

# TEXAS ETHICS COMMISSION

IN THE MATTER OF  
DARNELLA WILKERSON,  
RESPONDENT

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BEFORE THE  
TEXAS ETHICS COMMISSION  
SC-32107157

## FINAL ORDER

### I. Recitals

The Texas Ethics Commission (Commission) held a preliminary review hearing on February 15, 2023, to consider sworn complaint SC-32107157. A quorum of the Commission was present. The respondent received legally sufficient notice of the hearing but did not appear at the hearing. The Commission proceeded with the hearing in the respondent's absence and found credible evidence of violations of Sections 254.031(a)(1), 254.031(a)(3), and 254.031(a)(6) of the Election Code, Section 571.1242 of the Government Code, and Section 12.83(a) of the Ethics Commission Rules. The Commission voted to issue this final order.

### II. Allegation

The sworn complaint alleged that, as the campaign treasurer of the African American Caucus political committee, the respondent failed to properly disclose political contributions, loans, and/or political expenditures on the committee's January 2020, July 2020, January 2021, and/or July 2021 semiannual campaign finance reports, in violation of Section 254.031 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. At all times relevant to the complaint, the respondent Darnella Wilkerson was the campaign treasurer of the African American Caucus (AAC), a general-purpose political committee (GPAC).
2. The sworn complaint against Wilkerson observes that AAC reported \$2,000 in political expenditures and \$1,458.60 in purported non-political expenditures on its July 2021 campaign finance report, but did not report any contributions or loans from which these payments could have been made. On this basis, the complaint questions the accuracy of AAC's campaign finance reports.

**Initiation and Investigation**

3. Sworn complaint SC-32107157 was filed against respondent Darnella Wilkerson on July 19, 2021.
4. Upon receiving initial notice of the complaint by telephone, Wilkerson verbally confirmed that the address given for her in the sworn complaint was valid. Wilkerson provided a valid email waiver. Commission staff sent the initial notice of complaint letter to an email address provided in the respondent's waiver on July 23, 2021.
5. Wilkerson filed her initial response to the sworn complaint on August 17, 2021.
6. Shortly after the complaint against Wilkerson was filed, related sworn complaint SC-32107163 was filed against Terrence Shanks, who is president of the "Texas Coalition of Black Democrats – Harris County" organization (TCBD-HC).<sup>1</sup> In telephone discussions with Commission staff around the time these complaints were filed, Shanks indicated to Commission staff that AAC was a "break-off" of TCBD-HC.
7. In Shanks's initial response to the sworn complaint against him, he stated that TCBD-HC had been inactive since July 15, 2014, and that TCBD-HC had a separate "PAC account." However, the respondent in this complaint, Wilkerson, attached to her initial response documents that suggested that the African American Caucus maintains, or maintained, its bank accounts with Woodforest National Bank, and that the account shown had received intra-bank fund transfers that neither Shanks nor Wilkerson had adequately explained.<sup>2</sup>
8. Despite exchanging many emails and telephone calls with Wilkerson, Commission staff were unable to gather further useful information from Wilkerson. Eventually, when Commission staff called Wilkerson's telephone number, the number returned an automated message stating that the number was no longer in service. When Commission staff asked Wilkerson about the bad number, Wilkerson provided a new telephone number, but told Commission staff that she would resign as AAC's campaign treasurer and move to New York after "settling this matter."
9. On December 7, 2021, Commission staff sent written questions and requests for production of documents to Wilkerson. Despite repeated inquiries from Commission staff, the respondent never filed responses to the written questions and requests for production. Shanks also failed to respond to staff's written questions and requests for production.

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<sup>1</sup> Sworn complaint SC-32107163 is the subject of a companion public order adopted by the Commission along with this order.

<sup>2</sup> Included among these documents is a partial bank statement, large sections of which Wilkerson had covered in black marker. The respondent applied these would-be redactions without legal authority.

