

# TEXAS ETHICS COMMISSION

P.O. Box 12070, Capitol Station  
Austin, Texas 78711-2070

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August 14, 2015

Mr. E. Lee Parsley

**RE: Notice of Reporting Error  
SC-31407146**

Dear Mr. Parsley:

The Texas Ethics Commission (Commission) met on August 7, 2015, to consider SC-31407146. A quorum of the Commission was present. **The Commission determined that there is credible evidence of a reporting error that does not materially defeat the purpose of disclosure.** To resolve and settle this case without further proceedings, the Commission proposed this Notice of Reporting Error Agreement (agreement).

The Commission **found credible evidence** that the respondent:

1. did not disclose on his 2014 lobby registration form the full name and address of a person who reimbursed or compensated him using political contributions, as required by section 305.005(m) of the Government Code.

Credible evidence available to the Commission supports the following findings of fact and conclusions of law:

1. It was contended that that the respondent, a registered lobbyist, did not include on his 2014 lobby registration form the full name and address of a person that used political contributions to compensate the respondent.
2. An online query of the Commission's database showed that Texans for Lawsuit Reform PAC (TLR PAC) made 13 expenditures in 2014 from political funds to the respondent totaling approximately \$22,000 for various legal expenses. At the time the complaint was filed, TLR PAC was not disclosed on the respondent's 2014 lobby registration form as a person from whom the respondent received reimbursement or compensation from political funds.

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The Texas Ethics Commission does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

3. In response to the complaint, the respondent swore that at the time he filed his 2014 lobby registration form he was not receiving compensation from TLR PAC. The respondent also swore that he completed and filed his 2014 lobby registration form in late December 2013, and that he began receiving compensation from TLR PAC on or about February 4, 2014.
4. An online query of the Commission's database shows that TLR PAC made no expenditures from political funds to the respondent in 2013. However, an online query of the Commission's database shows the first payment from TLR PAC to the respondent in 2014 was dated January 6, 2014. Additionally, Commission records indicate that the respondent's 2014 lobby registration form was filed on January 15, 2014.
5. On July 23, 2014, in response to the sworn complaint, the respondent amended his 2014 lobby registration form to include TLR PAC as a person who provides him with compensation from political funds. Reports on file by TLR PAC disclose that the committee made seven expenditures to the respondent totaling \$7,000 before the respondent amended his lobby registration form.
6. Although the respondent contends that he did not know he would be compensated by TLR PAC at the time he filed his 2014 lobby registration form, it appears from Commission records that TLR PAC made its first expenditure to the respondent on January 6, 2014, nine days before the respondent filed his original 2014 lobby registration form. Thus, there is credible evidence that the respondent was aware at the time he filed his 2014 lobby registration form that he was receiving compensation from TLR PAC from political contributions. In addition, the respondent did not disclose TLR PAC on his lobby registration until approximately six months after TLR PAC disclosed making an expenditure to the respondent from political contributions. **Therefore, there is credible evidence of noncompliance with section 305.005(m) of the Government Code.**

By signing this agreement and returning it to the Commission:

1. You consent to this agreement.
2. You accept the determinations made by the Commission in this agreement.
3. You waive any right to further proceedings in this matter.
4. You understand and agree that the Commission will consider this agreement in any future proceedings against you regarding similar allegations.
5. You acknowledge that each lobby registration form must include the full name and address of each person who compensates or reimburses the registrant or person acting as an agent for the registrant for services, including political consulting services, rendered by the registrant from a political contribution, interest received from a political contribution, or an asset purchased with political contributions.

You agree to comply with this requirement of the law.

This agreement describes a reporting error that the Commission has determined is neither technical nor *de minimis*. Accordingly, this agreement is not confidential under section 571.140 of the Government Code.

The respondent agrees to tender a \$100 assessment fee to the Commission.

This agreement is a final and complete resolution of SC-31407146.

\_\_\_\_\_  
E. Lee Parsley, Respondent

\_\_\_\_\_  
Date signed by Respondent

Executed original agreement received by the Commission on: \_\_\_\_\_.

Texas Ethics Commission

By:

\_\_\_\_\_  
Natalia Luna Ashley, Executive Director