

TEXAS ETHICS COMMISSION

IN THE MATTER OF

§
§
§
§
§
§
§

BEFORE THE

RAVI K. SANDILL,

TEXAS ETHICS COMMISSION

RESPONDENT

SC-3120260

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on May 30, 2013, to consider sworn complaint SC-3120260. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 253.1611, 254.031, 254.061, and 254.0611 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: 1) did not properly disclose on multiple campaign finance reports political contributions and political expenditures; 2) did not disclose cover sheet information on campaign finance reports; 3) did not disclose in campaign finance reports the principal occupation or job title and full name of employer for certain contributors; and 4) did not follow statutory guidelines when making political contributions to political committees.

III. Facts Supported by Credible Evidence

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

1. The respondent was elected as judge for the 127th Judicial District on November 4, 2008.

Total Political Contributions Maintained

2. The complaint alleged that the respondent did not properly disclose total political contributions maintained in his January 2012 semiannual report. In response to the complaint, the respondent provided a copy of his campaign account bank statement. The allegation, along with the account balance shown on the bank statement, is as follows:

- January 2012 Semiannual Report - disclosed \$87,353.23; alleged \$92,348.33; bank statement showed \$87,353.23 as of December 27, 2011 (the bank statement did not indicate the ending balance as of December 31, 2011, and the next ending balance date listed was January 3, 2012, which showed \$87,145.28)

Purpose of Political Expenditures

3. The complaint alleged that the respondent did not properly disclose the purpose of seven political expenditures. The political expenditures at issue were disclosed on Schedule F (used to disclose political expenditures) of the respondent's January 2011 and January 2012 semiannual reports as follows:

January 2011 Semiannual Report

- September 1, 2010, \$177.90 to Southwest Airlines, under the category of "Travel Out of District" with a description of "Travel to Airport" (corrected to "Travel to Dallas for Continuing Legal Education provided by Texas Minority Counsel Program")
- September 1, 2010, \$215.90 to Southwest Airlines, under the category of "Travel Out of District" with a description of "Travel to Dallas" (corrected to "Travel to Dallas for Continuing Legal Education provided by Texas Minority Counsel Program")
- September 7, 2010, \$364.20 to Four Seasons, under the category of "Travel Out of District" with a description of "Travel to Dallas" (corrected to "Travel to Dallas for Continuing Legal Education provided by Texas Minority Counsel Program")

January 2012 Semiannual Report

- July 5, 2011, \$2,197.59 to Studio Movie Grill, under the category of "Event Expense" with a description of "Event Expenses" (corrected to "Campaign Fundraising Event")
- October 11, 2011, \$66.36 to Spec's, under the category of "Event Expense" with a description of "Wine for Event" (corrected to "Gift/Awards/Memorials Expense" with a description of "Going away gift for the court reporter at the time")
- October 12, 2011, \$416.22 to Spec's, under the category of "Event Expense" with a description of "Wine for Event" (corrected to "Drinks for going away party and remainder of gift for the court report [sic] at the time")
- October 14, 2011, \$227.84 to Central Market, under the category of "Event Expense" with a description of "Food for Event" (corrected to "Food for Staff")

Cover Sheet Information

4. The complaint alleged that the respondent did not disclose the election date and election type on the cover sheet of his July 2010, January 2011, and January 2012 semiannual reports. The information was left blank in all three reports at issue. In response to the complaint, the respondent corrected all three reports to disclose the May 29, 2012, primary election.