10. Because neither respondent had responded to Commission staff's written questions or requests for production, and because the few documents produced by Wilkerson suggested that AAC, and possibly TCBD-HC generally, maintained accounts with Woodforest National Bank, the Commission authorized a subpoena against the bank on September 28, 2022. In response to the subpoena, the bank produced 264 pages of responsive banking records.

### **Factual Background**

11. As noted above, the sworn complaint against Wilkerson observes that AAC reported \$2,000 in political expenditures and \$1,458.60 in purported non-political expenditures on its July 2021 campaign finance report, but did not report any contributions or loans from which these payments could have been made.
12. In addition to her role as campaign treasurer of AAC, until recently, Darnella Wilkerson was also the "Director of Finance" for Texas Coalition of Black Democrats – Harris County (TCBD-HC). TCBD-HC is a political group that has been active in Houston since at least 2011. In discussions with Commission staff, Terrence Shanks, the president of TCBD-HC, described AAC as a "break-off" of TCBD-HC, and implied that AAC was TCBD-HC's "PAC account." This is consistent with AAC's campaign treasurer appointment form, which lists Shanks as the person appointing Wilkerson as treasurer and discloses TCBD-HC as AAC's controlling entity. Shanks's characterization of AAC as TCBD-HC's "PAC account" is further corroborated by AAC's lack of public activity. Indeed, Commission staff found no public trace of AAC's existence other than the campaign finance reports Wilkerson filed with the Commission.
13. From 2011 through 2016, TCBD-HC had a treasurer appointment on file with the Commission as a general-purpose political committee (GPAC). After filing its July 2014 semiannual campaign finance report, TCBD-HC ceased filing campaign finance reports. Due to TCBD-HC's apparent inactivity, and based on Terrence Shanks's statements to Commission staff that TCBD-HC's treasurer had died, Commission staff placed TCBD-HC on inactive status in 2016.
14. As further discussed in the public final order in SC-32107163, a companion sworn complaint against Terrence Shanks, available facts indicate that TCBD-HC's last campaign treasurer is in fact alive, and that Shanks falsely represented that the treasurer was dead to terminate TCBD-HC's campaign finance filing obligations. TCBD-HC has not filed a campaign finance report since 2014, but still appears to be active; the group's social media accounts describe and depict various activities, and political candidates continue to disclose making monetary contributions to TCBD-HC on their campaign finance reports. Through the period at issue in this sworn complaint, the respondent Wilkerson remained TCBD-HC's treasurer.

### AAC's Reports

15. The respondent filed AAC's original campaign treasurer appointment on September 9, 2019. The respondent remained AAC's treasurer until she filed a report indicating her termination as campaign treasurer in February 2022. Consistent with its usual practice, the Commission's Division of Filing Services (DFS) placed AAC on inactive status after AAC failed to appoint a replacement treasurer.
16. While AAC filed campaign finance reports from its inception through February 2022, the only report filed by AAC upon which any activity is disclosed is AAC's July 2021 report. On this report, Wilkerson disclosed \$2,000 in political expenditures from political contributions for police escorts for a political event in Austin, and \$1,458.60 in non-political expenditures from political contributions for a photographer to capture the event.
17. As noted by the complaint, AAC's campaign finance reports do not identify the source of the funds expended on the police escorts and photographer. Wilkerson's initial response to the complaint also fails to reveal the source of the funds.

### Identifying AAC's Financial Activity

18. The banking records obtained by the Commission include statements and other documents for three different bank accounts.
19. Terrence Shanks is listed as the owner of two of the three accounts for which the bank produced account agreements; in these agreements, Wilkerson is listed as an additional signatory. For these two accounts, the last two digits of the account numbers are 73 and 98. The first of these accounts, which saw by far the most activity, was a business checking account held in the business name "Texas Coalition of Black Democrats." This Order will refer to this account as TCBD-HC's "main account." The second account, for which the last two digits of the account number were "98" was a business savings account, also held in the name "Texas Coalition of Black Democrats." Consistent with the account number, this Order will refer to this account as the "98 account." The facts available to the Commission indicate that this account served as AAC's primary bank account; therefore, this Order sometimes also refers to this account as AAC's "main account."
20. A third account, which was only in use briefly, and for which the last two digits of the account number were "39," is identified on the account statement as a personal savings account held by Wilkerson.<sup>3</sup> This Order will refer to this last account as the "39 account."

