

TEXAS ETHICS COMMISSION

IN THE MATTER OF

DIEGO BERNAL,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-3130335

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on December 2, 2013, to consider sworn complaint SC-3130335. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.063 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) accepted political contributions from corporations; 3) converted political contributions to personal use; and 4) did not timely file a semiannual campaign finance report.

III. Facts Supported by Credible Evidence

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

1. The respondent was elected to San Antonio City Council, District 1, in the June 11, 2011, runoff election. The respondent was subsequently reelected in the May 11, 2013, uniform election.

Full Names of Contributors

2. The complaint alleged that the respondent did not properly disclose the full names of eight contributors who made political contributions totaling approximately \$3,320. The political contributions at issue were disclosed on Schedule A (used to disclose political contributions) of three of the respondent's reports. Eight contributions totaling approximately \$2,370 were from individuals and were disclosed with two initials and the

last name. One \$500 contribution was from an entity and was disclosed with an acronym for the contributor.

3. In response to the complaint, the respondent swore that the names of the contributors are the same names that appeared on each respective contribution check. The respondent disclosed approximately \$2,700 in contributions with the names as they appeared on the checks.
4. Regarding two contributions from an individual totaling \$120, the checks were unavailable.
5. Regarding a \$100 contribution from an individual, credible evidence indicates that the individual used the initials as a nickname.
6. Regarding a \$500 contribution from a political committee, the respondent did not disclose the contributor's name. However, the respondent disclosed an out-of-state committee ID# and a complete address for the contributor.

Total Political Contributions Maintained

7. The complaint alleged that the respondent did not properly report total political contributions maintained in his July 2011, January 2012, July 2012, and January 2013 semiannual reports. On February 5, 2013, before the complaint was filed, the respondent corrected the contributions maintained balances in the July 2011, January 2012, and July 2012 semiannual reports. In the correction affidavits, the respondent swore that the cash on hand was accidentally omitted. In response to the complaint, the respondent provided copies of his campaign account bank statements. The original disclosures along with the corrections and balances shown on the bank statements are as follows:
 - July 2011 Semiannual Report – disclosed \$0; corrected to \$4,450.45; bank statement shows \$4,450.45
 - January 2012 Semiannual Report – disclosed \$0; corrected to \$879.77; bank statement shows \$879.77
 - July 2012 Semiannual Report – disclosed \$0; corrected to \$4,705.45; bank statement shows \$9,545.24
 - January 2013 Semiannual Report – disclosed \$11,873.95; bank statement shows \$12,071.60

Actual Payees of Political Expenditures

8. The complaint alleged that the respondent did not disclose the actual payee name for three political expenditures totaling approximately \$125. The expenditures at issue, when aggregated during the reporting periods, exceeded \$50 to each respective payee.

The political expenditures at issue were disclosed on Schedule F (used to disclose political expenditures) of the respondent's reports as follows:

30-day Pre-election Report for the May 2011 Uniform Election

- March 3, 2011, \$48.75 to Valero, under the category of "Fees" with a description of "PayPal Processing Fee"
 - In response to the complaint, the respondent corrected the report and changed the category to "Travel In District," and changed the description to "gas for travel"

8-day Pre-election Report for the May 2011 Uniform Election

- April 9, 2011, \$60 to Paypal, under the category of "Salaries/Wages/Contract Labor" with a description of "Field Support"
 - In response to the complaint, the respondent swore: "We mistakenly listed the service PayPal because we paid them but it was to pay a person via email for field support."

July 2011 Semiannual Report

- June 2, 2011, \$15.92 to (no name), under the category of "Food/Beverage Expense" with a description of "Food for volunteers" (the respondent provided complete address information for the payee)
 - In response to the complaint, the respondent corrected the report and listed "HEB" as the payee.

