

TEXAS ETHICS COMMISSION

IN THE MATTER OF

STAN J. "STOSH" BOYLE,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-32004130, SC-32004131,
AND SC-32004132

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (Commission) met on March 11, 2021, to consider sworn complaints SC-32004130, SC-32004131, and SC-32004132. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of Sections 254.031, 254.063, and 254.064 of the Election Code, laws administered and enforced by the Commission. To resolve and settle these complaints without further proceedings, the Commission adopted this resolution.

II. Allegations

The complaints alleged that the respondent: 1) did not disclose on his 8-day pre-election report two online political contributions, in violation of Section 254.031 of the Election Code; 2) did not completely disclose four political contributions on the 8-day pre-election report, in violation of Section 254.031(a)(1) of the Election Code; 3) did not file a 30-day pre-election report for the November 2019 election, in violation of Section 254.064 of the Election Code; 4) did not disclose on his 8-day pre-election report two campaign expenditures made to a registered lobbyist, in violation of Section 254.031 of the Election Code; and 5) did not file a January 2020 semiannual report in violation of Section 254.063 of the Election Code.

III. Findings of Fact and Conclusions of Law

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

1. The respondent was a successful candidate for Mayor for the City of Cibolo in the November 2017 and 2019 elections.

Disclosure of Online Political Contributions

2. Sworn complaint SC-32004130 alleges the respondent failed to disclose two online political contributions he accepted on his 8-day pre-election report for the November 2019 election.
3. The complaint included screenshots of a Facebook group called “Cibolo/Schertz One Community.” The group was selling advertisements in exchange for a \$50 donation to the Facebook group. When the donation was made, the Facebook group would change the picture on the cover page to a candidate of the donor’s choice. Screenshots of the comments section have the page administrator informing the respondent that two donations had been made in his name, and a picture of the group’s changed cover page to include a picture of the respondent. The respondent commented to thank the donors.
4. The respondent swore that the donations were made without his prior knowledge or consent, that he thanked the donors because it was polite, and that he doesn’t know if the donations actually took place.
5. The owner of the Facebook group and the publisher of the ad said that the pictures were provided by a third party and that she did not have any communication with the respondent regarding the ad.
6. “Direct campaign expenditure” means a campaign expenditure that does not constitute a campaign contribution by the person making the expenditure. A campaign expenditure does not constitute a contribution by the person making the expenditure to a candidate or officeholder if the expenditure is made without the prior consent or approval of the candidate or officeholder on whose behalf the expenditure is made. Tex. Elec. Code § 251.001(8).
7. There is no evidence to show the respondent provided prior consent or approval for the two donations and that the respondent actually received any political contributions. Therefore, there is no credible evidence of a violation of Section 254.031 of the Election Code regarding the Facebook cover page advertisements.

Disclosure of Political Contributions

8. Sworn complaint SC-32004130 alleges that the respondent did not properly disclose four political contributions on his 8-day pre-election report for the November 2019 election.
9. The complaint included a copy of the respondent’s 8-day pre-election report. On Schedule A1, the respondent listed three contributions. Two contributions listed the date as “October 2019,” and the third listed the date as “Sept. 2019.” One of the contributions over \$100 gave only a city for the contributor address and the second disclosed no contributor information. On Schedule A2, the respondent disclosed a single in-kind contribution of \$450 for flyers, dated “Sept. 2019” with no contributor address included.

10. The respondent did not specifically address this allegation in his response to the sworn complaint. He did swear he would file a final report covering all expenditures and contributions before June 1, 2020. He filed a final report on July 14, 2020, which re-reported the contributions that were disclosed on the 8-day pre-election report. However, no changes were made to the contributions. In a response to written questions, the respondent provided the month, day, and year for these contributions, but did not correct his reports to include that information.
11. Except as otherwise provided by this chapter, each report under this chapter must include the amount of political contributions from each person that in the aggregate exceed \$50 (\$90 as of January 1, 2020) 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. Tex. Elec. Code § 254.031(a)(1).
12. The respondent did not properly disclose political contributions on the 8-day pre-election report. Therefore, there is credible evidence of violations of Section 254.031(a)(1) of the Election Code.

