-election reports filed in connection with the May 2006 election, there is credible evidence of violations of section 254.064 of the Election Code.

Failure to Maintain Separate Accounts

35. Each candidate or officeholder shall keep the person's campaign and officeholder contributions in one or more accounts that are separate from any other account maintained by the person. ELEC. CODE § 253.040.
36. The respondent swore that all his campaign funds are kept in a separate bank account. There is no evidence to show that the respondent did not maintain political contributions in an account separate from other accounts. Thus, there is insufficient evidence of a violation of section 253.040 of the Election Code.

Failure to Maintain a Record of Reportable Activity

37. Each candidate and each officeholder shall maintain a record of all reportable activity. The record must contain the information that is necessary for filing campaign finance reports. Each candidate and each officeholder shall preserve the record for at least two years beginning on the filing deadline for the report containing the information in the record. ELEC. CODE § 254.001.
38. The respondent swears that some records of contributions during or around May 2006 were missing because a former consultant took records from their campaign office. As a result,

the respondent disclosed \$550 in a single entry as “unitemized contributions” without a detailed disclosure on his 8-day pre-election report (in connection with the May 2006 election) and \$1,950 in a single entry as “unitemized contributions” without a detailed disclosure on his July 2006 semiannual report. Thus, the respondent did not maintain a record of this reportable activity. Furthermore, the evidence indicates that at least as far back as the respondent’s January 2006 semiannual report (and subsequent corrections) the respondent’s reports failed to include the names, address or amounts of contributions or expenditures. It is reasonable to assume that the respondent was not able to complete this information on his corrected reports because he did not possess records of that reportable activity. Therefore, the evidence indicates that the respondent did not properly maintain a record of all reportable activity for at least two years beginning on the filing deadline for the report containing the information in the record. Thus, there is credible evidence of a violation of section 254.001 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 each campaign finance report must include the amount of political contributions from each person that in the aggregate exceed \$50 and that are accepted during the reporting period by the person required to file a report, the full name and address of the person making the contributions, and the dates of the contributions. The respondent also acknowledges that the report must also include the amount of loans that are made during the reporting period for campaign or officeholder purposes to the person required to file the report and that in the aggregate exceed \$50, the dates the loans are made, the interest rate, the maturity date, the type of collateral for the loans, if any, the full name and address of the person or financial institution making the loans, the full name and address, principal occupation, and name of the employer of each guarantor of the loans, the amount of the loans guaranteed by each guarantor, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. The respondent also acknowledges that the report must also 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. The

respondent also acknowledges that the report must also include the total amount or a specific listing of the political contributions of \$50 or less accepted and the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period. The respondent also acknowledges that the report must also include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period. The respondent also acknowledges that the report must also include, as of the last day of a reporting period for which the person is required to file a report, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period.

The respondent also acknowledges that a corrected report must clearly identify how the corrected report is different from the report being corrected. The respondent also acknowledges that a filer who files a corrected report must submit an affidavit identifying the information that was corrected.

The respondent also acknowledges that a campaign finance report is considered late if it is incomplete at the time of filing.

The respondent also acknowledges that in addition to other required reports, a candidate shall file two campaign finance reports for each year. The first report shall be filed not later than July 15. The report covers 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 respondent also acknowledges that the second report shall be filed not later than January 15. The report covers 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 in addition to other required reports, for each election in which a person is a candidate and has an opponent whose name is to appear on the ballot, the person shall file two reports. The first report shall be filed not later than the 30th day before election day. The report covers the period beginning 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 the 40th day before election day. The second report shall be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before election day and continuing through the 10th day before election day.

The respondent also acknowledges that each candidate and each officeholder shall maintain a record of all reportable activity. The record must contain the information that is necessary for filing campaign finance reports. Each candidate and each officeholder shall preserve the

record for at least two years beginning on the filing deadline for the report containing the information in the record.

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 \$3,500 civil penalty.

The respondent agrees that the Texas Ethics Commission, P. O. Box 12070, Austin, Texas 78711, must receive from the respondent full payment of the \$3,500 civil penalty no later than May 31, 2009, and agrees to waive any right to a hearing related to this sworn complaint. The respondent agrees that if the full amount is not received by May 31, 2009, the matter of the collection of the civil penalty will be referred to the Office of the Attorney General of Texas.

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-2712234.

AGREED to by the respondent on this _____ day of _____, 20__.

Ron J. Price, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director