Purpose of Political Expenditures

9. The complaint alleged that the respondent did not properly disclose the purpose of 12 political expenditures totaling approximately \$710 that were disclosed on Schedule F of the respondent's January 2013 semiannual report.
10. Seven of the political expenditures at issue totaling approximately \$455 were made to gas stations. Regarding those expenditures, the respondent provided categories of either "Travel In District" or "Travel Out of District," and descriptions of either "Travel in District," "Trouble [sic] in district," or "Travel outside the district." In response to the complaint, the respondent stated that the expenditures were for gas.
11. Four of the political expenditures at issue totaling approximately \$195 were made to HEB and Best Buy and disclosed with categories of either "Office Overhead/Rental Expense" or "Other: Supplies," and descriptions of either "Office supplies" or "Needed

supplies.” In response to the complaint, the respondent corrected the report to indicate that the expenditures were for campaign office supplies and cleaning supplies.

12. One political expenditure at issue for approximately \$60 was made to Best Buy and disclosed with a category of “Event Expense” and a description of “Event Item.” In response to the complaint, the respondent stated that the expenditure was for a scanner to scan business cards at events.

Political Expenditures for Travel Outside of Texas

13. The complaint alleged that the respondent did not disclose on Schedule T (used to disclose in-kind contributions or political expenditures for travel outside of Texas) of his January 2013 semiannual report political expenditures made for travel outside of Texas. The complaint allegation was based on the following disclosures from Schedule F of the respondent’s January 2013 semiannual report, which indicate that the respondent made political expenditures outside of Texas:
 - August 24, 2012, \$565.40 to American Airlines, under the category of “Travel Out Of District” with a description of “Out of city meeting”
 - August 27, 2012, \$98.15 to Pizza House in Ann Arbor, Michigan, under the category of “Food/Beverage Expense” with a description of “Out of district meeting meal”
 - September 6, 2012, \$51.30 to Westin Charlotte, North Carolina, under the category of “Travel Out Of District” with a description of “Travel out of District”
14. Regarding the travel to Ann Arbor, Michigan, the respondent did not disclose the expenditure on Schedule T of the January 2013 semiannual report. In response to the complaint, the respondent corrected the report and disclosed the political expenditure on Schedule T.
15. Regarding the travel to Charlotte, North Carolina, the respondent stated that on September 5, 2012, he purchased an airline ticket and traveled to Charlotte, North Carolina to attend the Democratic National Convention. The respondent did not disclose a political expenditure for airline tickets in the January 2013 semiannual report. In response to the complaint, the respondent stated that the trip was initially personal in nature, and that the airline ticket was purchased with his personal funds and was not a political expenditure. The respondent stated that the trip turned into a campaign/officeholder trip when he started discussing business matters with a public official, and, therefore, he used political contributions to pay for the hotel room and disclosed the expense as a political expenditure.

Staff Reimbursements

16. The complaint alleged that the respondent did not properly disclose five political expenditures totaling approximately \$4,505 that appear to have been made as staff reimbursements. In response to the complaint, the respondent swore that the payees were properly disclosed. The political expenditures at issue were disclosed on Schedule F of the respondent's reports as follows:

8-day Pre-election Report for the May 2011 Uniform Election

- April 6, 2011, \$86.14 to an individual, under the category of "Printing Expense" with a description of "T-shirts"
- April 25, 2011, \$100 to an individual, under the category of "Printing Expense" with a description of "T-shirts"
- April 28, 2011, \$12.40 to a restaurant, under the category of "Food/Beverage Expense" with a description of "Food for Blockwalkers"

July 2011 Semiannual Report

- June 14, 2011, \$212.60 to an individual, under the category of "Consulting Expense" with a description of "Fundraiser reimbursement"

July 2012 Semiannual Report

- April 19, 2012, \$4,095 to an individual, under the category of "Solicitation/Fundraising Expense" with a description of "Tabling and thank you notes"

Accepting Political Contributions from Corporations

17. The complaint alleged that the respondent accepted political contributions totaling approximately \$2,030 from six corporations. The contributions at issue were disclosed on Schedule A of the respondent's reports. The respondent denied the allegations of the contributions at issue, approximately \$1,080 were made by corporations. The evidence was inconclusive with regard to the respondent's knowledge of the contributors' status as corporations. The remaining approximately \$950 in contributions were not made by corporations.