Failure to File 30-Day Pre-election Report

13. Sworn complaint SC-32004131 alleges that the respondent did not file a 30-day pre-election report for the November 2019 election.
14. The respondent did not specifically address this allegation in his response to the sworn complaint. He did swear he would file a final report covering all expenditures and contributions before June 1, 2020. He filed a final report on July 14, 2020, which re-reported the contributions that had previously been disclosed on his 8-day pre-election report. No additional contributions or expenditures were reported.
15. 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. Tex. 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 of the first day after the period covered by the last report required to be filed under this chapter, as applicable, and continuing through the 40th day before election day. *Id.* § 254.064(b).
16. The respondent filed his ballot application and campaign treasurer appointment for the November 2019 election on July 23, 2019. The respondent selected modified reporting on his campaign treasurer appointment. However, the respondent had an opponent on the ballot and made more than \$500 in political expenditures on July 30, 2019, in connection with the election. Therefore, the respondent was required to file pre-election reports.

17. The 30-day pre-election report for the November 2019 election was required to be filed by October 6, 2019, and disclose activity occurring from July 23, 2019, through September 26, 2019. The respondent did not file a 30-day pre-election report. Therefore, there is credible evidence of a violation of Section 254.064 of the Election Code.

Disclosure of Political Expenditures

18. Sworn complaint SC-32004132 alleges that the respondent did not report two expenditures that were made to a registered lobbyist. The allegation was based on a lobby registration filed by a registered lobbyist, where the lobbyist disclosed receiving compensation from political contributions from the respondent.
19. In his response to the sworn complaint, the respondent stated that he intended to seek reimbursement for the expenditures as he had not received the full benefit of the services, however the respondent later clarified that he never discussed reimbursement with the lobbyist before the filing deadlines for the relevant campaign finance reports.
20. On May 15, 2020, the respondent filed an “exceeded \$500 limit” report. The report was dated as covering from July 13, 2019, through May 15, 2020. The report disclosed two political expenditures totaling \$3,412 to the lobbyist – one was for \$3,000, dated July 30, 2019, for “Consulting Expenses;” the second was for \$412, dated January 3, 2020, for “Advertising Expenses.”
21. Except as otherwise provided by this chapter, each report filed under this chapter must include the amount of political expenditures that in the aggregate exceed \$100 (\$180 as of January 1, 2020) 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. Tex. Elec. Code § 254.031(a)(3).
22. Each report filed must include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period. *Id.* § 254.031(a)(6).
23. The respondent did not initially disclose two political expenditures totaling \$3,412 on a campaign finance report. Each expenditure exceeded the applicable itemization threshold and was required to be itemized. Therefore, there is credible evidence of violations of Sections 254.031(a)(3) and 254.031(a)(6) of the Election Code.

Failure to File January 2020 Semiannual Report

24. Sworn complaint SC-32004132 alleges that the respondent did not file a January 2020 semiannual report.
25. In response to written questions, the respondent stated that the amount he received in political contributions for the period covered by the January 2020 semiannual reporting period was the same amount that was reported on the 8-day pre-election report and he did