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<sup>3</sup> The bank's officer for subpoena compliance confirmed to Commission staff that the bank had no agreement on file for this account. However, Commission staff were able to determine the account's type and ownership from the one statement that the bank issued for the account.

The facts indicate that this 39 account served as a conduit for funds to be deposited in AAC's main account, the 98 account.

21. During the period of time in which TCBD-HC maintained its account, and AAC's accounts, with Woodforest National Bank – from when Shanks opened the TCBD-HC main account in November 2019 through the closure of all remaining accounts and withdrawal of all remaining funds in September 2021 – Wilkerson signed or endorsed the large majority of TCBD-HC's and AAC's checks, withdrawals, and deposits, at least for those requiring a signature. This is consistent with Wilkerson's official role as TCBD-HC's Director of Finance. Wilkerson was also the only signer appearing in the bank records for the accounts associated with AAC's activity, the 98 and 39 accounts.
22. Only three deposits were ever made to the 39 account, the personal savings account held in Wilkerson's name. There were three contribution checks from candidates, all made out to TCBD-HC or "Texas Coalition of Black Democrats – Hou[ston]." There was also a \$1,250 check drawn on TCBD-HC's main account, and a \$25 cash deposit that matched a \$25 cash withdrawal from TCBD-HC's main account made the same day. All of these deposits were made on February 20 and 21, 2020. The following day, February 22, 2020, Wilkerson withdrew the entire contents of the account, \$2,775, and closed the account. Also on February 22, 2020, Wilkerson deposited an identical amount of cash, \$2,775, in the 98 account. A duplicate copy of the withdrawal slip removing the cash from the 39 account can be found in the records for the 98 account, attached to a deposit slip for the same amount, \$2,775.
23. No single document in the record makes clear why Wilkerson deposited several thousand dollars in the 39 personal savings account, immediately withdrew the entire amount in cash, and then deposited the funds in the 98 main AAC account. However, that the 39 account is in Wilkerson's name as a personal account formally unattached with the other two accounts and that Shanks and Wilkerson opted to withdraw the funds from the 39 account in cash rather than effecting the transfer by more convenient means suggest that Shanks and Wilkerson wished to conceal the source of the funds. The memo lines on the checks, which read "[e]ndorsed candidate GOTV," "slate card," and "[p]oll working for [e]lection," suggest that the payments were in nature political contributions to TCBD-HC. Public knowledge that TCBD-HC had accepted political contributions from AAC might have compelled TCBD-HC to file a campaign treasurer appointment, as Section 253.031 of the Election Code prohibits political committees from accepting political contributions or making political expenditures exceeding a certain threshold without having a campaign treasurer appointment on file, a threshold which these contributions exceeded.<sup>4</sup>
24. In the following days, a further \$1,690 was deposited in the 98 account, including an additional \$750 from the TCBD-HC main account. After February 2020, the 98 account

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<sup>4</sup> During the 2020 calendar year, this threshold was \$870. Tex. Elec. Code § 253.031(b); 44 Tex. Reg. 1979 (2019) (codified at 1 Tex. Admin. Code § 18.31) (Tex. Ethics Comm'n).

