

TEXAS ETHICS COMMISSION

IN THE MATTER OF
ROBERT W. EISSLER,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-3110227

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on November 29, 2012, to consider sworn complaint SC-3110227. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 253.032, 254.031, 254.036, and 254.0612 of the Election Code, section 571.1242 of the Government Code, and section 20.62 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: 1) accepted political contributions from corporations or labor organizations; 2) did not properly disclose on multiple campaign finance reports total political contributions maintained; 3) did not include in campaign finance reports documentation relating to political contributions from out-of-state political committees; 4) improperly reported political expenditures as reimbursements; 5) 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 during a reporting period; 6) converted political contributions to a personal use; 7) did not include a properly executed affidavit on campaign finance reports; and 8) did not disclose the full names of individual contributors.

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 15.
2. The reports at issue are the July 2009, January 2010, July 2010, and January 2011 semiannual reports, the 30-day and 8-day pre-election reports for the March 2010 primary election, and the 30-day and 8-day pre-election reports for the November 2010 general election.

3. The respondent was required to respond to the sworn complaint by April 1, 2011. The respondent filed a response that is postmarked June 29, 2012.

Total Political Contributions Maintained

4. The complaint alleged that the respondent disclosed an incorrect amount for the total political contributions maintained as of the last day of the reporting period in each report at issue, except the July 2009 semiannual report, or, in the alternative, did not report additional political contributions or political expenditures.
5. In the January 2010 semiannual report, the respondent disclosed \$412,557.00 for contributions maintained. The complaint alleged that contributions maintained should be \$407,093.41. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, December 31, 2009, was \$407,169. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.
6. In the 30-day pre-election report for the March 2010 primary election, the respondent disclosed \$438,109.00 in contributions maintained. The complaint alleged that contributions maintained should be \$432,645.85. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, January 21, 2010, was \$418,517.48. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.
7. In the 8-day pre-election report for the March 2010 primary election, the respondent disclosed \$491,023.51 in contributions maintained. The complaint alleged that the amount of contributions maintained should be \$508,310.36. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, February 20, 2010, was \$491,993.17. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.
8. In the July 2010 semiannual report, the respondent disclosed \$461,986.53 in contributions maintained. The complaint alleged that the amount of contributions maintained should be \$478,787.94. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, June 30, 2010, was \$456,440.66. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.
9. In the 30-day pre-election report for the November 2010 general election, the respondent disclosed \$491,982.51 in contributions maintained. The complaint alleged that the amount of contributions maintained should be \$508,783.92. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting

period, September 23, 2010, was \$475,455.95. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.

10. In the 8-day pre-election report for the November 2010 general election, the respondent disclosed \$527,682.65 in contributions maintained. The complaint alleged that the amount of contributions maintained should be \$544,207.83. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, October 23, 2010, was \$516,926.66. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.
11. In the January 2011 semiannual report, the respondent disclosed \$563,308.03 in contributions maintained. The complaint alleged that the amount of contributions maintained should be \$579,491.20. The respondent submitted a copy of the bank statement for his political funds account and the balance on the last day of the reporting period, December 31, 2010, was \$555,543.42. The respondent corrected the contributions maintained amount to the amount reflected by the bank statement.

Full Name of Contributors

12. The complaint alleged that the respondent did not fully disclose the name of two individuals that made contributions in the January 2010 semiannual report.
13. Out of 182 political contributions itemized in the January 2010 semiannual report, the complaint alleged that the respondent did not fully disclose the names of two individual contributors. One individual contributed \$250 and the other individual contributed \$100. The respondent disclosed the initials of the first and middle names and the last name of the contributors at issue.
14. The respondent corrected the name of the contributor of \$100.

