

TEXAS ETHICS COMMISSION

IN THE MATTER OF

ANNA “CHRISTINE” HANNA,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-3170589

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (Commission) met on November 13, 2017, to consider sworn complaint SC-3170589. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of section 254.064 of the Election Code and section 571.1242 of the Government Code, laws administered and enforced by the Commission. To resolve and settle this complaint without further proceedings, the Commission adopted this resolution.

II. Allegations

The complaint alleged that the respondent did not timely file the 30-day and 8-day pre-election campaign finance reports for the May 6, 2017, election. The Commission also considered whether the respondent timely responded to the complaint.

III. Facts Supported by Credible Evidence

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

1. The respondent was a candidate for Rockwall City Council, Place 5, in the May 6, 2017, election.

Pre-election Campaign Finance Reports

2. The complaint alleged that the respondent did not file the 30-day and 8-day pre-election campaign finance reports for the May 2017 election, in which the respondent was on the ballot and had two opponents whose names also appeared on the ballot.
3. Records on file with the City of Rockwall confirm the respondent filed a campaign treasurer appointment on February 17, 2017. The respondent did not elect to file campaign finance reports on the modified reporting schedule.

4. Regarding the 30-day pre-election report for the May 2017 election, the respondent was required to file the report with the Rockwall city secretary by April 6, 2017. The respondent filed the report on October 6, 2017.
5. Regarding the 8-day pre-election report for the May 2017 election, the respondent was required to file the report with the Rockwall city secretary by April 28, 2017. The respondent filed the report on October 6, 2017.

Response to Sworn Complaint

6. Sworn complaint SC-3170589 was filed on June 1, 2017. The Commission sent a notice of the sworn complaint to the respondent by delivery confirmation on June 7, 2017. According to the United States Postal Service's record of the delivery, the notice of this complaint was delivered to the respondent on June 13, 2017. The notice informed the respondent that the alleged violations in the sworn complaint were Category One violations, and that a response was required not later than 10 business days from the date the notice was received and that failure to respond constituted a separate violation for which a separate civil penalty may be assessed. Based on the delivery date of the notice, the respondent was required to respond to the sworn complaint by June 28, 2017. The Commission did not receive a written response to the sworn complaint until August 21, 2017.

IV. Findings and Conclusions of Law

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

Pre-election Campaign Finance Reports

1. In addition to other required reports, for each election in which a person is a candidate and has an opponent whose name is to appear on the ballot, the person shall file two reports. ELEC. CODE § 254.064(a). The first report must be received by the authority with whom the report is required to be filed not later than the 30th day before election day. The report covers the period beginning 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 chapter 254, as applicable, and continuing through the 40th day before election day. *Id.* § 254.064(b). The second report must be received by the authority with whom the report is required to be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before election day and continuing through the 10th day before election day. *Id.* § 254.064(c).
2. An opposed candidate or specific-purpose committee required to file reports under Subchapter C or E may file a report under this subchapter instead if the candidate or committee does not intend to accept political contributions that in the aggregate exceed \$500 or to make political expenditures that in the aggregate exceed \$500 in connection with the election. *Id.* § 254.181. To be entitled to file reports under this subchapter, an opposed

candidate or specific-purpose committee must file with the campaign treasurer appointment a written declaration of intent not to exceed \$500 in political contributions or political expenditures in the election. *Id.* § 254.182(a). The declaration of intent must contain a statement that the candidate or committee understands that if the \$500 maximum for contributions and expenditures is exceeded, the candidate or committee is required to file reports under Subchapter C or E, as applicable. *Id.* § 254.182(b).

3. Regarding the 30-day and 8-day pre-election reports for the May 2017 election, credible evidence indicates the respondent did not timely file the reports. Therefore, there is credible evidence of a violation of sections 254.064(b) and 254.064(c) of the Election Code.

Response to Sworn Complaint

4. If the alleged violation in a sworn complaint is a Category One violation, the respondent must respond to the notice required by section 571.123(b) of the Government Code not later than the 10th business day after the date the respondent receives the notice. GOV'T CODE § 571.1242(a)(1). A respondent's failure to timely respond to a sworn complaint as required by subsection (a)(1) or (b)(1) is a Category One violation. *Id.* § 571.1242(c).
5. The response required by section 571.1242 of the Government Code must be in writing, admit or deny the allegations set forth in the complaint, and be signed by the respondent. Ethics Commission Rules § 12.52(a). If a respondent does not submit a response within the time period prescribed by section 571.1242 of the Government Code, the Commission may issue an order imposing a civil penalty for failure to file a response. *Id.* § 12.52(b).
6. The respondent was required to submit a written response to the Commission by June 28, 2017. The Commission did not receive a written response to the complaint until August 21, 2017. Therefore, there is credible evidence of a violation of section 571.1242(c) of the Government 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 that in addition to other required reports, for each election in which a person is a candidate and has an opponent whose name is to appear on the ballot,

the person shall file two reports. The first report must be received by the authority with whom the report is required to be filed not later than the 30th day before election day. The second report must be received by the authority with whom the report is required to be filed not later than the eighth day before election day.

The respondent also acknowledges that a respondent must respond to a notice of a sworn complaint that contains a Category One violation within 10 business days of receiving the notice of the sworn complaint, and failure to respond to a notice of a sworn complaint within the time required is a separate Category One violation.

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 \$500 civil penalty.

VIII. Order

The Commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-3170589.

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

Anna "Christine" Hanna, Respondent

EXECUTED ORIGINAL received by the Commission on: _____.

Texas Ethics Commission

By: _____
Seana Willing, Executive Director