

TEXAS ETHICS COMMISSION MEETING MINUTES

September 22, 2006, 9:00 a.m.

Capitol Extension, Room E1.010, Austin, Texas 78701

COMMISSIONERS PRESENT: Cullen R. Looney, Chair; Raymond R. "Tripp" Davenport, III, Vice Chair; Ross Fischer; Tom Harrison; Francisco Hernandez; David Montagne; and Nicholas C. Taylor.

COMMISSIONERS ABSENT: Wales H. Madden, III.

STAFF PRESENT: Natalia L. Ashley, Liz Brenner, Margie Castellanos, Sharon Finley, Jeanine C. Hudson, Jason D. King, Becky Levy, Veronica Medrano, Robbie Miller, David A. Reisman, Amy Simms, Tim Sorrells, Ian Steusloff, and Mary Young.

MINUTES

This meeting was tape recorded. These minutes are a summary record of the commission's actions at the meeting. For a detailed record of discussions and statements made by persons speaking at the meeting, please consult the audio tapes on file at the Commission's office.

Agenda Item 1: Call to order; roll call.

The meeting was called to order by Chair Looney. David A. Reisman, Executive Director, called the roll. All commissioners were present, except Commissioner Madden.

Agenda Item 2: Communication to the commission from the public.

None.

Agenda Item 3: Comments by the commissioners.

None.

Agenda Item 4: Comments by the executive director.

David A. Reisman, Executive Director, made the following comments:

1. Mr. Reisman announced that the meeting is being broadcast on the local capitol channel 39.
2. Susan Rougeau is the new Legislative Budget Board analyst for the Ethics Commission.

3. The staff testified at a joint budget hearing conducted by leadership staff on September 7, 2006. Staff gave a presentation and answered questions pertaining to the agency's legislative appropriations request.
4. Staff and Commissioner Fischer will be presenting the Legislative Appropriation Request to the Senate Finance Committee on September 26, 2006.
5. The facial compliance audit, required pursuant to Government Code § 571.069, was recently completed by the staff. A designated number of reports was pulled randomly from each filer type. The results show that of the 59 total reports audited, 29 filers (or 49 percent) had errors. We contacted those filers requesting corrections and responses.
6. Mr. Reisman reminded the commissioners to complete the Open Government Training provided by the Office of the Attorney General. Mr. Reisman informed the commissioners that he has sent out a CD providing that training or they can access the training by going onto the Office of the Attorney General's website.

Agenda Item 5: Approve minutes of the July 14, 2006, meeting.

Motion by Commissioner Taylor to adopt the July 14, 2006, meeting minutes; second by Vice Chair Davenport. Motion passed by a vote of seven ayes.

Agenda Item 8: AOR 534: Determination of the effective date of an order suspending certain limits issued under the Judicial Campaign Fairness Act.

C. Robert Heath, with Bickerstaff, Heath, Pollan, and Caroom, representing Jose Lopez, requestor of the advisory opinion, Jose Lopez himself, and Representative Richard Raymond, State Representative, District 42, Laredo, Texas, spoke before the commission. Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Harrison to adopt staff's recommendation. Motion died for lack of a second. Motion by Commissioner Harrison to adopt staff's recommendation, but have the effective date of the order be the date of filing of the report; second by Commissioner Taylor. Motion passed by a vote of six ayes. Commissioner Hernandez was off the dais. **Amended AOR 534 is adopted as Ethics Advisory Opinion No. 472.**

Agenda Item 10: AOR 535: Whether the description of a gift of cash over \$250 is required to include the value of the gift.

Chair Looney briefed the commission on the faxed letters from Representative Jim Dunnam and from Ronnie Earl, Travis County District Attorney. David A. Reisman, Executive Director, provided additional comments. Craig McDonald, Director of Texans for Public Justice, spoke before the commission. Motion by Commissioner Fischer to postpone until the next commission meeting; second by Vice Chair Davenport. **AOR 535 is tabled until the next commission meeting.**

For Agenda Items 6 and 7, the following represents the actions taken by the Ethics Commission in the order they occurred during the meeting.

Agenda Item 6: Briefing, discussion, and possible action to waive or reduce certain penalties assessed for late filing of campaign finance reports, lobby reports, or personal financial statements.

