

TEXAS ETHICS COMMISSION

IN THE MATTER OF

CHARLES “DOC” ANDERSON,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-31011377

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on August 30, 2012, to consider sworn complaint SC-31011377. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.0612 of the Election Code and section 20.61 of the Ethics Commission Rules, 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. Allegations

The complaint alleged that the respondent did not properly report political expenditures, and did not include on campaign finance reports the principal occupation or job title and the full name of the employer for individuals who contributed \$500 or more to him during a reporting period.

III. Facts Supported by Credible Evidence

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

1. The respondent is the state representative for District 56 and was involved in an election held in November 2010.
2. The complaint alleged that the respondent did not disclose the principal occupation or job title and the full name of the employer for three individuals contributing \$500 or more that were disclosed in his 30-day pre-election report for the November 2010 election, and seven individuals contributing \$500 or more that were disclosed in his 8-day pre-election report for the November 2010 election.
3. In his response to the complaint, the respondent generally stated that he uses best efforts to obtain the occupation/job title and employer information for his political contributions, but did not specifically swear that he used best efforts for the contributions at issue in this complaint. The respondent additionally swore that he “and/or his campaign staff made oral

requests of the individuals identified by Complainant as missing their principal occupation/job title.”

4. The respondent did not provide the commission with written evidence of the oral requests.
5. The respondent has not filed corrected reports.
6. The complaint also alleged that the respondent did not disclose the categories for political expenditures on his 30-day pre-election report for the November 2010 election, and on his 8-day pre-election report for the November 2010 election.
7. The respondent’s 30-day pre-election report for the November 2010 election itemized approximately \$82,200 in political expenditures. None of the itemized expenditures disclosed a category.
8. The respondent’s 8-day pre-election report for the November 2010 election itemized approximately \$60,500 in political expenditures. None of the itemized expenditures disclosed a category.

IV. Findings and Conclusions of Law

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

1. The respondent had an active campaign treasurer appointment on file during the periods at issue. Thus, the respondent was a candidate for title 15 filing purposes. Each report by a candidate for a statewide office in the executive branch or a legislative office must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate equal or exceed \$500 and that are accepted during the reporting period, the individual’s principal occupation or job title and the full name of the individual’s employer. ELEC. CODE § 254.0612.
2. A person required to file a report under this chapter is considered to be in compliance with section 254.0612, 254.0912, or 254.1212 of the Election Code only if the person or the person’s campaign treasurer shows that the person has used best efforts to obtain, maintain, and report the information required by those sections. A person is considered to have used best efforts to obtain, maintain, and report that information if the person or the person’s campaign treasurer complies with this section. *Id.* § 254.0312(a).
3. Each written solicitation for political contributions from an individual must include, in pertinent part, a clear request for the individual’s full name and address, the individual’s principal occupation or job title, and the full name of the individual’s employer, and an accurate statement of state law regarding the collection and reporting of individual contributor information. *Id.* § 254.0312(b).

4. For each political contribution received from an individual that, when aggregated with all other political contributions received from the individual during the reporting period, equals or exceeds \$500 and for which the information required by section 254.0612, 254.0912, or 254.1212 is not provided, the person must make at least one oral or written request for the missing information. A request under this subsection must be made not later than the 30th day after the date the contribution is received, must include a clear and conspicuous statement that complies with Subsection (b), if made orally, must be documented in writing and may not be made in conjunction with a solicitation for an additional political contribution. *Id.* § 254.0312(c).
5. The complaint alleged that the respondent did not disclose the principal occupation or job title and/or the full name of the employer for three individuals contributing \$500 or more that were disclosed in his 30-day pre-election report for the November 2010 election, and seven individuals contributing \$500 or more that were disclosed in his 8-day pre-election report for the November 2010 election. In his response to the complaint, the respondent generally stated that he uses best efforts to obtain the occupation/job title and employer information for his political contributions, but did not specifically swear that he used best efforts for the contributions at issue in this complaint. The respondent did swear that he “and/or his campaign staff made oral requests of the individuals identified by Complainant as missing their principal occupation/job title.” However, the respondent did not provide commission staff with written evidence of those oral requests, as required by section 254.0312(c)(3) of the Election Code.
6. One \$500 political contribution at issue appears to be from a business entity, and was not required to include an occupation/job title and employer. Therefore, there is credible evidence of no violation of section 254.0612 of the Election Code with regard to that allegation.
7. The remaining \$99,000 at issue left blank spaces for the employer of the contributors at issue. Of the \$99,000, one \$500 contribution from an individual additionally left a blank space for the principal occupation/job title. Therefore, with regard to those allegations, there is credible evidence of violations of section 254.0612 of the Election Code.
8. A campaign finance report must include, for all 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 political expenditures are made and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
9. The purpose of an expenditure must include both a description of the category of goods or services received in exchange for the expenditure and a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. A description of an expenditure that merely states the item or service purchased is not adequate because doing so does not allow a person reading the report to know the allowable activity for which an expenditure was made. Ethics Commission Rules § 20.61.

10. The respondent did not disclose the categories for approximately \$82,200 in political expenditures (all of the itemized expenditures disclosed on the report) on his 30-day pre-election report for the November 2010 election and approximately \$60,500 in political expenditures (all of the itemized expenditures disclosed on the report) on his 8-day pre-election report for the November 2010 election. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code and section 20.61 of the Ethics Commission Rules.

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 in addition to the contents required by sections 254.031 and 254.061 of the Election Code, each campaign finance report filed by a candidate for a statewide office in the executive branch or a legislative office must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate equal or exceed \$500 and that are accepted during the reporting period: (1) the individual's principal occupation or job title; and (2) the full name of the individual's employer. The respondent acknowledges that each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 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 purpose of an expenditure must include both a description of the category of goods or services received in exchange for the expenditure and a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. A description of an expenditure that merely states the item or service purchased is not adequate because doing so does not allow a person reading the report to know the allowable activity for which an expenditure was made.

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 \$1,000 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-31011377.

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

Charles "Doc" Anderson, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director