

# TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
HOUSTON GULF COAST ALARM	§	TEXAS ETHICS COMMISSION
ASSOCIATION, INC.,	§	
	§	
RESPONDENT	§	SC-3110340

## ORDER and AGREED RESOLUTION

### I. Recitals

The Texas Ethics Commission (the commission) met on October 6, 2011, to consider sworn complaint SC-3110340. A quorum of the commission was present. The commission determined that there is credible evidence of a violation of sections 253.003(a) and 253.094(a) 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 made a political contribution to a candidate or officeholder.

### III. Facts Supported by Credible Evidence

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

1. According to records of the Texas Secretary of State, the respondent, Houston Gulf Coast Alarm Association, Inc., is a domestic non-profit corporation.
2. The complaint alleged that on June 30, 2009, the respondent made an unlawful political contribution to an incumbent candidate for state representative in the November 2010 general election.
3. The candidate disclosed a \$500 political contribution from "Houston Gulf Coast Alarm Association" on June 30, 2009, in a July 2009 semiannual campaign finance report. The respondent was a domestic non-profit corporation at that time.
4. In response to the allegations, the respondent's president submitted an affidavit in which she swore that the respondent did not know it was prohibited from making the contribution at issue.

#### IV. Findings and Conclusions of Law

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

1. A person may not knowingly make a political contribution in violation of chapter 253 of the Election Code. ELEC. CODE § 253.003(a).
2. A corporation may not make a political contribution to a candidate. ELEC. CODE § 253.094(a).
3. 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.
4. Although the respondent stated that it did not know that it was illegal to make a political contribution to a candidate or officeholder using corporate funds, the respondent knew that the ultimate recipient of the check sought or held a public office and the respondent intended to make a political contribution to him. Therefore, there is credible evidence that the respondent violated sections 253.003(a) and 254.094(a) 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, including a non-profit 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 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 \$500 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-3110340.

AGREED to by the respondent on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Houston Gulf Coast Alarm Association, Inc.,  
Respondent

EXECUTED ORIGINAL received by the commission on: \_\_\_\_\_.

Texas Ethics Commission

By: \_\_\_\_\_  
David A. Reisman, Executive Director