22. Robin D. Sage, District Judge (00020765)
Report: semiannual report due July 17, 2006
Penalty: \$3,200
Staff recommendation: waiver of the late-filing penalty

Robin D. Sage, Judge of the 307th District Court, spoke before the commission. Motion by Vice Chair Davenport to waive the \$3,200 late-filing penalty for Agenda Item 6, number 22; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Late-filing penalty is waived on Agenda Item 6, number 22.**

35. William H. Kuntz, Jr., Texas Department of Licensing & Regulation (00023250)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

William H. Kuntz, Jr., Executive Director of the Texas Department of Licensing and Regulation, spoke before the commission. Motion by Commissioner Harrison to waive the \$500 late-filing penalty for Agenda Item 6, number 35; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Late-filing penalty is waived on Agenda Item 6, number 35.**

44. Stephen M. Foster, Lobbyist (00055923)
Report: lobby activities report due April 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Stephen M. Foster, Attorney/Lobbyist, spoke before the commission. Motion by Commissioner Hernandez to waive the \$500 late-filing penalty for Agenda Item 6, number 44; second by Commissioner Montagne. Motion passed a vote of seven ayes. **Late-filing penalty is waived on Agenda Item 6, number 44.**

56. James C. Shaw, Treasurer, 'TAL' Texas Alliance for Life (00051076)
Report: 8-day before runoff report due April 3, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Dr. Joe Poymun, Executive Director, Texas Alliance for Life, Inc., spoke before the commission. Motion by Commissioner Montagne to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 56; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 56.**

65. Cheryl A. Copeland, Treasurer, 'TAHB HOME PAC' Temple Area Home Builders Assn. Home Builders PAC (00032546)
Report: 8-day pre-election report due May 5, 2006
Penalty: \$1,400
Staff recommendation: reduction of the late-filing penalty to \$700

Troy Glasson, Director of Government Affairs, spoke before the commission. Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 6, number 65; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff's recommendation to reduce the late-filing penalty to \$700 is adopted on Agenda Item 6, number 65.**

Agenda Item 7: Briefing, discussion, and possible action to waive or reduce certain penalties in connection with certain corrected reports or to determine whether certain corrected reports as originally filed substantially complied with the applicable law.

29. Cheryl A. Copeland, Treasurer, 'TAHB HOME PAC' Temple Area Home Builders Assn. Home Builders PAC (00032546)
Report: 8-day before runoff report due April 3, 2006 (original report filed late)
Penalty: \$6,700
Staff recommendation: reduction of the late-filing penalty to \$800

Troy Glasson, Director of Government Affairs, spoke before the commission. Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 7, number 29; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Staff's recommendation to reduce the late-filing penalty to \$800 is adopted on Agenda Item 7, number 29.**

Return to Agenda Item 6.

23. Albert B. Sibbet, Candidate, State Representative (00057950)
Report: special session report due June 14, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

John Brender, Attorney for Albert B. Sibbet, spoke before the commission. Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 6, number 23; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalty is adopted on Agenda Item 6, number 23.**

Return to Agenda Item 7.

13. Albert B. Sibbet, Candidate, State Representative (00057950)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

John Brender, Attorney for Albert B. Sibbet, spoke before the commission. Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, number 13; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalty is adopted on Agenda Item 7, number 13.**

Return to Agenda Item 6.

67. John H. Mitchell, Treasurer, Apartment Assn. Of Tarrant County PAC (00015762)
 Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$500
- Report: 8-day before runoff report due April 3, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- Report: 8-day before election report due May 5, 2006
 Penalty: \$9,100
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- Total Penalties: \$29,600 Total recommended penalties: \$3,000

Perry Pillow, Lobbyist, spoke before the commission. Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 6, number 67; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Staff's recommendations to reduce the late-filing penalties to a total of \$3,000 is adopted on Agenda Item 6, number 67.**

73. Richard W. 'Rick' Davis, District Judge (00037847)
 Report: personal financial statement due May 1, 2006
 Penalty: \$500

Judge Rick Davis spoke before the commission. Motion by Commissioner Hernandez to waive the \$500 late-filing penalty on Agenda Item 6, number 73; second by Commissioner Taylor. Motion passed by a vote of seven ayes. **Late-filing penalty is waived on Agenda Item 6, number 73.**

