

TEXAS ETHICS COMMISSION

IN THE MATTERS OF

SANDRA J. CRENSHAW,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-31804177, SC-31804178,
SC-31804179, AND SC-31804180

FINAL ORDER

The Texas Ethics Commission (Commission), having heard this case and voting to find violations of laws under its jurisdiction, makes the following Findings of Fact and Conclusions of Law:

Findings of Fact

1. The sworn complaints were filed against the respondent on April 20, 2018. The respondent agreed to receive notices regarding the complaints by electronic mail. A notice of a preliminary review hearing was sent to the respondent on January 31, 2019, by delivery confirmation to her last known address and by electronic mail. The respondent confirmed receipt of the notice of the preliminary review hearing on January 31, 2019, by electronic mail.
2. The preliminary review hearing was held on March 21, 2019, at 2:00 p.m., by the Commission in Austin, Texas.
3. The respondent did not appear at the hearing. The hearing proceeded under section 12.23 of the Ethics Commission Rules.
4. The respondent was a candidate for State Representative, District 110, in the March 1, 2016, primary election and a candidate for State Representative, District 100, in the March 6, 2018, primary election. The respondent was an opposed candidate in both elections.

Filing of Semiannual Reports

5. Sworn complaint SC-31804177 alleged that the respondent did not timely file the July 2017 semiannual report. Sworn complaint SC-31804178 alleged that the respondent did not timely file the July 2016 semiannual report.
6. Records on file with Commission confirm that the respondent filed a campaign treasurer appointment on December 10, 2013. The respondent did not elect to file campaign finance reports under the modified reporting schedule. In addition, the respondent did not file a final

report, and therefore, the treasurer appointment of December 2013 was active during all periods at issue in the complaints.

7. Regarding the July 2016 semiannual report, the respondent was required to file the report with the Commission by July 15, 2016. Regarding the July 2017 semiannual report, the respondent was required to file the report with the Commission by July 17, 2017 (deadline extended because of the weekend). Commission records confirm that the respondent filed both reports late on December 6, 2017. The respondent did not disclose accepting any political contributions or making any political expenditures during either reporting period.

Reporting Period for the 30-day Pre-election Report

8. Sworn complaint SC-31804179 alleged that the respondent did not cover the correct reporting period in the 30-day pre-election report for the March 6, 2018, primary election.
9. Regarding the 30-day pre-election report at issue, the respondent timely filed the report by the February 5, 2018, deadline. Commission records confirm that the last report the respondent had previously filed covered the reporting period of July 1, 2017, to December 31, 2017. The respondent was required to cover the reporting period of January 1, 2018, to January 25, 2018, but covered only the period from January 16, 2018, to January 25, 2018, in the 30-day pre-election report. The respondent disclosed making political expenditures of \$45 and did not disclose accepting any political contributions.
10. To date, the respondent has not corrected the 30-day pre-election report and has submitted a written statement to the Commission stating that she refuses to correct the report.

Reporting of a Beneficial Interest in Real Property

11. Sworn complaint SC-31804180 alleged that the respondent did not include in her Personal Financial Statement (PFS), filed on February 12, 2018, an identification by description of all beneficial interests in real property held or acquired.
12. Regarding the PFS filed in 2018, the respondent was required to identify all beneficial interests in real property, but disclosed that she held or acquired none in 2017. In response to the complaint, the respondent corrected the PFS at issue, and reported that she held or acquired a beneficial interest in two real properties during 2017.

Prior Violations

13. The respondent failed to file or failed to timely file numerous campaign finance reports and personal financial statements. The Commission assessed administrative fines, listed below, totaling \$14,000. In 2014, the respondent appealed three fines, and the Commission reduced two of the fines. The respondent did not pay the reduced fines. The Commission referred all

delinquent matters to the Office of the Attorney General of Texas to enforce the civil penalties. The respondent did not pay any amount of the total fines ordered.