- contained approximately \$4,345; the account was left open, but apart from accrual of interest, no further activity occurred until April 6, 2021.
25. On April 6, 2021, either Shanks or Wilkerson transferred \$2,379 from the 98 account to the TCBD-HC main account. About this time, from its main account, TCBD-HC made the only expenditures that AAC ever disclosed on a campaign finance report, namely several expenditures to allow TCBD-HC members to attend the above-mentioned political event in Austin. As noted above, the complainant identified AAC's disclosure of these expenditures in the sworn complaint.
  26. There were sufficient funds in TCBD-HC's main account to pay for the Austin trip. However, AAC transferred the funds to TCBD-HC's main account to pay the expenses, and disclosed the expenditures (which, as noted above, were the only activity of any kind that AAC ever disclosed on any report) on its July 2021 semiannual report. All of TCBD-HC's and AAC's activities are conducted under the TCBD-HC name. Every check deposited in all three accounts was made out to TCBD-HC or some variant of that name; none were ever made out to AAC. As noted above, Commission staff have uncovered no publicly-visible trace of AAC's existence except for the campaign finance reports that Wilkerson filed for AAC, and the political expenditures disclosed on those reports. That the 98 account, and by extension the 39 account through which most of the funds in the 98 account were laundered, was used to fund the only activities that have ever been publicly attributed to AAC makes obvious that Shanks and Wilkerson employed the 39 and 98 accounts as AAC's accounts.
  27. In total, as shown in the bank records, the deposits made to the three accounts (TCBD-HC's main account and the two AAC accounts) include checks for \$12,215 and \$5,725 in cash, excluding transfers between the three bank accounts. All checks were made out to TCBD-HC; none were made out to AAC. Some of the checks deposited in the TCBD-HC and AAC accounts are from candidates or officeholders. Others appear to be from members of TCBD-HC, bearing memo lines like "dues" or "membership dues." Further, some of the checks are from Wilkerson; while a few of these checks are labeled as Wilkerson's own dues payments, many are labeled in the memo line as payments from other persons, mainly TCBD-HC members. The obvious conclusion concerning these payments is that on behalf of TCBD-HC, Wilkerson accepted payments from these other persons in cash or by electronic transfer, and made corresponding payments to TCBD-HC or AAC from her own funds.
  28. As noted above, upon opening AAC's bank accounts in February 2020, Wilkerson deposited \$2,775 in the "39" account (the personal savings account held in her name). These funds included \$1,500 in contribution checks made out to TCBD-HC, a \$1,250 check from TCBD-HC's main account, and \$25 that was clearly withdrawn from TCBD-HC's main account (a withdrawal slip from the TCBD-HC main account, dated the same day, for the same amount, is enclosed with the deposit slip in the records for the 39

- account). Wilkerson promptly transferred this \$2,775 from the 39 account to the 98 account – the main AAC account – via cash.
29. Further, in addition to the transfer of the \$2,775 from the other AAC account (the 39 account), \$1,690 was deposited in AAC’s main 98 account, also shortly after the AAC accounts were opened in February 2020. These funds consisted of one \$250 check made out to “TCBD,” endorsed to the 98 account by Wilkerson, \$690 in cash, and a \$750 check drawn on TCBD-HC’s main account. Then, after the previously-discussed period of inactivity, in April 2021, \$2,379 was transferred from AAC’s main 98 account to TCBD-HC’s main account to cover the expenditures related to the Austin trip that were disclosed on AAC’s campaign finance report.
30. By endorsing the checks made out to TCBD-HC for deposit in AAC’s accounts, or depositing to AAC’s accounts checks made out to TCBD-HC or funds withdrawn from the main TCBD-HC account, Shanks and Wilkerson made political contributions from TCBD-HC to AAC. *See* Tex. Elec. Code § 251.001(2) (“‘Contribution’ means a direct or indirect transfer of money . . .”). These contributions were largely or entirely drawn from contributions previously made to TCBD-HC, as evidenced by previous deposits in TCBD-HC’s main account, or, for those checks that were made out to TCBD-HC but initially deposited in the AAC accounts, by the checks themselves. By transferring these contributions from its accounts to the main TCBD-HC account, AAC further made political expenditures in the form of contributions to TCBD-HC.