75. Jere M. Lawrence, Brazos River Authority (00032103)
 Report: personal financial statement due May 1, 2006
 Penalty: \$500

Jere Lawrence spoke before the commission. Motion by Commissioner Fischer to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 75; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 75.**

76. Sandra Smith, Texas Board of Chiropractic Examiners (00053932)
 Report: personal financial statement due May 1, 2006
 Penalty: \$500

Sandra Smith, Executive Director of the Texas Board of Chiropractic Examiners, spoke before the commission. Motion by Commissioner Taylor to waive the \$500 late-filing penalty on Agenda Item 6, number 76; second by Commissioner Montagne. Motion passed by a vote of six ayes. Commissioner Hernandez was off the dais. **Late-filing penalty is waived on Agenda Item 6, number 76.**

1. James R. Hine, Texas Department of Aging and Disability Services (00033658)
Report: personal financial statement due June 30, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

2. Ruben Hope, Candidate, District Judge (00036203)
Report: semiannual report due July 17, 2006
Penalty: \$2,000
Staff recommendation: waiver of the late-filing penalty

3. Louis T. Getterman, III, Treasurer, The Tony Dale Campaign (00058332)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Report: 30-day pre-election report due February 6, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Report: 8-day pre-election report due February 27, 2006
Penalty: \$10,000
Staff recommendation: waiver of the late-filing penalty

4. Ronald Earl Leverett, Treasurer, 'FGC' Fair Government Coalition (00055320)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

5. James L. Morrison, Treasurer, 'WGMA PAC' West Gulf Maritime Assn. PAC (00029281)
Report: semiannual report due July 17, 2006
Penalty: \$500

6. John R. Nelms, District Judge (00020665)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

7. Sidney D. Rich, Lobbyist (00010008)
Report: lobby activities report due August 10, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

8. Norberto Salinas, Sr., Texas Department of Housing and Community Affairs (00022511)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 6, numbers 1 through 8; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalties is adopted on Agenda Item 6, numbers 1 through 8.**

9. Marian K. Avalos, Candidate, State Board of Education (00059185)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
10. Nancy J. Baker, Treasurer, North Shore Republican Women (00054577)
Report: semiannual report due July 17, 2006
Penalty: \$1,800
Staff recommendation: waiver of the late-filing penalty
11. Bascom W. Bentley, III, District Judge (00019713)
Report: semiannual report due July 17, 2006
Penalty: \$3,900
Staff recommendation: waiver of the late-filing penalty
12. Benedict J. Boerner, Treasurer, Texas Grain & Feed Assn. PAC (00016205)
Report: semiannual report due July 17, 2006
Penalty: \$700
Staff recommendation: waiver of the late-filing penalty
13. Terry D. 'Pickle' Dill, Candidate, State Representative (00057715)
Report: semiannual report due July 17, 2006
Penalty: \$3,200
Staff recommendation: waiver of the late-filing penalty
14. Michael R. Drury, Treasurer, IAFF 399 Beaumont Political Action Committee (00055002)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
15. Elizabeth A. Gonzalez, Treasurer, 'SAPAC' San Antonio PAC (00016008)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

16. Michael E. Guerra, Lobbyist (00056337)
Report: lobby activities report due July 10, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
17. Sidney B. Hacker, Treasurer, Northeast Travis County Democrats (00056769)
Report: monthly report due July 5, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
18. Howard Wallace 'Wally' Hatch, Jr., District Attorney (00054713)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
19. Curtis A. Kleoppel, Treasurer, 'SWA PAC' Southwestern Association PAC (00059198)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
20. Perry L. Peek, Candidate, District Judge (00051617)
Report: semiannual report due July 17, 2006
Penalty: \$3,200
Staff recommendation: waiver of the late-filing penalty
21. Harold L. Phelan, District Judge (00051817)
Report: semiannual report due July 17, 2006
Penalty: \$3,900
Staff recommendation: waiver of the late-filing penalty
24. Kathleen 'Kathi' Thomas, Candidate, State Senator (00058390)
Report: special session report due June 14, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
25. Anna Vastardis, Treasurer, 'DRCW-PAC' Dallas Republican Career Women PAC (00039565)
Report: 30-day pre-election report due February 6, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
26. William W. Webb, Treasurer, 'MOVEPAC' Southwest Movers Assn. (00016568)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 6, numbers 9 through 26, excluding numbers 22 and 23; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalties is adopted on Agenda Item 6, numbers 9 through 26, excluding numbers 22 and 23.**