Personal Use of Political Contributions

18. The complaint alleged that the respondent converted political contributions to personal use. The complaint specified 47 political expenditures totaling approximately \$1,480 that were disclosed in the respondent's 30-day and 8-day pre-election reports for the May 2011 uniform election, runoff report for the June 2011 runoff election, and the July 2011,

January 2012, and January 2013 semiannual reports. Based on the disclosures in the reports, 45 of the expenditures totaling approximately \$1,410 were made to restaurants and had descriptions of “Campaign Meeting,” “Volunteer Lunch Meeting,” “District Meeting,” “Constituent meeting,” or some other similar variation; one of the expenditures for approximately \$15 was made for dry-cleaning; and one of the expenditures for \$54 was made to purchase “Concert Tickets.”

19. In response to the complaint, the respondent denied the allegation and swore that he did not convert political contributions to personal use. Regarding the 45 expenditures that were made to restaurants, the respondent corrected some of the reports and provided more detailed descriptions. Regarding the expenditure of approximately \$15 for dry-cleaning, the respondent swore that the expenditure was for the cleaning of a volunteer’s suit that became dirty while going door-to-door for the campaign. Regarding a \$54 expenditure for concert tickets, the respondent filed a correction to the January 2013 semiannual report and changed the expenditure description from “Concert Tickets” to “Concert Tickets for Door Prize.”

Timely Filing of Campaign Finance Report

20. The complaint alleged that the respondent did not timely file a July 2011 semiannual report. The complaint allegation was based on a corrected July 2011 semiannual report that was filed by the respondent on February 5, 2013.
21. According to records on file with the San Antonio city clerk, the original July 2011 semiannual report was electronically certified and filed by the respondent on July 15, 2011. Regarding the corrected July 2011 semiannual report that was filed on February 5, 2013, the respondent submitted a correction affidavit with the report stating that the cash on hand was accidentally omitted in the original report. The respondent corrected the total political contributions maintained balance from \$0 to \$4,450.45.

IV. Findings and Conclusions of Law

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

Full Names of Contributors

1. 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 by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
2. The name of an entity that is required to be included in the name of the committee may be a commonly recognized acronym by which the entity is known. ELEC. CODE § 252.003(d).

3. The 2011 legislative session added section 571.122(2) to the Government Code, which became effective on September 1, 2011, and states: “It is not a valid basis of a complaint to allege that a report required under Chapter 254, Election Code, contains the improper name or address of a person from whom a political contribution was received if the name or address in the report is the same as the name or address that appears on the check for the political contribution.”
4. Regarding the two contributions totaling \$120, for which the contribution checks are unavailable, there is insufficient evidence to determine whether the respondent disclosed the contributor’s name as it appeared on each respective contribution check. Therefore, there is insufficient evidence of a violation of section 254.031(a)(1) of the Election Code with respect to those contributions.
5. Regarding approximately \$2,700 in contributions at issue, the names appearing on the contribution checks are the same names that were disclosed by the respondent. Therefore, there is credible evidence of no violations of section 254.031(a)(1) of the Election Code with respect to those contributions. Regarding one \$100 contribution from an individual, the individual used the nickname that the respondent disclosed for the contribution. Therefore, there is credible evidence of no violation of section 254.031(a)(1) of the Election Code with respect to that contribution.
6. Regarding the \$500 contribution from a political committee and for which the respondent provided the contributor’s correct address and out-of-state committee ID#, the contributor’s name would have been readily ascertainable. The omission was not misleading and did not substantially affect disclosure. Therefore, there is credible evidence of a technical or *de minimis* violation of section 254.031(a)(1) of the Election Code with respect to that contribution.

Total Political Contributions Maintained

7. Each 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). 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).
8. Regarding the July 2011, January 2012, and July 2012 semiannual reports, credible evidence indicates that the respondent did not properly report the total political contributions maintained. The difference between the amounts originally disclosed and the correct amounts ranged from approximately \$880 to \$9,545. Therefore, there is credible evidence of violations of section 254.031(a)(8) of the Election Code with respect to those reports.