Contributor Employer and Law Firm

5. The complaint alleged that the respondent did not properly disclose the principal occupation or job title and the full name of the employer or law firm for four contributors that were disclosed in the respondent's January 2012 semiannual report.
6. For one of the contributions of \$100, the respondent listed the contributor's principal occupation as "Attorney" and employer as "Self." In response to the complaint, the respondent corrected the report to disclose the contributor's employer as "Bayou City Legal Group, P.C." For one of the contributions of \$5,000, the respondent listed the contributor's principal occupation as "Developer" and employer as "Self." However, credible evidence indicated that the contributor is the managing partner of a business. The business was not disclosed by the respondent and the business did not bear the contributor's name.
7. For one of the contributions of \$250, the respondent listed the contributor's principal occupation as "Attorney" and employer as "Total." Credible evidence indicated that the information disclosed by the respondent was accurate.
8. For another contribution of \$5,000, the respondent listed the contributor's principal occupation as "Business Owner" and employer as "Self." The evidence was inconclusive as to the contributor's employer, and there was no evidence to show that the information disclosed by the respondent was inaccurate.

Contributions to Political Committees

9. The complaint alleged that the respondent made unlawful political contributions to seven political committees in connection with a May 29, 2012, Democratic Party primary election, in which the respondent was an unopposed incumbent candidate for district judge. The political contributions at issue were disclosed on Schedule F of the respondent's July 2010, January 2011, July 2011, and January 2012 semiannual campaign finance reports as follows:

Asian American Democrats of Texas PAC (AADT)

- October 10, 2011, \$700 under the category of "Event Expense" with a description of "Table for Event" (not disclosed in committee reports)

- The respondent swore that this expenditure was made to defray costs associated with the 2011 Johnson Rayburn Richards Dinner.
10. Commission records show that AADT is a general-purpose committee that files campaign finance reports semiannually with the commission. The expenditure at issue was not disclosed in any of AADT's campaign finance reports.

Harris County Democratic Party (HCDP)

- August 10, 2010, \$3,000 under the category of "Contributions/Donations" with a description of "Contribution" (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the 2010 Johnson Rayburn Richards Dinner.
- October 7, 2010, \$1,000 under the category of "Contributions/Donations" with a description of "Contribution" (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the 2010 Johnson Rayburn Richards Dinner.
- August 3, 2011, \$100 under the category of "Contributions/Donations" with a description of "Contribution" (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the LGBT Trailblazer Brunch.
- September 13, 2011, \$1,000 under the category of "Contributions/Donations" with a description of "Table for Event" (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with a HCDP county executive committee meeting.
- October 21, 2011, \$700 under the category of "Contributions/Donations" with a description of "Tickets for Event" (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the 2011 Johnson Rayburn Richards Dinner.

- November 16, 2011, \$1,500 under the category of “Contributions/Donations” with a description of “Table for Dinner” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the 2011 Johnson Rayburn Richards Dinner.
 - November 21, 2011, \$2,500 under the category of “Contributions/Donations” with a description of “Contribution for Signing Party” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with a petition signing breakfast.
11. Commission records show that HCDP is a county executive committee that files campaign finance reports semiannually with the commission. The seven expenditures at issue totaling \$9,800 were disclosed as political contributions in HCDP’s campaign finance reports. In response to the complaint, the respondent provided a letter from the finance director of HCDP, in which the director stated that “the contributions received in 2011 – 2012 from the R.K. Sandill for Judge Campaign were made in return for campaign services valued at \$978,460.36. HCDP reviewed the contribution history of the R.K. Sandill for Judge Campaign during 2010 and general contributions totaled \$3,000.00. Our calculation of pro rata overhead and administrative operating costs for the 2010 cycle was \$3,000.”
12. The respondent provided an additional letter from the finance director, in which the director stated that the total costs of overhead and administrative or operating costs from 2011 – 2012 totaled \$978,460.36, and that HCDP’s calculation of pro rata share was based on providing goods or services to an estimated 14 candidates or officeholders. Commission staff obtained witness contact authorization and spoke with the finance director on the telephone. Based on telephone conversations with the finance director, there were 14 judges and county candidates who contributed towards HCDP’s 2011 – 2012 coordinated campaign, and the money was used for straight-ticket communications that supported all Democratic candidates on the straight ticket.