27. W. C. 'Abby' Abernathy, Jr., Texas Commission on the Arts (00052175)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
28. Ana C. Bergh, Texas State Board of Examiners of Professional Counselors (00037781)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
29. Henry A. Coe, III, District Attorney (00055073)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
30. Hector Delgado, Finance Commission of Texas (00035652)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
31. Bradford Glass, DPM, Texas State Board of Podiatric Medical Examiners (00041123)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
32. James Richard 'Dick' Goodman, Sulphur River Basin Authority (00050515)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
33. Janice B. Howard, Texas Funeral Service Commission (00052856)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
34. Paul H. Jordan, Texas Real Estate Commission (00013933)
Report: personal financial statement due June 30, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

36. Jim Solis, State Representative (00020672)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
37. Lynda J. Tarr, Texas Emancipation Juneteenth Cultural & Historical Commission (00038403)
Report: personal financial statement due July 1, 2005
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
38. Marcellus A. Taylor, Texas Public Finance Authority (00057216)
Report: personal financial statement due June 30, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
39. Gisela D. Triana, District Judge (00054704)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 6, numbers 27 through 39, excluding number 35; second by Commissioner Harrison. Motion passed by a vote of seven ayes on Agenda Item 6, numbers 27 through 29, 31 through 34, and 36 through 39. Motion passed by a vote of six ayes on Agenda Item 6, number 30. Vice Chair Davenport abstained on Agenda item 6, number 30. **Staff's recommendation not to waive the late-filing penalties is adopted on Agenda Item 6, numbers 27 through 39, excluding number 35.**

40. M. Winnfield Atkins, Lobbyist (00043580)
Report: lobby activities report due July 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
41. James Andrew 'Drew' Campbell, Lobbyist (00035512)
Report: lobby activities report due May 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
42. George H. 'Hank' Clements, III, Lobbyist (00022002)
Report: lobby activities report due July 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
43. Frederick E. Edwards, District Judge (00019929)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

45. Timothy H. Graves, Lobbyist (00032481)
Report: lobby activities report due August 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
46. David M. Hawley, Treasurer, 'PICCPAC' Port Industries Of Corpus Christi PAC (00043558)
Report: monthly report due July 5, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
47. Jack E. Hunter, District Judge (00020483)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
48. David A. Jones, Candidate, State Representative (00032432)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
49. Patte B. Kent, Treasurer, Texas Chiropractic Assn. PAC (00011832)
Report: monthly report due June 5, 2006
Penalty; \$500
Staff recommendation: no waiver of the late-filing penalty
50. Stephanie A. Kroger, Lobbyist (00014816)
Report: lobby activities report due January 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
51. Jim D. Lovett, District Judge (00032071)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
52. Charles M. Miles, Treasurer, 'BVAP' Black Voter Action Project (00016082)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
53. Cynthia L. Muniz, District Judge (00037184)
Report: semiannual report due July 17, 2006
Penalty: \$3,300
Staff recommendation: no waiver of the late-filing penalty

54. Dwight Phifer, District Judge (00041425)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
55. Robert C. 'Bert' Richardson, District Judge (00041161)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
57. Martha E. Smiley, Lobbyist (00013784)
Report: lobby activities report due July 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
58. Jana Vaughan, Treasurer, 'WCRW' Williamson County Republican Women – PAC (00016604)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
59. John White, Candidate, District Judge (00041404)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
60. Linda R. Yanez, Justice, Court of Appeals (00024868)
Report: personal financial statement due February 11, 2002
Penalty: \$100
Staff recommendation: no waiver of the late-filing penalty
- Report: personal financial statement due July 1, 2005
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Taylor to adopt staff's recommendation on Agenda Item 6, numbers 40 through 60, excluding numbers 44 and 56; second by Commissioner Harrison. Motion passed by a vote of seven ayes. Commissioner Harrison requested staff to inform the filer on Agenda Item 6, number 48, of the outstanding penalty from 1997. **Staff's recommendation not to waive the late-filing penalties is adopted on Agenda Item 6, numbers 40 through 60, excluding numbers 44 and 56.**

