

# TEXAS ETHICS COMMISSION

**IN THE MATTER OF**  
**SHAPNIK KHAN,**  
**RESPONDENT**

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**BEFORE THE**  
**TEXAS ETHICS COMMISSION**  
**SC-32202103**

## **ORDER and AGREED RESOLUTION**

### **I. Recitals**

The Texas Ethics Commission (Commission) met on September 28, 2022, to consider sworn complaint SC-32202103. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of Sections 254.031 and 254.154(b) of the Election 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, as campaign treasurer of the political committee Fort Bend United, the respondent: 1) did not report on the committee's 8-day pre-election report the full address of persons from whom the committee accepted political contributions in violation of Section 254.031 of the Election Code; 2) did not report on the committee's 8-day pre-election report the full address of persons to whom political expenditures were made, in violation of Section 254.031(a)(3) of the Election Code; and 3) did not file a 30-day pre-election report for the March 1, 2022, election, despite being involved in the election during the 30-day reporting period, in violation of Section 254.154(b) 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 is the campaign treasurer for Fort Bend United (the PAC), a general-purpose committee that files with the Commission.

**Failure to File 30-day Pre-election Report**

2. The complaint alleged that the respondent did not file a 30-day pre-election report, due on January 31, 2022, for the March 1, 2022 election, despite being involved in that election during the reporting period.
3. On February 22, 2022, the respondent filed an 8-day pre-election report that disclosed activity from January 1, 2022, through February 19, 2022. The information submitted with the complaint showed that the respondent reported three political contributions and made one political expenditure on the 8-day pre-election report that occurred during the time period that should have been covered by the 30-day pre-election report.
4. The respondent swore in his response to the sworn complaint that he had combined the 30-day and 8-day pre-election reports. The respondent filed both a 30-day pre-election report and an amended 8-day pre-election report on April 5, 2022. The 30-day pre-election report covered the period from January 1, 2022, through January 20, 2022. The amended 8-day report covered the period from January 21, 2022, through February 19, 2022. The 30-day pre-election report disclosed \$11,596.05 in total political contributions and \$2,000 in total political expenditures.
5. In addition to other required reports, for each election in which a general-purpose committee is involved, the committee's campaign treasurer shall file two reports. Tex. Elec. Code § 254.154(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 committee's campaign treasurer appointment is filed or the first day after the period covered by the committee's last required report, as applicable, and continuing through the 40th day before election day. *Id.* § 254.154(b).
6. Credible evidence indicates that the respondent filed the PAC's 30-day pre-election report on April 5, 2022. Credible evidence also indicates that the PAC was involved in the March 1, 2022, election, and was required to file a 30-day pre-election report by January 31, 2022. Therefore, there is credible evidence of a violation of Section 254.154(b) of the Election Code.

**Reporting of Political Contributions**

7. The complaint alleged that the respondent did not disclose the addresses of contributors on the 8-day pre-election report filed on February 22, 2022.
8. The information submitted with the complaint shows that seven contributions reported on the 8-day pre-election report disclosed only the contributor's state and zip code. The contributions at issue totaled \$15,836.80.

9. In response to the complaint, the respondent filed both a 30-day pre-election report and corrected 8-day pre-election report and fully disclosed the addresses of the contributors at issue.
10. Each report filed must include the amount of political contributions from each person that in the aggregate exceed \$50 (\$90 as of January 1, 2022), 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), 1 Tex. Admin. Code § 18.31.
11. Credible evidence indicates that the respondent did not disclose complete address information for political contributors. Therefore, there is credible evidence of violations of Section 254.031(a)(1) of the Election Code.

### **Reporting of Political Expenditures**

12. The complaint alleged that the respondent did not disclose complete address information for persons to whom political expenditures were made on the 8-day pre-election report filed on February 22, 2022.
13. The information submitted with the complaint shows that the respondent reported only the state for fifteen expenditures reported on the 8-day pre-election report. One additional expenditure had both state and zip code disclosed. The expenditures at issue totaled \$31,958.41.
14. In response to the complaint, the respondent filed both a 30-day pre-election report and a corrected 8-day pre-election report and fully disclosed the addresses at issue.
15. Each report filed must include the amount of political expenditures that in the aggregate exceed \$100 (\$190 as of January 1, 2022) 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), 1 Tex. Admin. Code § 18.31.
16. Credible evidence indicates that the respondent did not fully disclose the address of the persons to whom expenditures that exceeded \$190 were made on the PAC's 8-day pre-election report. Therefore, there is credible evidence of violations of Section 254.031(a)(3) 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 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: 1) in addition to other required reports, for each election in which a general-purpose committee is involved, the committee's campaign treasurer 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 committee's campaign treasurer appointment is filed or the first day after the period covered by the committee's last required report, as applicable, and continuing through the 40th day before election day; 2) each report filed must include the amount of political contributions from each person that in the aggregate exceed \$50 (\$90 as of January 1, 2022), 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; and 3) each report filed must include the amount of political expenditures that in the aggregate exceed \$100 (\$190 as of January 1, 2022) 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. The respondent agrees to fully and strictly 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 after considering the sanction necessary to deter future violations, the Commission imposes a \$300 civil penalty.

**VII. 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-32202103.

AGREED to by the Respondent on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Shapnik Khan, Respondent

EXECUTED by the Commission on: \_\_\_\_\_.

Texas Ethics Commission

By: \_\_\_\_\_  
J.R. Johnson, Executive Director