Harris County Tejano Democrats (HCTD)

- July 8, 2011, \$25 under the category of “Contributions/Donations” with a description of “Ticket for Event” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the Annual Roast and Toast event.

- September 28, 2011, \$250 under the category of “Event Expense” with a description of “Table for Event” (disclosed as political contribution in committee report)
13. Commission records show that HCTD is a general-purpose committee that files campaign finance reports semiannually with the commission. The expenditures at issue were disclosed as political contributions in HCTD’s 30-day pre-election report for the November 2011 general election.

Harris County Young Democrats PAC (HCYD)

- February 15, 2011, \$100 under the category of “Contributions/Donations” with a description of “Ticket for Event” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with a reception event honoring Commissioner Sylvia Garcia (note that the event flyer states: “Suggested minimum donation: \$25. All funds raised will go to help young Democrats attend the upcoming Texas Young Democrats State Convention.”)
 - May 2, 2011, \$500 under the category of “Contributions/Donations” with a description of “Sponsorship for Meetings” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray the administrative costs associated with having monthly meetings.
 - August 24, 2011, \$250 under the category of “Event Expense” with a description of “Tickets for Event” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with the True Blue Concert Fundraiser event.
14. Commission records show that HCYD is a general-purpose committee that files campaign finance reports semiannually with the commission. The expenditures at issue were disclosed as political contributions in HCYD’s campaign finance reports.

Houston 80-20 PAC

- March 26, 2010, \$400 under the category of “Contributions/Donations” with a description of “Contribution” (disclosed as political contribution in committee report)

- The respondent swore that this expenditure was made to cover the costs of the 100 Day Dinner event held for the Mayor of Houston and council members.
 - October 6, 2011, \$300 under the category of “Event Expense” with a description of “Table for Event” (disclosed as political contribution in committee report)
 - The respondent swore that this expenditure was made to defray costs associated with a dinner for the endorsed candidates for the 2011 City of Houston elections.
15. Commission records show that Houston 80-20 PAC is a general-purpose committee that files campaign finance reports monthly with the commission. The expenditures at issue were disclosed as political contributions in the committee’s campaign finance reports.

Houston Black American Democrats (HBAD)

- August 30, 2011, \$250 under the category of “Event Expense” with a description of “Tickets for Event” (not disclosed in committee reports)
16. Commission records show that HBAD is a general-purpose committee that files campaign finance reports semiannually with the commission. The expenditure at issue was not disclosed in any of HBAD’s campaign finance reports. Note that HBAD did not have an active treasurer appointment on file and did not disclose accepting any political contributions during the period at issue.

Houston GLBT Political Caucus

- July 14, 2011, \$125 under the category of “Event Expense” with a description of “Tickets for Event” (not disclosed in committee reports)
 - The respondent swore that this expenditure was made to the Caucus’ c(4) and not to their PAC.
 - August 30, 2011, \$125 under the category of “Event Expense” with a description of “Tickets for Event” (not disclosed in committee reports)
 - The respondent swore that this expenditure was made to defray costs associated with the Equality Brunch event (note that the event flyer states: “The contribution would be a donation to our PAC, and go towards helping elect our endorsed candidates in the local elections this November.”)
17. Commission records show that Houston GLBT Political Caucus is a general-purpose committee that files campaign finance reports monthly with the commission. The expenditures at issue were not disclosed in any of the committee’s reports.

Texans Together (TT)

- April 12, 2010, \$1,500 under the category of “Contributions/Donations” with a description of “Contribution” (not disclosed in committee reports)
 - The respondent swore that this expenditure was made to defray the costs associated with a luncheon event to honor a former Houston City Council member.
18. Commission records show that TT was a general-purpose committee that filed campaign finance reports semiannually with the commission (TT dissolved on July 13, 2010). The expenditure at issue was not disclosed in any of TT’s campaign finance reports.
19. In summary, the respondent swore that each expenditure was made to defray costs associated with specific events and meetings, and that the money was not used for political purposes.