Principal Occupation or Job Title and Employer Information for Contributors

15. The complaint alleged that the respondent did not include the principal occupation or job title and employer for 25 political contributions totaling approximately \$25,400 disclosed on the respondent's 30-day and 8-day pre-election reports for the March 2010 primary election, 8-day pre-election report for the November 2010 general election, and the January 2010, July 2010, and January 2011 semiannual reports.
16. The respondent left blank spaces on the reports at issue for the principal occupation or job title or the full name of the employer for 18 political contributions totaling approximately \$19,340 from individuals who contributed \$500 or more during the reporting period. The respondent provided incorrect information for three political contributors whose contributions totaled \$3,560. The respondent corrected the errors.

17. There is no evidence that the principal occupation or job title and the full name of the employer disclosed for the remaining four contributors who contributed \$500 or more during a reporting period was not correct.

Political Contribution from Out-of-State Political Committee

18. The complaint alleged that by not disclosing the out-of-state PAC identification number of out-of-state political committee contributors, the respondent did not fulfill the requirements of section 253.032 of the Election Code.

January 2010 Semiannual Report

19. The political contributions at issue were disclosed as follows, in pertinent part:

10/06/2009	\$1,000 from AmerisourceBergen Corp PAC
08/27/2009	\$1,000 from Wal PAC

20. The report did not include any out-of-state committee information. The respondent's affidavit stated: "Failure to disclose out of state PAC number. The information was not provided with the contributions. I will look the numbers up and report in correction."
21. AmerisourceBergen Corp PAC is registered with the Federal Election Commission (FEC) but it is not registered with the Texas Ethics Commission as a general-purpose committee. The committee's December 2009 monthly report filed with the FEC disclosed a \$1,000 contribution to the respondent on November 17, 2009. The respondent corrected the report to disclose the committee's federal PAC identification number.
22. There is a political committee by the name Wal-Mart Stores Inc. PAC For Responsible Government that is registered with the FEC. The committee's September 2009 monthly report disclosed a \$1,000 contribution to the respondent on August 27, 2009. There is not a committee registered with the Texas Ethics Commission that has "Wal" at the beginning of the name. The respondent corrected the report to disclose the committee's federal PAC identification number.

30-day Pre-election Report for the March 2010 Primary Election

23. The political contributions at issue were disclosed as follows, in pertinent part:

01/27/2010	\$1,000 from ConocoPhillips Spirit PAC
01/11/2010	\$1,500 from J.P. Morgan Chase & Co. PAC

24. The report did not include any out-of-state committee information. The respondent's affidavit stated: "Out of state PAC: Same as #4 above."

25. ConocoPhillips Spirit PAC is registered with the Federal Election Commission (FEC) and with the Texas Ethics Commission as a general-purpose committee. The Texas committee's December 2009 monthly report disclosed that on November 2, 2009, it made a \$1,000 contribution to the respondent. That committee's December 2009 monthly report filed with the FEC also disclosed a \$1,000 contribution to the respondent on that same date.
26. There is a political committee by the name JPMorgan Chase & Co. PAC that is registered with the FEC. The committee's year-end report filed on January 27, 2010, disclosed a \$1,500 contribution to the respondent on December 21, 2009. There is not a Committee registered with the Texas Ethics Commission that has "J. P. Morgan" or "JPMorgan" at the beginning of the name. The respondent corrected the report to disclose the committee's federal PAC identification number.

8-day Pre-election Report for the March 2010 Primary Election

27. This report re-reported the following political contribution that was on the 30-day pre-election report for the March 2010 primary election:

01/27/2010 \$1,000 from ConocoPhillips Spirit PAC

8-day Pre-election Report for the November 2010 General Election

28. The political contribution at issue was disclosed as follows, in pertinent part:

10/01/2010 \$500 from HDR Inc. PAC

29. HDR Inc. PAC is registered with the Federal Election Commission (FEC) and with the Texas Ethics Commission as a general-purpose committee. The Texas committee's 30-day pre-election report for the November 2010 general election disclosed that on September 16, 2010, it made a \$500 contribution to the respondent. That committee's October 2010 monthly report filed with the FEC also disclosed a \$500 contribution to the respondent on that same date.