### Activity Reportable by AAC

31. The transfers from TCBD-HC’s main account to AAC’s accounts and the checks to TCBD-HC that were deposited in AAC’s accounts total \$4,765 in political contributions accepted by AAC. Further, the funds that AAC transferred to TCBD-HC total \$2,379 in political expenditures by AAC. As noted above, the only activity that AAC disclosed on any of its reports was \$3,458.60 in political expenditures to a photographer and to police escorts for the Austin trip, which were in fact made by TCBD-HC, from TCBD-HC’s main account. AAC reported none of the contributions it accepted, and reported only expenditures that it *did not* make, but which were instead made by TCBD-HC (albeit partially with funds transferred from AAC to TCBD-HC to finance the expenditures).
32. In addition to other reports, the campaign treasurer of a general-purpose political committee shall file two reports for each year. The first report shall be filed not later than July 15. The report covers the period beginning January 1, the day the committee’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 second report shall be filed not later than January 15. The report covers the period beginning July 1, the day the committee’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 December 31. Tex. Elec. Code § 254.153.

33. Each campaign finance report filed under Chapter 254 of the Election Code must include the amount of political contributions, other than political contributions made electronically, from each person that in the aggregate exceed the applicable itemized reporting threshold and that are accepted during the reporting period by the person or committee required to file a report under Chapter 254, the full name and address of the person making the contributions, and the dates of the contribution. Tex. Elec. Code § 254.031(a)(1). Each campaign finance report must also include the amount of political expenditures that in the aggregate exceed the applicable itemized reporting threshold 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. *Id.* § 254.031(a)(3). Further, each campaign finance report 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).
34. For contributions accepted or expenditures made in 2020, the applicable disclosure thresholds are \$90 and \$180, respectively. 44 Tex. Reg. 1979 (2019) (codified at 1 Tex. Admin. Code § 18.31) (Tex. Ethics Comm'n). For contributions accepted or expenditures made in 2021, the applicable disclosure thresholds are \$90 and \$190, respectively. 45 Tex. Reg. 8511 (2020) (codified at 1 Tex. Admin. Code § 18.31) (Tex. Ethics Comm'n).
35. AAC accepted \$4,465 in political contributions during the reporting period for the July 2020 campaign finance report. Wilkerson did not disclose these contributions on AAC's July 2020 report, but instead filed a zero report. Further, during the reporting period for the July 2021 campaign finance report, AAC made \$2,379 in political expenditures in the form of political contributions to TCBD-HC. Wilkerson failed to disclose these expenditures properly on AAC's July 2021 campaign finance report, instead disclosing expenditures that TCBD-HC made during the same time period. Further, Wilkerson only listed \$2,000 in total political expenditures on the cover sheet of the July 2021 report, where AAC actually expended \$2,379. There is therefore credible evidence of violations of Sections 254.031(a)(1), -(a)(3), and -(a)(6) of the Election Code for Wilkerson's failure to properly disclose contributions accepted and expenditures made on AAC's July 2020 and July 2021 campaign finance reports.

### **Failure to Respond to Written Questions**

36. The sworn complaint was filed on July 19, 2021. Upon receiving initial notice of the sworn complaint, Wilkerson confirmed the validity of the address in the sworn complaint and provided signed email waivers allowing the Commission to send correspondence to her by email.
37. On December 7, 2021, Commission staff sent written questions and requests for production of documents to Wilkerson. Commission staff sent the written questions and requests for production to one of the email addresses that Wilkerson specified in her email waivers, at

which Commission staff had corresponded with Wilkerson. Despite Commission staff's prompting by email and telephone, Wilkerson never answered the questions or produced the requested documents.

