

9. The respondent stated on his website that, "99% of all petitions signed were through employing the homeless in Tarrant County."
10. The respondent swore that he paid the homeless less than \$50 to collect signatures.
11. The respondent's January 2010 semiannual report disclosed no political contributions or expenditures.
12. On February 1, 2010, the respondent filed a 30-day pre-election report which did not indicate the period covered. The report's cover sheet disclosed \$0 in total political expenditures of \$50 or less, and \$5,618.93 in total political expenditures. No political expenditures were itemized in the report.
13. On February 12, 2010, the respondent filed corrections to his 30-day pre-election report. He changed the amount of total political expenditures to \$5,899.08 on the report's cover sheet and itemized a \$5,899.08 expenditure for "Political Signs" on Schedule G (used for disclosing political expenditures made from personal funds) with no indication that he intended to reimburse himself from political contributions.
14. As of February 15, 2011, the respondent has not corrected any reports to disclose the total amount or a specific listing of the political expenditures of \$50 or less made during a reporting period for the collection of petition signatures.

Conclusions of Law

1. Disposition of this case is within the jurisdiction of the Texas Ethics Commission. GOV'T CODE § 571.061.
2. The respondent received legally sufficient notice of the hearing in this case. GOV'T CODE § 571.032 and 1 TAC § 12.21. The hearing was held in accordance with section 12.23, 1 Texas Administrative Code.
3. A candidate shall file two reports for each year. ELEC. CODE § 254.063(a). The first report shall be filed not later than January 15 and 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. *Id.* § 254.063(c).
4. The January 2010 semiannual report was due January 15, 2010. The respondent filed his report on February 1, 2010, which was 17 days late. Therefore, there is credible evidence that the respondent violated section 254.063 of the Election Code in connection with the January 2010 semiannual report.
5. A campaign finance report 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(a)(3).

6. A campaign finance report must include the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period. ELEC. CODE § 254.031(a)(5).
7. The respondent paid individuals to collect signatures for his petition in lieu of the filing fee. Those expenditures were made during the period covered by the January 2010 semiannual report. However, both the original and corrected reports disclosed that no political expenditures were made during the reporting period. Additionally, the respondent's original 30-day pre-election report disclosed total political expenditures of approximately \$5,620. However, no political expenditures were itemized in the report. Although the respondent corrected the report to add a political expenditure of approximately \$5,900, the respondent failed to disclose that information when the report was originally due. Thus, the respondent failed to properly disclose political expenditures on the reports at issue. Therefore, there is credible evidence that the respondent violated section 254.031 of the Election Code with respect to the expenditures.
8. The Texas Ethics Commission may impose a sanction against the respondent of not more than \$5,000 or triple the amount at issue, whichever amount is greater. GOV'T CODE § 571.173.

Therefore, the Texas Ethics Commission orders that:

1. The respondent pay to the Texas Ethics Commission, within 30 days of the date of this order, a civil penalty in the amount of \$1,000.

Order Date: _____

FOR THE COMMISSION

David A. Reisman
Executive Director
Texas Ethics Commission