Accepted a Political Contribution from a Corporation or Labor Organization

30. The complaint alleged that, based on disclosures in the January 2010 and January 2011 semiannual reports and the 30-day and 8-day pre-election reports for the March 2010 primary election, the respondent accepted political contributions from corporations or labor organizations.
31. The January 2010 semiannual report disclosed two \$2,000 contributions from Hewlett-Packard Company, one on September 30, 2009, and the other one on October 6, 2009. There is a political committee by the name of Hewlett Packard Company PAC registered with the

- FEC that disclosed on its October 2009 monthly report that it made a \$2,000 contribution to the respondent on September 28, 2009. The committee's reports do not disclose the second contribution of \$2,000 that is disclosed on the respondent's January 2010 semiannual report.
32. The respondent's affidavit stated: "Contributions mentioned were from Hewlett-Packard PAC in both instances and not a corporation. Correction on report will clarify." The respondent corrected the report to disclose that the contributions were from Hewlett-Packard Company Political Action Committee.
 33. The 30-day pre-election report for the March 2010 primary election disclosed a \$1,500 contribution from Independent Bankers Association of Texas on January 27, 2010. Independent Bankers Association of Texas Political Action Committee is on file with the Texas Ethics Commission as a general-purpose committee. The committee disclosed on its 30-day pre-election report for the March 2010 primary election that it made a campaign contribution of \$1,500 to the respondent on January 15, 2010.
 34. The 8-day pre-election report for the March 2010 primary election disclosed a \$1,000 contribution from Alabama Coushatta Tribe of TX on January 29, 2010. According to the records of the Texas Secretary of State's Office, Alabama Coushatta Tribe of TX is not registered in Texas as a corporation. The complaint submitted a copy of a corporate charter of the Alabama and Coushatta Tribes of Texas from the United States Department of the Interior Office of Indian Affairs ratified October 17, 1939. Alabama Coushatta Tribe of TX was not filed with the Texas Ethics Commission as a political committee at the time of the contribution. An entity by the name of Alabama Coushatta Tribe of TX United Auburn Independent Community Fund for Texas filed a campaign treasurer appointment for a general-purpose committee with the Texas Ethics Commission on November 4, 2011.
 35. The respondent's affidavit asserted: "The Alabama Coushatta Tribe is not a corporation and is not prohibited from making contributions in Texas. Like a law firm or other partnership, they write checks directly and do [not] need to use a PAC."
 36. The January 2011 semiannual report disclosed two contributions from The Chickasaw Nation, one for \$1,500 on October 24, 2010, and the other one for \$5,000 on November 12, 2010. According to the records of the Texas Secretary of State's Office, The Chickasaw Nation is not currently registered in Texas as a corporation. A corporation by the name of Choctaw and Chickasaw Nation, Inc. was filed on January 23, 1985, but it forfeited its existence on January 20, 1987. The Chickasaw Nation is also not filed with the Texas Ethics Commission as a political committee.
 37. The respondent's affidavit asserted: "The Chickasaw Nation is not a corporation and is not prohibited from making contributions in Texas. Like a law firm or other partnership, they write checks directly and do not need to use a PAC."

Personal Use of Political Contributions

38. The complaint alleged that the respondent converted political contributions to personal use based on a political expenditure that the respondent disclosed on his January 2010 semiannual report. The political expenditure at issue was disclosed on Schedule F (used to disclose political expenditures) of the semiannual report as follows:

10/09/2009 \$10,598.60 Woodforest Golf Club / Golf Tournament Cost

39. The evidence showed that the expenditure was related to the annual golf tournament that the respondent holds as a political fundraiser.

Political Expenditures as Reimbursements

40. The complaint alleged that the respondent did not disclose the actual vendor payees, addresses, dates, and amounts “pertaining to the stated purpose” of political expenditures in the July 2009 and January 2011 semiannual reports.
41. Out of the 68 political expenditures itemized in the July 2009 semiannual report, the complaint alleged that the respondent did not disclose the actual vendor payee, address, date and amount “pertaining to the stated purpose” for five political expenditures totaling approximately \$360. The political expenditures at issue did not disclose the actual vendor payee.
42. Out of the 30 political expenditures itemized in the January 2011 semiannual report, the complaint alleged that the respondent did not disclose the actual vendor payee, address, date and amount “pertaining to the stated purpose” for one political expenditure of \$200. The political expenditure at issue did not disclose the actual vendor payee.