Report Type	Due Date	Filed Date	Payment Status	Fine Amount
Personal Financial Statement	1/21/2014	5/9/2014	Unpaid	\$500
30-Day Pre-Election Report	2/3/2014	2/7/2014	Unpaid	\$500
8-Day Pre-Election Report	2/24/2014	2/25/2014	Unpaid	\$500
Semiannual Report	1/15/2016	1/19/2016	Unpaid	\$500
Personal Financial Statement	2/12/2016	8/5/2016	Unpaid	\$500
8-Day Pre-Election Report	2/22/2016	2/23/2016	Unpaid	\$500
Semiannual Report	7/15/2016	12/6/2017	Unpaid	\$10,000
Semiannual Report	7/17/2017	12/6/2017	Unpaid	\$500
Special Session Report	9/14/2017	Unfiled	Unpaid	\$500
			Total Owed:	\$14,000

Conclusions of Law

1. The Commission shall administer and enforce, among other laws, chapter 572, Government Code, and Title 15, Election Code. GOV'T CODE § 571.061(a). Disposition of this case is within the jurisdiction of the Commission.
2. After written notice under section 571.123(b) regarding the filing of a sworn complaint has been sent to a person in the manner required by subsection (a), the Commission may send the person any additional notices regarding the complaint by regular mail unless the person has notified the Commission to send all notices regarding the complaint by registered or certified mail, restricted delivery, return receipt requested. *Id.* § 571.032(b).
3. A notice required to be sent to a respondent under chapter 571 of the Government Code shall be sent to the address provided by the complainant or to the address most recently provided by the respondent. ETHICS COMMISSION RULES § 12.21(b). A respondent may waive the right under section 571.032 of the Government Code to receive written notice related to the complaint by registered or certified mail, restricted delivery, return receipt requested, and may agree to receive written notices related to the complaint by first class mail, electronic mail, or other means. *Id.* § 12.21(d).

4. The respondent received legally sufficient notice of the March 21, 2019, preliminary review hearing in this case.
5. If a respondent fails to appear at a hearing, the Commission may proceed in the respondent's absence and may find credible evidence of the violations alleged in the complaint and may issue a final order imposing a civil penalty. *Id.* § 12.23. The March 21, 2019, preliminary review hearing was held in accordance with section 12.23, Ethics Commission Rules.

Filing of Semiannual Reports

6. 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. *Id.* § 254.063(b).
7. Credible evidence indicates that the respondent was a candidate during the periods at issue, and that she did not timely file the July 2016 and July 2017 semiannual reports. Therefore, there is credible evidence of violations of section 254.063 of the Election Code.

Reporting Period for the 30-day Pre-election Report

8. 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).
9. Credible evidence indicates that the respondent was required to file a 30-day pre-election report for the March 6, 2018, primary election, and that the respondent did not cover the correct reporting period in the report. Therefore, there is credible evidence of a violation of section 254.064(b) of the Election Code.

Reporting of a Beneficial Interest in Real Property

10. A financial statement must include an account of the financial activity of the individual required to file a financial statement for the preceding calendar year. GOV'T CODE § 572.023(a). The account of financial activity includes identification by description of all beneficial interests in real property held or acquired. *Id.* § 572.023(b)(6).

11. Credible evidence indicates that the respondent did not report beneficial interests in real property that were required to be disclosed on a PFS due in 2018. Therefore, there is credible evidence of a violation of section 572.023(b)(6) of the Government Code.

Prior Violations

12. The Commission shall consider in assessing a sanction the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the violation, the history and extent of previous violations, the demonstrated good faith of the violator, including actions taken to rectify the consequences of the violation, the penalty necessary to deter future violations, and any other matters that justice may require. GOV'T CODE § 571.177.
13. Credible evidence indicates that the respondent repeatedly failed to file or failed to timely file campaign finance reports and financial statements, and did not pay the fines ordered by the Commission. Therefore, the Commission considers the respondent's previous violations to be an aggravating factor in the assessment of a civil penalty, as required by section 571.177 of the Government Code.
14. The Commission may impose a sanction against the respondent of not more than \$5,000 or triple the amount at issue, whichever amount is greater, for a violation of law administered or enforced by the Commission. *Id.* § 571.173.

Therefore, the Texas Ethics Commission orders that:

1. The respondent pay to the Commission, within 30 days of the date of this order, a civil penalty in the amount of \$5,000. If the \$5,000 penalty is not paid within 30 days from the date of this order, then the penalty is increased to \$10,000 and will be referred to the Office of the Attorney General of Texas for collection.

Order Date: _____

FOR THE COMMISSION

Ian M. Steusloff
Interim Executive Director
Texas Ethics Commission