- not believe that it needed to be duplicated. He further clarified that he believed that the January 2020 report covered the same period as the October 2019 report, as he intended the January report to be a final report. He also indicated that he had filed his semiannual report on May 15, 2020, indicating the “Exceeded \$500 limit” report filed in May 15, 2020, was intended to be a January 2020 semiannual report.
26. The 8-day pre-election report that was filed on October 23, 2019, disclosed \$1,220 in political contributions and \$1,395.28 in political expenditures. On Cover Sheet page 3 of this report, the respondent indicated subtotals of \$770 in political expenditures made from political contributions on Schedule F1, \$251.03 in expenditures made by credit card on Schedule F4, and \$625.28 in political expenditures made from personal funds on Schedule G. Schedules F1, F4, and G were not attached to the campaign finance report.
 27. In response to written questions, the respondent indicated that he had completed the missing schedules but he overlooked attaching them and was sending them with the response to written questions. The attached Schedules F1, F4, and G were blank. The respondent further clarified in a supplemental response to written questions that he had filled out the schedules and believed them to be attached in response to the original written questions. The clarification also included Schedules F1 and G. The attached document disclosed \$450 in political expenditures made from political contributions on Schedule F1 and \$125.01 in political expenditures made from personal funds on Schedule G. No Schedule F4 was attached. Receipts included in the attachment indicated that a further \$1,295.35 was spent during the relevant reporting period and not disclosed on the included schedules.
 28. The respondent filed a final report on July 14, 2020, which disclosed activity from July 14, 2019, through July 14, 2020. Cover Sheet page 2 disclosed \$1,220 in total political contributions, and \$5,474.81 in total political expenditures, further broken down to subtotals of \$770 in political expenditures made from political contributions on Schedule F1, \$332.31 in expenditures made by credit card on Schedule F4, and \$4,523.53 in political expenditures made from personal funds on Schedule G.
 29. The respondent disclosed one expenditure on Schedule F4, to Stan “Stosh” Boyle for advertising expenses, no amount disclosed.
 30. The respondent disclosed four expenditures on Schedule G, all to Stan “Stosh” Boyle, totaling \$3,998.25. The expenditures were dated from July 30, 2019, through November 18, 2019.
 31. A candidate shall file two reports for each year as provided by this section. Tex. Elec. Code § 254.063(a). The second report shall be filed not later than January 15. The report covers the period beginning July 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 December 31. *Id.* § 254.063(c).

32. The respondent filed an 8-day pre-election report that disclosed activity through October 6, 2019. Therefore, the January 2020 semiannual report was required to disclose activity from October 7, 2019, through December 31, 2019. *See id.* § 254.063(c).
33. The respondent was a candidate in the November 2019 election and did not file a final report prior to the January 2020 semiannual reporting deadline. Therefore, the respondent was required to file a January 2020 semiannual report by January 15, 2020. The respondent did not file the report. Therefore, there is credible evidence of a violation of Section 254.063 of the Election Code.

IV. 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 findings of fact and conclusions of law described under Section III, and consents to the entry of this order and agreed resolution solely for the purpose of resolving these sworn complaints.
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 must include the amount of political contributions from each person that in the aggregate exceed \$50 (\$90 as of January 1, 2020) 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 report must include the amount of political expenditures that in the aggregate exceed \$100 (\$180 as of January 1, 2020) 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; 3) each report must include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period; 4) 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 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 this chapter, as applicable, and continuing through the 40th day before election day; and 5) a candidate shall file two reports for each year as provided by this section. The second report shall be filed not later than January 15. The report covers the period beginning July 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 December 31. The respondent agrees to comply with these requirements of the law.

V. 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.

VI. Sanction

After considering the nature, circumstances, and consequences of the violations described under Section III, and the sanction necessary to deter future violations, the Commission imposes a \$500 civil penalty. If the \$500 civil penalty is not paid within 30 days after the date this order is executed, then the civil penalty is increased to \$2,500 and will be referred to the Office of the Attorney General of Texas for collection.

VII. Order

The Commission hereby orders that if the respondent consents to proposed resolution, this order and agreed resolution is a final and complete resolution of SC-32004130, SC-32004131, and SC-32004132.

AGREED to by the respondent on this _____ day of _____, 2021.

Stan J. "Stosh" Boyle, Respondent

EXECUTED by the Commission on: _____.

Texas Ethics Commission

By: _____
Anne Temple Peters, Executive Director