Political Expenditures for Travel Outside of Texas

43. The complaint alleged that the respondent did not disclose approximately \$1,220 in political expenditures made for travel outside of Texas on Schedule T of his July 2009 semiannual report. The report stated in the purpose field “\$475 Conference Registration & \$270.25 Housing. Will be reimbursed for this.” The respondent did not submit Schedule T (used for reporting in-kind contributions or political expenditures for travel outside the state of Texas).
44. The respondent corrected the report to show that the only expenditures were the \$475 for “Legislative Conference Registration and \$270.25 for “Housing” which totaled \$745.25.

Digitized Signature of Filer on Report Filed by Electronic Transfer

45. The complaint alleged that the respondent did not include a properly executed affidavit for the July 2009 and January 2010 semiannual reports and the 30-day and 8-day pre-election reports for the March 2010 primary election. The reports disclose the name of the person who prepares the reports for the respondent on the affidavit signature line.

Response to Sworn Complaint

46. The sworn complaint is a Category Two violation. The United State Postal Service shows that the notice of the complaint was delivered to the respondent on February 24, 2011. The respondent was required to respond to the notice of the sworn complaint not later than April 1, 2011, the 25th business day after the respondent received notice of the complaint. The respondent filed a response that is postmarked June 29, 2012.

IV. Findings and Conclusions of Law

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

Total Political Contributions Maintained

1. A campaign finance report must 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)(8).
2. A *de minimis* error in calculating or reporting a cash balance under Subsection (a)(8) is not a violation of this section. ELEC. CODE § 254.031(a-1).
3. The total amount of political contributions maintained in one or more accounts includes balance on deposit in banks, savings and loan institutions and other depository institutions, and the present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc. Ethics Commission Rules § 20.50(a).
4. The complaint alleged that the respondent did not correctly disclose the total political contributions maintained as of the last day of the reporting period in each of the reports at issue or, in the alternative, did not report additional political contributions or political expenditures.
5. Regarding the 8-day pre-election report for the March 2010 primary election, the difference between the amount disclosed on the original report and the correct amount did not exceed

the lesser of 10% of the amount originally disclosed or \$2,500. Thus, the amount was *de minimis*. Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code as to this report.

6. Regarding the other reports at issue, the difference between the amount disclosed on the reports and the correct amount exceeded the lesser of 10% of the amount originally disclosed or \$2,500. Thus, the amounts are not *de minimis*. The average difference between the amount disclosed on the six reports and the correct amount was approximately \$10,930. The respondent admitted in his affidavit that the amounts were not correct. Therefore, there is credible evidence of violations of section 254.031(a)(8) of the Election Code as to those reports.

Full Name of Contributors

7. Each 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, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
8. The respondent did not disclose the complete names of two individual contributors. One individual contributed \$250 and the other individual contributed \$100. Therefore, there is credible evidence of violations of section 254.031(a)(1) of the Election Code. The respondent corrected the name of the contributor of \$100.

Principal Occupation or Job Title and Employer Information for Contributors

9. In addition to the contents required by sections 254.031 and 254.061 of the Election Code, 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.
10. By leaving blank spaces on the reports at issue the respondent did not disclose the principal occupation or job title or the full name of the employer for 18 political contributions totaling approximately \$19,340 from individuals who contributed \$500 or more during the reporting period. The respondent provided incorrect information for three political contributors whose contributions totaled \$3,560. Therefore with regard to those allegations, there is credible evidence of violations of section 254.0612 of the Election Code. The respondent corrected the errors.
11. The remaining four contributions facially complied with the requirement to disclose a principal occupation or job title and the full name of the employer from individuals who

contributed \$500 or more during a reporting period. Therefore, with regard to the remaining allegations, there is credible evidence of no violation of section 254.0612 of the Election Code.