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. Each report must include as of the last day of the 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). 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).
2. Regarding the January 2012 semiannual report at issue, credible evidence indicates that the respondent properly reported the total political contributions maintained balance. Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code.

Purpose of Political Expenditures

3. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 (\$50 until 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).
4. The purpose of an expenditure means a description of goods, services, or other thing of value and must include a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. The brief statement or description must include the item or service purchased and must be

sufficiently specific, when considered within the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure. Ethics Commission Rules § 20.61.

5. Regarding the January 2011 semiannual report, the information disclosed by the respondent does not adequately describe the purpose of the travel, and it is unclear whether the travel was campaign or officeholder related. Accordingly, someone viewing the report would not know the allowable activity for which the expenditures were made. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code and section 20.61 of the Ethics Commission Rules with respect to those expenditures.
6. Regarding the January 2012 semiannual report, the information disclosed by the respondent does not indicate whether the expenditures were campaign or officeholder related. Accordingly, someone viewing the report would not know the allowable activity for which the expenditures were made. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code and section 20.61 of the Ethics Commission Rules with respect to those expenditures.

Cover Sheet Information

7. Each report by a candidate must include the candidate's full name and address, the office sought, and the identity and date of the election for which the report is filed. ELEC. CODE § 254.061(1).
8. The respondent was first elected as District Judge, 127th Judicial District, on November 4, 2008. The respondent was not on the ballot again until the May 29, 2012, primary election. However, if the respondent knew at the time he filed the report that he would be a candidate in the May 2012 primary, he should have disclosed that information on the report. Ethics Commission Rules § 20.219(4).
9. The respondent was a candidate in the May 29, 2012, primary election. The respondent did not disclose the required election information on the cover sheet of the reports at issue when the reports were originally filed. In context, the information was not misleading and did not substantially affect disclosure. Therefore, there is credible evidence of technical or *de minimis* violations of section 254.061(1) of the Election Code.

Contributor Employer and Law Firm

10. Each report by a candidate for a judicial office must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate exceed \$50 and that are accepted during the reporting period, the principal occupation and job title of the individual and the full name of the employer of the individual or of the law firm of which the individual or the individual's spouse is a member, if any. ELEC. CODE § 254.0611(a)(2)(A).

11. “Law firm” means a partnership, limited liability partnership, or professional corporation organized for the practice of law. *Id.* § 253.157(e).
12. Black’s Law Dictionary defines “employer” as “a person who controls and directs a worker under an express or implied contract of hire and who pays the worker’s salary or wages.” Black’s Law Dictionary 565 (8th ed. 2004).
13. For two of the contributions at issue totaling \$5,100, the evidence indicated that the contributors are employees or partners of businesses. The businesses were not identified in the respondent’s January 2012 semiannual report, and the businesses did not bear the contributors’ names. Therefore, there is credible evidence of violations of section 254.0611(a)(2)(A) of the Election Code with respect to those two contributions.
14. For one of the contributions of \$250, the respondent listed the contributor’s principal occupation as “Attorney” and employer as “Total.” Credible evidence indicated that the information disclosed by the respondent was accurate. Therefore, there is credible evidence of no violation of section 254.0611(a)(2)(A) of the Election Code with respect to that contribution.
15. For one of the contributions at issue of \$5,000, the evidence was inconclusive as to the contributor’s employer. Therefore, there is insufficient evidence of a violation of section 254.0611(a)(2)(A) of the Election Code with respect to that contribution.