9. Regarding the January 2013 semiannual report, there is no violation of section 254.031(a)(8) of the Election Code if the difference between the amount of political contributions maintained as originally disclosed and the correct amount does not exceed the lesser of 10% of the amount originally disclosed or \$2,500. The amount disclosed in the January 2013 semiannual report is within that threshold. Therefore, there is credible evidence of no violation of section 254.031(a)(8) of the Election Code with respect to that report.

Actual Payees of Political Expenditures

10. 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).
11. A report of a political expenditure by credit card must identify the vendor who receives payment from the card company. Ethics Commission Rules § 20.59.
12. Regarding the expenditure to Valero, the evidence indicates that the respondent disclosed the actual payee of the political expenditure. Therefore, there is credible evidence of no violation of section 254.031(a)(3) of the Election Code with respect to that expenditure.
13. Regarding the expenditure to Paypal, the respondent swore that the expenditure was made through PayPal to pay a person for field support. Since the expenditure exceeded \$50 and was made to pay a person for services rendered, the respondent would have been required to disclose the actual person who received the payment. The respondent did not properly disclose the payee. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code with respect to that expenditure.
14. Regarding the expenditure for \$15.92, the respondent was required to provide the full name of the payee at issue. Although the respondent did not disclose the payee's name, the respondent provided complete address information so that the identity of the payee would have been readily ascertainable. In context, the omission was not misleading and did not substantially affect disclosure. There is credible evidence of a technical or *de minimis* violation of section 254.031(a)(3) of the Election Code with respect to that expenditure.

Purpose of Political Expenditures

15. 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). 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(a).

16. Regarding the seven political expenditures totaling approximately \$455 that were made to gas stations, the descriptions provided by the respondent do not adequately describe what goods or services were purchased. In context, the purpose descriptions did not substantially affect disclosure. Therefore, there is credible evidence of technical or *de minimis* violations of section 254.031(a)(3) of the Election Code and section 20.61(a) of the Ethics Commission Rules with respect to those expenditures.
17. Regarding the four political expenditures totaling approximately \$195 that were made to HEB and Best Buy, there is credible evidence of no violations of section 254.031(a)(3) of the Election Code and section 20.61(a) of the Ethics Commission Rules.
18. Regarding the expenditure for approximately \$60 that was made to Best Buy, the description provided by the respondent essentially just repeated the category of the expense and did not describe the goods or services purchased. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code and section 20.61(a) of the Ethics Commission Rules with respect to that expenditure.

Political Expenditures for Travel Outside of Texas

19. 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).
20. Regarding the trip to Ann Arbor, Michigan, credible evidence indicates that the respondent used political contributions to purchase a \$565.40 airline ticket to attend an event in Michigan. Accordingly, the respondent was required to disclose the expenditure for the airline ticket on Schedule T of his January 2013 semiannual report. The respondent did not disclose the expenditure on Schedule T when the January 2013 semiannual report was originally filed and the original description of the expenditure did not clearly indicate the respondent's destination and did not contain the other information required by Schedule T. Therefore, there is credible evidence of a violation of section 254.031(a)(3) of the Election Code and section 20.61(b) of the Ethics Commission Rules with respect to that expenditure.
21. Regarding the trip to Charlotte, North Carolina, there is insufficient evidence to determine whether the purchase of the airline ticket was a political expenditure.

Therefore, there is insufficient evidence of a violation of section 254.031(a)(3) of the Election Code and section 20.61(b) of the Ethics Commission Rules with respect to that expenditure.