38. During a preliminary review, Commission staff may submit to the respondent written questions reasonably intended to lead to the discovery of matters relevant to the investigation. Tex. Gov't Code § 571.1242(f). A respondent must respond to written questions sent pursuant to Section 571.1242(f) of the Government Code not later than 15 business days after receiving the written questions. 1 Tex. Admin. Code § 12.83(a).
39. Because Wilkerson never responded to Commission staff's written questions, there is credible evidence of a violation of Section 571.1242 of the Government Code and Section 12.83(a) of the Ethics Commission Rules.

#### **IV. Default Judgment**

1. The preliminary review hearing was held in person and by video teleconference on February 15, 2023, at the State Capitol Extension, Room E1.014, in Austin, Texas. The respondent failed to appear at the hearing, either in person or remotely.
2. 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. 1 Tex. Admin. Code § 12.21(b).
3. After the initial written notice regarding the filing of a sworn complaint has been sent to a respondent by registered or certified mail, restricted delivery, return receipt requested, the Commission may send the respondent any additional notices regarding the complaint by regular mail unless the respondent has notified the Commission to send all notices regarding the complaint by registered or certified mail, restricted delivery, return receipt requested. Tex. Gov't Code § 571.032.
4. A respondent may waive the right under Section 571.032 of the Government Code to receive written notices 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. 1 Tex. Admin. Code § 12.21(d).
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.
6. On December 30, 2022, Commission staff sent an initial notice of the February 15, 2023 preliminary review hearing to Wilkerson via email and first-class mail with delivery

confirmation. The email was sent to one of the two email addresses included in the waiver that Wilkerson filed with the Commission, at which Commission staff had previously corresponded with her. The physically mailed notices were sent to the address provided for Wilkerson in the sworn complaint, which she had confirmed as valid, and to another address for the respondent that Commission staff uncovered in public records. USPS records confirm that both physically mailed notices were delivered.

7. On January 13, 2023, Commission staff sent a second notice of the preliminary review hearing to Wilkerson; this notice was also sent by email and first class mail, delivery confirmation, to the same addresses. Commission staff included with the second notice Commission staff's memorandum to the Commissioners concerning the allegations, copies of all documents expected to be used at the hearing, and a list of all witnesses that Commission staff proposed to call at the meeting. While the copy of the second notice that was sent to the new address found in public records was delivered, the copy sent to the address from the sworn complaint was returned to the Commission.
8. On January 20, 2023, the Commission received a letter from Wilkerson dated January 17, 2023. In this letter, among other remarks, Wilkerson stated that she had "no means of transportation to appear," presumably at the preliminary review hearing of which she had received notice. Commission staff replied to Wilkerson, reminding her that she was required to attend the hearing, and that if she did not, the Commission could find violations by default. Commission staff sent this letter to the return address provided by Wilkerson in her January 17, 2023 letter. On January 25, 2023, the Commission received a further reply from Wilkerson, to which Wilkerson attached the hearing memorandum that Commission staff had sent with the second notice of hearing, in addition to the second notice of hearing itself. The hearing memorandum now bore extensive marginal notes in the respondent's hand. Commission staff's final letter to the respondent, sent in reply to her letter received on January 25, was returned unopened to the Commission. The envelope was marked "return to sender" and "left town for 3 months" in purple ink, in what appears to be the respondent's handwriting.
9. The Commission finds that the respondent received legally sufficient notice of the sworn complaint and the February 15, 2023 preliminary review hearing in this case. Commission staff sent the required notices of the hearing, which were delivered to email and physical mail addresses previously confirmed as valid by the respondent, and which are independently sufficient to support a default judgment. The respondent replied to the notices of hearing by informing Commission staff that she could not attend the hearing, but did not file a motion for continuance, despite Commission staff's reminder that she could. That the respondent returned the second notice of hearing and the enclosed materials with her marginal notes confirms that the respondent received actual notice of the hearing. The Commission proceeded in the respondent's absence and issued this final order in accordance with Section 12.23 of the Ethics Commission Rules. By failing to appear at the preliminary review hearing, the respondent forfeited her right to further proceedings

before the Commission in this matter. This final order is a final and complete resolution of this complaint before the Commission, except for the issue of collection of the civil penalty.