Contributions to Political Committees

16. A judicial candidate or a specific-purpose committee for supporting or opposing a judicial candidate may not use a political contribution to knowingly make political contributions to a political committee in connection with a primary election. ELEC. CODE § 253.1611(b).
17. A judicial candidate or a specific-purpose committee for supporting or opposing a judicial candidate may not use a political contribution to knowingly make a political contribution to a political committee that, when aggregated with each other political contribution to a political committee in connection with a general election, exceeds \$500. *Id.* § 253.1611(c).
18. A judicial officeholder or a specific-purpose committee for assisting a judicial officeholder may not, in any calendar year in which the office held is not on the ballot, use a political contribution to knowingly make a political contribution to a political committee that, when aggregated with each other political contribution to a political committee in that calendar year, exceeds \$250. *Id.* § 253.1611(d).
19. “In connection with an election” means, with regard to a contribution that is designated in writing for a particular election, the election designated or, with regard to a contribution that is not designated in writing for a particular election or that is designated as an

- officeholder contribution, the next election for that office occurring after the contribution is made. *Id.* § 253.152(2).
20. This section does not apply to a political contribution made to the principal political committee of the state executive committee or a county executive committee of a political party that is (1) made in return for goods or services, including political advertising or a campaign communication, the value of which substantially equals or exceeds the amount of the contribution, or (2) in an amount that is not more than the candidate's or officeholder's pro rata share of the committee's normal overhead and administrative or operating costs. *Id.* § 253.1611(e)(1), (2).
 21. For purposes of Subsection (e)(2), a candidate's or officeholder's pro rata share of a political committee's normal overhead and administrative or operating costs is computed by dividing the committee's estimated total expenses for a period by the number of candidates and officeholders to whom the committee reasonably expects to provide goods or services during that period. *Id.* § 253.1611(f).
 22. Ethics Commission Rule § 20.51(c) states that if political advertising supporting or opposing two or more candidates is an in-kind contribution, each person benefitting from the contribution shall report the amount determined by dividing the full value of the political advertising by the number of persons benefitted by the political advertising. Ethics Commission Rules § 20.51(c).
 23. "Political contribution" means a campaign contribution or an officeholder contribution. *Id.* § 251.001(5). "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. *Id.* § 251.001(2). "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. *Id.* § 251.001(3). "Officeholder contribution" means a contribution to an officeholder or political committee that is offered or given with the intent that it be used to defray expenses that are incurred by the officeholder in performing a duty or engaging in an activity in connection with the office and are not reimbursable with public money. *Id.* § 251.001(4). "Political committee" means a group of persons that has as a principal purpose accepting political contributions or making political expenditures. *Id.* § 251.001(12).
 24. In Ethics Advisory Opinion No. 131 (EAO 131), the commission stated:

A contribution given with the restriction that it be used to hire lobbyists to influence legislators in regard to legislation would not be a political contribution since it does not meet the definition of either campaign contribution or officeholder contribution. If, on the other hand, funds are not restricted to uses not regulated by title 15, the funds must be reported as a political contribution.