Staff Reimbursements

22. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
23. An expenditure means a payment of money or any other thing of value and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make a payment. *Id.* § 251.001(6).
24. A political expenditure means a campaign expenditure or an officeholder expenditure. *Id.* § 251.001(10).
25. Ethics Commission Rule § 20.62 states that political expenditures made out of personal funds by a staff member of an officeholder or candidate, with the intent to seek reimbursement from the officeholder or candidate, 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.
26. Credible evidence indicates that the political expenditures at issue were not made as staff reimbursements. Moreover, the evidence indicates that the respondent disclosed the actual payees of the political expenditures at issue. Therefore, there is credible evidence of no violations of section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules.

Accepting Political Contributions from Corporations

27. 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). 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 he knew that corporate contributions were illegal,

and that the respondent knew the particular contribution at issue was from a corporation or labor organization.

28. A corporation or labor organization may not make a political contribution or political expenditure that is not authorized by subchapter D, chapter 253, of the Election Code. *Id.* § 253.094.
29. 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. *Id.* § 253.091.
30. A Delaware limited liability company is subject to the restrictions in Election Code chapter 253, subchapter D, if it engages in a type of business listed in Election Code section 253.093 or if it is owned, in whole or in part, by an entity subject to the restrictions in Election Code chapter 253, subchapter D. Ethics Advisory Opinion No. 383 (1997).
31. A determination to accept or refuse a political contribution that is received by a candidate, officeholder, or political committee shall be made not later than the end of the reporting period during which the contribution is received. ELEC. CODE § 254.034(a).
32. Regarding approximately \$950 in contributions, credible evidence indicates that the contributions were not made by prohibited corporations. Therefore, there is credible evidence of no violations of sections 253.003 and 253.094 of the Election Code with respect to those contributions.
33. Regarding the four contributions totaling approximately \$1,080 from corporations, there is insufficient evidence to show that the respondent knew the contributions were from corporations at the time of acceptance. Therefore, there is insufficient evidence of violations of sections 253.003 and 253.094 of the Election Code with respect to those contributions.

Personal Use of Political Contributions

34. 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. *Id.* § 253.035(d). Personal use does not include payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a public officeholder, including payment of reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not ordinarily reside in Travis County. *Id.* § 253.035(d)(1).

35. Regarding the expenditure of approximately \$15 for dry-cleaning, and the \$54 expenditure for concert tickets, there is insufficient evidence of violations of section 253.035(a) of the Election Code with respect to those expenditures.
36. Regarding the other 45 expenditures at issue totaling approximately \$1,410, the descriptions of the expenditures disclosed by the respondent indicate that the expenditures were made in connection with the respondent's duties and activities as a candidate and officeholder, and there was no evidence to the contrary. Therefore, there is credible evidence of no violations of section 253.035(a) of the Election Code with respect to those expenditures.

Timely Filing of Campaign Finance Report

37. A candidate shall file two reports for each year as provided by this section. ELEC. CODE § 254.063(a). The first report shall be filed not later than July 15. The report covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30. *Id.* § 254.063(b).
38. Except as provided by Subsection (b), the deadline for filing a report required by this chapter is 5 p.m. on the last day permitted under this chapter for filing the report. *Id.* § 254.037(a). The deadline for filing a report electronically with the commission as required by this chapter is midnight on the last day for filing the report. *Id.* § 254.037(b).
39. A report is late if it is incomplete, not filed by the applicable deadline, or not filed by computer diskette, modem, or other means of electronic transfer and the filer is required by law to file using one of these methods. Ethics Commission Rules § 18.7(c).
40. Credible evidence indicates that the respondent filed the original July 2011 semiannual report by the July 15, 2011, filing deadline. On February 5, 2013, the respondent filed a correction to the July 2011 semiannual report and changed the total political contributions maintained balance from \$0 to \$4,450.45. In the correction affidavit, the respondent swore that the cash on hand balance was accidentally omitted in the original report. Since the original July 2011 semiannual report was incomplete, the report is considered late. Therefore, there is credible evidence of a violation of section 254.063 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 campaign finance 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 by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions; 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. 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; 3) 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; 4) 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; and 5) a candidate shall file two reports for each year. The first report shall be filed not later than July 15 and covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through June 30. 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-3130335.

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

Diego Bernal, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
Executive Director