10. The Commission finds credible evidence of violations of Sections 254.031(a)(1), 254.031(a)(3), and 254.031(a)(6) of the Election Code, Section 571.1242 of the Government Code, and Section 12.83(a) of the Ethics Commission Rules.

### **V. Sanction**

1. The Commission may impose a civil penalty of not more than \$5,000 or triple the amount at issue under a law administered and enforced by the Commission, whichever amount is more, for a delay in complying with a Commission order or for violation of a law administered and enforced by the Commission. Tex. Gov't Code § 571.173.
2. The Commission shall consider the following factors in assessing a sanction: 1) the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the violation; 2) the history and extent of previous violations; 3) the demonstrated good faith of the violator, including actions taken to rectify the consequences of the violation; 4) the penalty necessary to deter future violations; and 5) any other matters that justice may require. *Id.* § 571.177.
3. A substantial penalty is required for the violations found by the Commission in this sworn complaint. First, the evidence indicates that Wilkerson was involved in a scheme with Terrence Shanks to conceal extensive campaign financial activity from public scrutiny by evading the legal disclosure requirements. As is discussed in the companion public order in SC-32107163, TCBD-HC was a political committee that accepted political contributions to publish "slate mailers" endorsing TCBD-HC's chosen candidates. Commission staff uncovered TCBD-HC endorsement slates for the 2018, 2020, and 2022 primary elections. While Shanks owned two of the three accounts at issue and is the public face and apparent leader of TCBD-HC, as TCBD-HC's Director of Finance, Wilkerson handled the funds, signing all or nearly all of TCBD-HC's and AAC's checks, deposit slips, and endorsements bearing a signature. TCBD-HC's contributions and expenditures during the relevant period total more than twenty thousand dollars. The complaint against Wilkerson alleges no violations by Wilkerson for TCBD-HC's extensive financial activity without having a campaign treasurer appointment on file. However, those violations bear on Wilkerson's culpability for the violations alleged in this complaint, which were part of the same overarching scheme. Further, Wilkerson's own disclosure violations as treasurer of AAC are not trivial. Wilkerson failed to disclose \$4,465 in political contributions accepted and \$2,379 in expenditures made, and wrongly disclosed \$3,458.60 in political expenditures that were actually made by TCBD-HC.

4. Wilkerson also responded to the sworn complaint in bad faith. In Wilkerson's initial communications with Commission staff, Wilkerson failed to squarely answer staff's questions. Further, after Commission staff pressed Wilkerson harder for answers, Wilkerson failed to respond to Commission staff's formal written questions, gave Commission staff a false phone number, and withdrew all remaining funds from TCBD-HC's and AAC's bank accounts.
5. In consideration of the serious nature of the violations, the circumstantial indications that Wilkerson helped facilitate the still more serious violations in the related complaint against Shanks, and Wilkerson's bad faith in her response to the complaint, the Commission imposes on Wilkerson civil penalties totaling \$17,500: a \$15,000 civil penalty for her reporting violations as treasurer of AAC, and an additional \$2,500 civil penalty for her failure to respond to Commission staff's written questions. If the respondent does not pay the \$17,500 civil penalty within 30 days of the date of this order, the matter of the collection of the civil penalty will be referred to the Office of the Attorney General of Texas.
6. Therefore, the Commission orders that the respondent pay to the Commission, within 30 days of the date of this order, a civil penalty in the amount of \$17,500. If the respondent does not pay the \$17,500 civil penalty within 30 days of the date of this order, the matter of the collection of the civil penalty will be referred to the Office of the Attorney General of Texas.

Order Date: \_\_\_\_\_

FOR THE COMMISSION

\_\_\_\_\_  
J.R. Johnson  
Executive Director  
Texas Ethics Commission