25. Ethics Advisory Opinion No. 131 (1993). The commission also stated in Ethics Advisory Opinion No. 132 (EAO 132) that a contribution earmarked for payment of general-purpose committee expenses that are neither general administrative nor political expenses would not be required to be reported under chapter 254 of the Election Code. Ethics Advisory Opinion No. 132 (1993).
26. Under section 253.152(2) of the Election Code, if the respondent did not designate the contributions in writing for a particular election, the contributions would have been made in connection with “the next election for that office occurring after the contribution is made.” However, this strict interpretation produces an odd result. For example, here the respondent was elected as district judge in the November 2008 general election and was not up for reelection to that office until the May 2012 primary election. Since there is no evidence that the respondent designated any of the contributions at issue for a particular election, a strict interpretation of section 253.152(2) of the Election Code would mean that any contributions the respondent made between calendar years 2009 – 2011 would be deemed to have been made in connection with the May 2012 primary election, and therefore, under section 253.1611(b) of the Election Code, the respondent would be prohibited from making any contributions to political committees. This conclusion would be contrary to section 253.1611(d) of the Election Code, which sets the limit at \$250 and specifically applies to judicial officeholders during calendar years in which their office held is not on the ballot. In order to reconcile the statutes and give full effect to all sections of law, “in connection with an election” under section 253.1611(b) of the Election Code must be read to mean the next primary election in which the respondent is on the ballot, as opposed to any primary election. Therefore, section 253.1611(b) of the Election Code would not apply to officeholders during calendar years in which their office held is not on the ballot.
27. The political contributions at issue in the complaint were made during calendar years 2010 and 2011, when the respondent’s office held was not on the ballot. Under these facts, section 253.1611(d) of the Election Code applies and the respondent would be allowed to contribute up to \$250 to a political committee in calendar years 2009, 2010, and 2011. Starting January 2012, the year when the respondent is on the primary ballot, and continuing through the primary election date, section 253.1611(b) of the Election Code would apply and the respondent would not be allowed to make political contributions to political committees. After the 2012 primary election and continuing through the end of calendar year 2012, section 253.1611(c) of the Election Code would apply and set the contribution limit at \$500 per committee.
28. District judges in the state of Texas serve four-year terms. TEX. CONST. ART. V, § 7. Since the respondent was elected as district judge in November of 2008, he was not up for reelection until 2012. Therefore, the respondent’s office of district judge was not on the ballot in 2010 and 2011, the calendar years when the political contributions at issue were made. Thus, the respondent could not use political contributions to make political contributions to a political committee that exceeded \$250 in calendar years 2010 and 2011, unless the exception under section 253.1611(e) of the Election Code was satisfied.

Asian American Democrats of Texas PAC

29. Regarding the \$700 expenditure, there is insufficient evidence to determine whether the respondent intended to make a political contribution to AADT. Therefore, there is insufficient evidence of a violation of section 253.1611(d) of the Election Code with respect to this expenditure.

Harris County Democratic Party (HCDP)

30. Regarding the seven expenditures totaling \$9,800, the respondent swore that the expenditures were made to defray the costs of specific events and were not used for political purposes. Since HCDP is a county executive committee, the payments would be permissible if they were made in accordance with section 253.1611(e) of the Election Code. Here, the letter from the financial director of HCDP stated that the contributions were made in return for campaign services valued at \$978,460.36.
31. According to a sample ballot from the Harris County Elections website in 2012, the Democratic Party had approximately 83 candidates on the primary and general election ballot in Harris County. Based on the statements provided by HCDP's finance director, the party spent approximately \$978,460 in connection with the 2012 coordinated campaign. If each candidate received equal value, then it can be said that the respondent received an approximate value of \$11,800 in goods and services from DCDP.
32. The method of computing in-kind contribution value as stated in Ethics Commission Rule § 20.51 is a reasonable method of determining the value received by each candidate. Based on that method, the evidence indicates that the respondent received an approximate value of \$11,800 in goods and services from DCDP in return for his contributions totaling \$9,800. Accordingly, the value of the goods or services the respondent received substantially equaled or exceeded the amount of the contributions. Therefore, there is credible evidence of no violation of section 253.1611(d) of the Election Code.

Harris County Tejano Democrats

33. Regarding the two expenditures totaling \$275, the respondent swore that the expenditures were made to defray the costs of specific events and were not used for political purposes. Nevertheless, considering that the respondent was likely aware that the payee was a political committee, that the purpose of the committee was to support Democratic candidates, and that the committee disclosed that it received political contributions from the respondent, the evidence indicates that the respondent made the payments to the committee with the intent that the committee use the funds for political purposes. The payments were a direct or indirect transfer of money to a political committee. Furthermore, under EAOs 131 and 132, the payments to the committee would have been political contributions unless they were earmarked for nonpolitical purposes. There is no evidence that the respondent earmarked the payments for nonpolitical purposes. Thus, the payments were political contributions to a political committee that exceeded \$250 during a calendar year in which the respondent's office held was not on the ballot.