Political Contribution from Out-of-State Political Committee

12. In a reporting period, a candidate, officeholder, or political committee may not knowingly accept political contributions totaling more than \$500 from an out-of-state political committee unless, before accepting a contribution that would cause the total to exceed \$500, the candidate, officeholder, or political committee, as applicable, receives from the out-of-state committee: (1) a written statement, certified by an officer of the out-of-state committee, listing the full name and address of each person who contributed more than \$100 to the out-of-state committee during the 12 months immediately preceding the date of the contribution; or (2) a copy of the out-of-state committee's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state committee. ELEC. CODE § 253.032(a).
13. A candidate, officeholder, or political committee shall include the statement or copy required by Subsection (a) as a part of the report filed under Chapter 254 that covers the reporting period to which Subsection (a) applies. ELEC. CODE § 253.032(d).
14. A person who files a report with the commission by electronic transfer and who accepts political contributions from an out-of-state political committee required to file its statement of organization with the Federal Election Commission (FEC) shall either enter the out-of-state committee's federal PAC identification number in the appropriate place on the report or timely file a certified copy of the out-of-state committee's statement of organization that is filed with the Federal Election Commission. Ethics Commission Rules § 20.29(a).
15. "Out-of-state political committee" means a political committee that: makes political expenditures outside this state; and in the 12 months immediately preceding the making of a political expenditure by the committee inside this state (other than an expenditure made in connection with a campaign for a federal office or made for a federal officeholder), makes 80 percent or more of the committee's total political expenditures in any combination of elections outside this state and federal offices not voted on in this state. ELEC. CODE § 251.001(15).
16. The complaint alleged that by not disclosing the out-of-state PAC identification number of the contributors at issue, the respondent did not fulfill the requirements of section 253.032 of the Election Code.
17. The contributor AmerisourceBergen Corp PAC, which contributed \$1,000, was not registered with the Texas Ethics Commission but was registered with the Federal Election Commission. The contributor was an out-of-state political committee. The respondent was

- required to receive the documentation described by section 253.032(a) of the Election Code before accepting from an out-of-state committee political contributions exceeding \$500 during the reporting period. The respondent acknowledged that he did not receive that information. Further, the respondent was required to either enter the out-of-state committee's federal PAC identification number in the appropriate place on the report or timely file the statement or copy required by section 253.032(a) of the Election Code of the committee at issue with the January 2010 semiannual report but did not. Therefore, there is credible evidence of a violation of section 253.032 of the Election Code. The respondent corrected the report to disclose the committee's federal PAC identification number.
18. The contributor Wal-Mart Stores Inc. PAC For Responsible Government, which contributed \$1,000, was not registered with the Texas Ethics Commission but was registered with the Federal Election Commission. The contributor was an out-of-state political committee. The respondent was required to receive the documentation described by section 253.032(a) of the Election Code before accepting from an out-of-state committee political contributions exceeding \$500 during the reporting period. The respondent acknowledged that he did not receive that information. Further, the respondent was required to either enter the out-of-state committee's federal PAC identification number in the appropriate place on the report or timely file the statement or copy required by section 253.032(a) of the Election Code of the committee at issue with the January 2010 semiannual report but did not. Therefore, there is credible evidence of a violation of section 253.032 of the Election Code. The respondent corrected the report to disclose the committee's federal PAC identification number.
19. The contributor ConocoPhillips Spirit PAC, which contributed \$1,000, was registered with the FEC and with the Texas Ethics Commission as a general-purpose committee at the time it made the contribution to the respondent. Section 253.032(b) of the Election Code exempted the respondent from having to comply with section 253.032(a) of the Election Code since the contributor was registered with the Texas Ethics Commission at the time it made the contribution to the respondent. The evidence indicated that the contribution disclosed by the FEC committee and the Texas Committee are the same. Therefore, there is credible evidence of no violation of section 253.032 of the Election Code.
20. The contributor JPMorgan Chase & Co. PAC, which contributed \$1,500, was not registered with the Texas Ethics Commission but was registered with the Federal Election Commission. The contributor was an out-of-state political committee. The respondent was required to receive the documentation described by section 253.032(a) of the Election Code before accepting from an out-of-state committee political contributions exceeding \$500 during the reporting period. The respondent acknowledged that he did not receive that information. Further, the respondent was required to either enter the out-of-state committee's federal PAC identification number in the appropriate place on the report or timely file the statement or copy required by section 253.032(a) of the Election Code of the committee at issue with the January 2010 semiannual report but did not. Therefore, there is credible evidence of a

