

TEXAS ETHICS COMMISSION

IN THE MATTER OF

STEPHEN L. BLACKMAN,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-2905130

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on December 2, 2009, to consider sworn complaint SC-2905130. A quorum of the commission was present. The commission determined that there is credible evidence of a violation of sections 253.003 and 253.094 of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposed this resolution to the respondent.

II. Allegation

The complaint alleged that the respondent, as the director of a corporation, made an unlawful political contribution.

III. Facts Supported by Credible Evidence

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

1. The respondent is a director, part owner, and vice president of Alton Lane Homes, Inc. (ALH). Texas Secretary of State records show that ALH is a domestic for-profit corporation and show that the respondent is director of the corporation.
2. The complaint alleged that the respondent, as the director of a corporation, made an unlawful political contribution to an officeholder.
3. The officeholder's January 2008 semiannual report disclosed that on October 8, 2007, the officeholder accepted an \$800 political contribution from Alton Lane Homes.
4. The respondent attended a political function for an officeholder and bid on four live oak trees at a public auction at that event. The respondent used a corporate check from Alton Lane Homes, Inc. to pay \$800 for all four trees.

5. The officeholder later contacted the respondent and issued a check for \$800 to return the contribution to the corporation, which the respondent accepted.

IV. Findings and Conclusions of Law

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

Corporate Contribution to a Candidate

1. A corporation may not make a political contribution or political expenditure that is not authorized by subchapter D, chapter 253, Election Code. ELEC. CODE § 253.094. That subchapter does not authorize a corporation to make a political contribution to a candidate.
2. A political contribution means a campaign contribution or an officeholder contribution. *Id.* § 251.001(5).
3. A contribution means, in pertinent part, a direct or indirect transfer of money, goods, services, or any other thing of value and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make a transfer. *Id.* § 251.001(2).
4. An officer, director, or other agent of a corporation or labor organization who commits an offense under this subchapter is punishable for the grade of offense applicable to the corporation or labor organization. ELEC. CODE § 253.095.
5. At the time of the expenditure at issue, the respondent was a director, part owner and vice president of a corporation. The respondent used a check drawn on the corporation's bank account to pay for items bid on at a political fundraiser for an officeholder. The respondent was aware that the function was a political fundraiser in support of an officeholder. Thus, the respondent, using corporate funds, made a political contribution to a candidate or officeholder. Therefore, there is credible evidence of a violation of sections 253.003 and 253.094 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 corporation may not make a political contribution to a candidate or officeholder. The respondent agrees to comply with this requirement of the law.

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 be disclosed by members and staff of the commission.

VII. Sanction

After considering the seriousness of the violation described under Sections III and IV, including the nature, circumstances, and consequences of the violation, and after considering the sanction necessary to deter future violations, the commission imposes a \$400 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-2905130.

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

Stephen L. Blackman, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director