

TEXAS ETHICS COMMISSION

IN THE MATTER OF

MCBRIDE STAFFORD,
CAMPAIGN TREASURER,
URBAN/RURAL COMMUNITY
CONSERVATION,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-31212341

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on August 8, 2013, to consider sworn complaint SC-31212341. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.151 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. Allegations

The complaint alleged that the respondent: 1) did not disclose on multiple campaign finance reports cover sheet information; 2) did not disclose on a campaign finance report the principal occupation for certain contributors; 3) did not properly disclose on multiple campaign finance reports total political contributions maintained; and 4) made political contributions to another general-purpose committee without disclosing the recipient committee in a campaign treasurer appointment.

III. Facts Supported by Credible Evidence

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

1. The respondent is the campaign treasurer for Urban/Rural Community Conservation (URCC), a general-purpose political committee that files with the commission.

Cover Sheet Information

2. The complaint alleged that the respondent did not disclose on the cover sheet of seven committee reports the campaign treasurer's telephone number.

3. Based on commission records, the campaign treasurer's telephone number was not disclosed on the cover sheet of URCC's January 2011 semiannual report, July 2011 semiannual report, January 2012 semiannual report, 8-day pre-election report for the May 2012 uniform election, 30-day and 8-day pre-election reports for the May 2012 primary election, and July 2012 semiannual report.
4. In response to the complaint, the respondent swore that the information was inadvertently omitted.

Principal Occupation of Contributors

5. The complaint alleged that the respondent did not disclose on Schedule A (used to disclose political contributions) of URCC's January 2011 semiannual report principal occupation information for six individuals who made political contributions totaling \$1,500. For each of the contributions at issue, the respondent disclosed the contributors' principal occupation and employer as "requested."
6. In response to the complaint, the respondent asserted that the allegations are outside of the applicable statute of limitations.

Total Political Contributions Maintained

7. The complaint alleged that the respondent reported an incorrect balance for total political contributions maintained on six committee reports. In response to the complaint, the respondent provided copies of URCC's bank statements. The original disclosures along with the account balances shown on the bank statements are as follows:
 - July 2011 Semiannual Report – disclosed \$2,868.82; bank statement shows \$3,868.82; difference is \$1,000
 - January 2012 Semiannual Report – disclosed \$13,868.82; bank statement shows \$13,868.82
 - 30-day Pre-election Report (May 2012 primary election) – disclosed \$8,868.82; bank statement shows \$13,368.82; difference is \$4,500
 - 8-day Pre-election Report (May 2012 uniform election) – disclosed \$6,868.82; bank statement shows \$8,868.82; difference is \$2,000
 - 8-day Pre-election Report (May 2012 primary election) – disclosed \$8,618.82; bank statement shows \$16,868.82; difference is \$8,250

- July 2012 Semiannual Report – disclosed \$2,668.82; bank statement shows \$4,668.82; difference is \$2,000
8. In response to the complaint, the respondent swore that the discrepancies occurred as the result of his campaign computer being stolen.

Contributions to General-Purpose Political Committees

9. The complaint alleged that URCC made three political contributions totaling \$19,000 to Texans for Fiscal Accountability (TFA), a general-purpose political committee, without first disclosing the recipient committee on its campaign treasurer appointment. The political contributions at issue were disclosed on Schedule F (used to disclose political expenditures) of URCC's campaign finance reports as follows:

8-day Pre-election Report (May 2012 primary election)

- May 9, 2012, \$7,500 to TFA
- May 17, 2012, \$6,000 to TFA

July 2012 Semiannual Report

- May 21, 2012, \$5,500 to TFA
10. On May 8, 2012, before the contributions at issue were made, the respondent filed an amended appointment of a campaign treasurer by a general-purpose committee and disclosed the full name and address of TFA. Accordingly, TFA was listed as a recipient general-purpose committee before the contributions at issue were made. Note that the expenditures at issue were disclosed by TFA as political contributions, and the information disclosed by TFA is consistent with the respondent's disclosures.

IV. Findings and Conclusions of Law

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

Cover Sheet Information

1. Each report by a campaign treasurer of a general-purpose committee must include the full name, residence or business street address, and telephone number of the committee's campaign treasurer. ELEC. CODE § 254.151(2).

2. Credible evidence indicates that the respondent did not disclose the telephone number of URCC's campaign treasurer on the seven reports at issue. Therefore, there is credible evidence of violations of section 254.151(2) of the Election Code.

Principal Occupation of Contributors

3. Each report by a campaign treasurer of a general-purpose committee must include the principal occupation of each person from whom political contributions that in the aggregate exceed \$50 are accepted during the reporting period. ELEC. CODE § 254.151(6).
4. The statute of limitations for allegations of reporting violations is two years. Ethics Commission Rules § 12.5. Allegations relating to political contributions or expenditures that were required to be disclosed in a report that was due more than *two years* before a complying complaint's postmark date are not within the commission's sworn complaint jurisdiction. The contributions at issue were made during the period covered by the January 2011 semiannual report. Thus, the contributions were required to be disclosed in URCC's January 2011 semiannual report, which was due on January 18, 2011 (deadline extended due to holiday weekend). The complaint was filed on December 17, 2012, which is less than two years before the January 2011 semiannual report was due. Accordingly, the allegations are within the applicable statute of limitations.
5. Regarding the six contributions at issue totaling \$1,500, the respondent was required to provide the contributors' principal occupation because each contribution exceeded \$50 during the January 2011 semiannual reporting period. Credible evidence indicates that the respondent did not properly disclose principal occupation information for the six contributors at issue. Therefore, there is credible evidence of violations of section 254.151(6) of the Election Code.

Total Political Contributions Maintained

6. Each report must include as of the last day of the reporting period, 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).
7. Regarding the July 2011 semiannual report, 30-day and 8-day pre-election reports for the May 2012 primary election, 8-day pre-election report for the May 2012 uniform election, and the July 2012 semiannual report, credible evidence indicates that the total political contributions maintained balances were not correct. Based on the amounts at issue, there is credible evidence of violations of section 254.031(a)(8) of the Election Code with respect to those five reports.

8. Regarding the January 2012 semiannual report at issue, credible evidence indicates that the total political contributions maintained balance was reported correctly. Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code with respect to that report.

Contributions to General-Purpose Political Committees

9. The campaign treasurer appointment of a general-purpose committee must include the full name and address of each general-purpose committee to whom the committee intends to make political contributions. ELEC. CODE § 252.003(a)(2).
10. A general-purpose committee may not knowingly make a political contribution to another general-purpose committee unless the other committee is listed in the campaign treasurer appointment of the contributor committee. ELEC. CODE § 253.037(b).
11. Regarding the contributions at issue, credible evidence indicates that TFA was properly disclosed in URCC's campaign treasurer appointment as a recipient general-purpose committee before the contributions were made. Therefore, there is credible evidence of no violation of sections 252.003(2) and 253.037(b) 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: 1) each report by a campaign treasurer of a general-purpose committee must include the full name, residence or business street address, and telephone number of the committee's campaign treasurer; 2) each report by a campaign treasurer of a general-purpose committee must include the principal occupation of each person from whom political contributions that in the aggregate exceed \$50 are accepted during the reporting period; and 3) each 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; 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.

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-31212341.

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

McBride Stafford, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director