violation of section 253.032 of the Election Code. The respondent corrected the report to disclose the committee's federal PAC identification number.

21. The contributor, HDR, Inc. PAC, was registered with the FEC and with the Texas Ethics Commission as a general-purpose committee at the time it made the contribution to the respondent. Section 253.032(b) of the Election Code exempted the respondent from having to comply with section 253.032(a) of the Election Code since the contributor was registered with the Texas Ethics Commission at the time it made the contribution to the respondent. The evidence indicated that the contribution disclosed by the FEC committee and the Texas Committee are the same. Therefore, there is credible evidence of no violation of section 253.032 of the Election Code.

Accepted a Political Contribution from a Corporation or Labor Organization

22. A person may not knowingly accept a political contribution that the person knows was made in violation of chapter 253 of the Election Code. ELEC. CODE § 253.003(b).
23. A corporation or labor organization may not make a political contribution that is not authorized by subchapter D, chapter 253, Election Code. ELEC. CODE § 253.094. That subchapter does not authorize a corporation or labor organization to make a political contribution to a candidate or officeholder.
24. The prohibition applies to corporations that are organized under the Texas Business Corporation Act, the Texas For-Profit Corporation Law, the Texas Non-Profit Corporation Act, the Texas Nonprofit Corporation Law, federal law, or law of another state or nation. ELEC. CODE § 253.091.
25. In order to show a violation of section 253.003(b) of the Election Code, the evidence must show that the contributor was a corporation or labor organization, that at the time the respondent accepted the contribution she knew that corporate or labor organization contributions were illegal, and that the respondent knew that the particular contribution at issue was from a corporation or labor organization.
26. "Contribution" means 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. The term includes a loan or extension of credit, other than those expressly excluded by this subdivision, and a guarantee of a loan or extension of credit, including a loan described by this subdivision. ELEC. CODE § 251.001(2).
27. "Political contribution" means a campaign contribution or an officeholder contribution. ELEC. CODE § 251.001(5).

28. “Campaign contribution” means a contribution to a candidate or political committee that is offered or given with the intent that it be used in connection with a campaign for elective office or on a measure. ELEC. CODE § 251.001(3).
29. “In-kind contribution” means a contribution of goods, services, or any other thing of value, except money, and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make such a contribution. Ethics Commission Rules § 20.1(8).
30. The respondent’s January 2010 semiannual report disclosed that he accepted two \$2,000 contributions from Hewlett-Packard Company. There is a political committee by the name of Hewlett Packard Company PAC registered with the FEC that disclosed on its October 2009 monthly report that it made a \$2,000 contribution to the respondent on September 28, 2009. The committee’s reports do not disclose the second contribution of \$2,000 that is disclosed on the respondent’s January 2010 semiannual report. The respondent corrected the report to disclose that the contributions were from Hewlett-Packard Company Political Action Committee.
31. There is credible evidence that the September 30, 2009, contribution came from Hewlett-Packard Company’s federal PAC. Therefore, there is credible evidence of no violation of sections 253.003 and 253.094 of the Election Code as to this contribution. There is insufficient evidence that the October 6, 2009, contribution came from the corporation, Hewlett-Packard Company. Also, if the contribution was from the corporation Hewlett-Packard Company, the evidence does not establish that the respondent was aware that the contribution was from a corporation at the time that he accepted the contribution. Therefore, there is insufficient evidence of a violation of sections 253.003 and 253.094 of the Election Code as to this contribution.
32. The respondent’s 30-day pre-election report for the March 2010 primary election disclosed that he accepted a \$1,500 contribution from Independent Bankers Association of Texas on January 27, 2010. Independent Bankers Association of Texas Political Action Committee is on file with the Texas Ethics Commission as a general-purpose committee. The committee disclosed on its 30-day pre-election report for the March 2010 primary election that it made a campaign contribution of \$1,500 to the respondent on January 15, 2010. There is credible evidence that the respondent accepted a political contribution from a political committee named Independent Bankers Association of Texas Political Action Committee and not from a corporation. Therefore, there is credible evidence of no violation of sections 253.003 and 253.094 of the Election Code as to this contribution.
33. The respondent’s 8-day pre-election report for the March 2010 primary election disclosed that he accepted a \$1,000 contribution from Alabama Coushatta Tribe of TX on January 29, 2010. According to the records of the Texas Secretary of State’s Office, Alabama Coushatta Tribe of TX is not registered in Texas as a corporation. Alabama Coushatta Tribe of TX was not filed with the Texas Ethics Commission as a political committee at the time of the