Therefore, there is credible evidence of a violation of section 253.1611(d) of the Election Code with respect to \$25 of these expenditures.

Harris County Young Democrats PAC

34. Regarding the three expenditures totaling \$850, the respondent swore that the expenditures were made to defray the costs of specific events and were not used for political purposes. Nevertheless, considering that the respondent was likely aware that the payee was a political committee, that the purpose of the committee was to support Democratic candidates, that the payments were made in connection with committee fundraising events and meetings, and that the committee disclosed that it received political contributions from the respondent, the evidence indicates that the respondent made the payments to the committee with the intent that the committee use the funds for political purposes. The payments were a direct or indirect transfer of money to a political committee. Furthermore, under EAOs 131 and 132, the payments to the committee would have been political contributions unless they were earmarked for nonpolitical purposes. There is no evidence that the respondent earmarked the payments for nonpolitical purposes. Thus, the payments were political contributions to a political committee that exceeded \$250 during a calendar year in which the respondent's office held was not on the ballot. Therefore, there is credible evidence of a violation of section 253.1611(d) of the Election Code with respect to \$600 of these expenditures.

Houston 80-20 PAC

35. Regarding the two expenditures totaling \$700, the respondent swore that the expenditures were made to defray the costs of specific events and were not used for political purposes. Nevertheless, considering that the respondent was likely aware that the payee was a political committee, that the purpose of the committee was to support Democratic candidates, that the payments were made in connection with committee fundraising events, and that the committee disclosed that it received political contributions from the respondent, the evidence indicates that the respondent made the payments to the committee with the intent that the committee use the funds for political purposes. The payments were a direct or indirect transfer of money to a political committee. Furthermore, under EAOs 131 and 132, the payments to the committee would have been political contributions unless they were earmarked for nonpolitical purposes. There is no evidence that the respondent earmarked the payments for nonpolitical purposes. Thus, the payments were political contributions to a political committee that exceeded \$250 during a calendar year in which the respondent's office held was not on the ballot. Therefore, there is credible evidence of a violation of section 253.1611(d) of the Election Code with respect to \$450 of these expenditures.

Houston Black American Democrats

36. The expenditure to HBAD, even if found to be a political contribution, did not exceed \$250 during the calendar year. Therefore, there is credible evidence of no violation of section 253.1611(d) of the Election Code.

Houston GLBT Political Caucus

37. The contributions to Houston GLBT Political Caucus did not exceed \$250 during the calendar year. Therefore, there is credible evidence of no violation of section 253.1611(d) of the Election Code.

Texans Together

38. Regarding the \$1,500 expenditure, the respondent swore that the expenditure was made to defray the costs of a luncheon event and was not used for political purposes. Here, the event at issue does not appear to be a fundraiser. In addition, TT disclosed \$0 in total political contributions and \$16 in total political expenditures during the period at issue. Therefore, there is insufficient evidence of a violation of section 253.1611(d) of the Election Code with respect to this expenditure.

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) a judicial officeholder or a specific-purpose committee for assisting a judicial officeholder may not, in any calendar year in which the office held is not on the ballot, use a political contribution to knowingly make a political contribution to a political committee that, when aggregated with each other political contribution to a political committee in that calendar year, exceeds \$250; 2) each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 (\$50 until 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; 3) each report by a candidate must include the candidate's full name and address, the office sought, and the identity and date of the election for which the report is filed; 4) each report by a candidate for a judicial office must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate exceed \$50 and that are accepted during the reporting period, the principal occupation and job title of the individual and the full name of the employer of the individual or of the law firm of which the individual or the individual's spouse is a member, if any; and 5) the purpose of an expenditure means a description of goods, services, or other thing of value and must include a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. The brief statement or description must include the item or service purchased and must be sufficiently specific, when considered within

the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure. 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 after considering the sanction necessary to deter future violations, the commission imposes a \$300 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-3120260.

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

Ravi K. Sandill, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director