contribution. An entity by the name of Alabama Coushatta Tribe of TX United Auburn Independent Community Fund for Texas filed a campaign treasurer appointment for a general-purpose committee with the Texas Ethics Commission on November 4, 2011. The complaint submitted a copy of a corporate charter of the Alabama and Coushatta Tribes of Texas from the United States Department of the Interior Office of Indian Affairs ratified October 17, 1939.

34. There is insufficient evidence that the contribution from Alabama Coushatta Tribe of TX was from a corporation. Also, if the contributor was a corporation, the evidence does not establish that the respondent was aware that Alabama Coushatta Tribe of TX was a corporation at the time that he accepted the contribution. Therefore, there is insufficient evidence of a violation of sections 253.003 and 253.094 of the Election Code as to this contributor.
35. The respondent's January 2011 semiannual report disclosed that he accepted two contributions from The Chickasaw Nation, one for \$1,500 on October 24, 2010, and the other one for \$5,000 on November 12, 2010. According to the records of the Texas Secretary of State's Office, The Chickasaw Nation is not currently registered in Texas as a corporation. A corporation by the name of Choctaw and Chickasaw Nation, Inc. was filed on January 23, 1985, but it forfeited its existence on January 20, 1987. The Chickasaw Nation is also not filed with the Texas Ethics Commission as a political committee.
36. There is insufficient evidence of a violation of sections 253.003 and 253.094 of the Election Code as to this contribution.

Personal Use of Political Contributions

37. A person who accepts a political contribution as a candidate or officeholder may not convert the contribution to personal use. ELEC. CODE § 253.035(a). Personal use is a use that primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate or officeholder. ELEC. CODE § 253.035(d).
38. The evidence indicates that the golf tournament was a political fundraiser for the respondent and the expenditure at issue was connected to his activities as a candidate or officeholder. Therefore, there is credible evidence of no violation of section 253.035(a) of the Election Code with regard to the expenditure at issue.

Political Expenditures as Reimbursements

39. Each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$50 (\$100 as of September 28, 2011) 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).

40. A political expenditure made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee that in the aggregate do not exceed \$5,000 during the reporting period may be reported as follows if the reimbursement occurs during the same reporting period that the initial expenditure was made: (1) 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; and (2) included with the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period. Except as provided by subsection (a) of this section, a political expenditure made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee must be reported as follows: (1) the aggregate amount of the expenditures made by the staff member as of the last day of the reporting period is reported as a loan to the officeholder, candidate, or political committee; (2) the expenditure made by the staff member is reported as a political expenditure by the officeholder, candidate, or political committee; and (3) the reimbursement to the staff member to repay the loan is reported as a political expenditure by the officeholder, candidate, or political committee. Ethics Commission Rules § 20.62.
41. The expenditures at issue, totaling approximately \$560, were not disclosed as required by section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules. Therefore, there is credible evidence of violations of those provisions.

Political Expenditures for Travel Outside of Texas

42. A campaign finance report must include, for all political expenditures that in the aggregate exceed \$50 (\$100 as of September 28, 2011) 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).
43. The description of a political expenditure for travel outside of the state of Texas must provide the name of the person or persons traveling on whose behalf the expenditure was made, the means of transportation, the name of the departure city or the name of each departure location, the name of the destination city or the name of each destination location, the dates on which the travel occurred, and the campaign or officeholder purpose of the travel, including the name of the conference, seminar, or other event. Ethics Commission Rules § 20.61(b).
44. The expenditures at issue were for registration and housing, not for travel, therefore, the respondent was not required to disclose the expenditures on Schedule T. Therefore, there is credible evidence of no violation of section 254.031(a)(3) of the Election Code and section 20.61(b) of the Ethics Commission Rules.

Digitized Signature of Filer on Report Filed by Electronic Transfer

45. Each campaign finance report filed under chapter 254 of the Election Code by electronic transfer must be under oath by the person required to file the report and must contain, in compliance with commission specifications, the digitized signature of the person required to file the report. ELEC. CODE § 254.036(h).
46. The reports at issue, which were filed under chapter 254 of the Election Code by electronic transfer, did not contain the digitized signature of the respondent. Nevertheless, section 254.036 of the Election Code also provides that a campaign finance report is considered to be under oath even if the affidavit is defective. Therefore, with regard to the reports at issue, there is credible evidence of technical violations of section 254.036(h) of the Election Code.

Response to Sworn Complaint

47. If an alleged violation in a sworn complaint is a Category Two violation, the respondent must respond to the notice required by section 571.123(b) not later than the 25th business day after the date the respondent receives the notice. GOV'T CODE § 571.1242(b)(1). A respondent's failure to timely respond to a sworn complaint as required by subsection (a)(1) or (b)(1) is a Category One violation. GOV'T CODE § 571.1242(c)
48. The United State Postal Service shows that the notice was delivered to the respondent on February 24, 2011. The respondent was required to respond by April 1, 2011. The respondent filed a response that is postmarked June 29, 2012.
49. There is credible evidence that the respondent violated section 571.1242(c) of the Government Code by failing to respond timely to the complaint.

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: 1) in a reporting period, a candidate, officeholder, or political committee may not knowingly accept political contributions totaling more than \$500 from an out-of-state political committee unless, before accepting a contribution that would cause the total to exceed \$500, the candidate, officeholder, or political committee, as applicable, receives from the out-of-state committee: (1) a written statement, certified by an officer of the out-of-state committee, listing the full name and address of each person who contributed more than \$100 to the out-of-state committee during the 12 months immediately preceding the date of the contribution; or (2) a copy of the out-of-state committee's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state committee; and that a person who files a report with the commission by electronic transfer and who accepts political contributions from an out-of-state political committee required to file its statement of organization with the Federal Election Commission (FEC) shall either enter the out-of-state committee's federal PAC identification number in the appropriate place on the report or timely file a certified copy of the out-of-state committee's statement of organization that is filed with the Federal Election Commission; 2) a campaign finance report must 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; 3) each 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, the full name and address of the person making the contributions, and the dates of the contributions; 4) in addition to the contents required by sections 254.031 and 254.061 of the Election Code, 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; 5) the proper way to report an expenditure for which an individual will seek reimbursement is in accordance with section 20.62 of the Ethics Commission Rules; 6) each campaign finance report filed under chapter 254 of the Election Code by electronic transfer must be under oath by the person required to file the report and must contain, in compliance with commission specifications, the digitized signature of the person required to file the report; and 7) if an alleged violation in a sworn complaint is a Category Two violation, the respondent must respond to the notice of sworn complaint not later than the 25th business day after the date the respondent receives the notice.

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 nature, circumstances, and consequences of the violations described under Sections III and IV, and the sanction necessary to deter future violations, the commission imposes a \$750 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-3110227.

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

Robert W. Eissler, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director