61. Robert R. 'Ray' Allen, Former State Representative (00019678)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
62. Meagan Barclay, Candidate, State Representative (00058848)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
63. Douglas M. 'Doug' Barlow, Candidate, Criminal District Court Judge (00058212)
Report: semiannual report due July 17, 2006
Penalty: \$1,400
Staff recommendation: reduction of the late-filing penalty to \$700
64. Judith Ann Cobbett, D.D.S., Candidate, State Representative (00058930)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
66. Cameron McSpadden, Candidate, State Representative (00058910)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
68. David G. Pillow, Candidate, State Representative (00058427)
Report: special session report due June 14, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
69. Herschel Smith, Candidate, State Representative (00058722)
Report: 30-day pre-election report due February 6, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
- Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
- Report: 8-day pre-election report due February 27, 2006
Penalty: \$10,000
Staff recommendation: reduction of the late-filing penalty to \$100
- Total penalties: \$11,000 Total recommended penalties: \$200

70. David C. Walker, Treasurer, Texans for Ron Booker (00057985)
Report: semiannual report due July 17, 2006
Penalty: \$3,200
Staff recommendation: reduction of the late-filing penalty to \$500

Motion by Commissioner Montagne to adopt staff's recommendation on Agenda Item 6, numbers 61 through 70, excluding numbers 65 and 67; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Staff's recommendation to reduce or waive the late-filing penalties is adopted on Agenda Item 6, numbers 61 through 70, excluding numbers 65 and 67.**

71. James M. Browning, M.D., Candidate, State Representative (00058968)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100

Motion by Commissioner Taylor to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 71; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff recommendation to reduce the late-filing penalty to \$100 is adopted on Agenda Item 6, number 71.**

72. Lauro A. Bustamante, Candidate, Court of Appeals Justice (00041226)
Report: personal financial statement due February 13, 2006
Penalty: \$500

Motion by Commissioner Fischer to reduce the \$500 late-filing penalty to \$250 on Agenda Item 6, number 72; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$250 is adopted on Agenda Item 6, number 72.**

74. Andrew G. 'Andy' Khoury, Candidate, Court of Appeals Justice (00058473)
Report: personal financial statement due February 13, 2006
Penalty: \$500

Report: 8-day pre-election report due February 27, 2006
Penalty: \$500

Motion by Commissioner Harrison not to waive the \$500 late-filing penalty in connection with the report due February 13, 2006, and to reduce to \$250 the late-filing penalty in connection with the report due February 27, 2006, on Agenda Item 6, number 74; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Motion is adopted not to waive the \$500 late-filing penalty in connection with the report due February 13, 2006, and to reduce to \$250 the late-filing penalty in connection with the report due February 27, 2006, on Agenda Item 6, number 74.**

77. Eric W. Thode, Former Treasurer, Republican Party of Fort Bend County (CEC) (00037828)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Taylor to adopt staff's recommendation on Agenda Item 6, number 77; second by Vice Chair Davenport. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalty is adopted on Agenda Item 6, number 77.**

78. Tommy N. Thomas, Treasurer, 'RPGC – CEC' Republican Party of Gregg County (CEC) (00052869)
Report: semiannual report due January 17, 2006
Penalty: \$500

Natalia L. Ashley, General Counsel, provided comments. Motion by Commissioner Montagne to reduce the \$500 late-filing penalty to \$250 on Agenda Item 6, number 78; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$250 is adopted on Agenda Item 6, number 78.**

Return to Agenda Item 7.

12. Lawrence A. 'Larry' Phillips, State Representative (00052791)
Report: 8-day pre-election report due February 27, 2006
Penalty: \$10,000
Staff recommendation: waiver of the late-filing penalty

Larry Phillips, State Representative, spoke before the commission. Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, number 12; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalty is adopted on Agenda Item 7, number 12.**

18. Gregory T. Brewer, Candidate, District Judge (00055352)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- Report: 30-day pre-election report due February 6, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Greg Brewer, County Court at Law Judge, spoke before the commission. Motion by Commissioner Harrison to reduce the \$500 late-filing penalties to \$250 each report on Agenda Item 7, number 18; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$250 each report is adopted on Agenda Item 7, number 18.**

26. George Antuna, Jr., Candidate, State Representative (00058406)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- Report: 8-day pre-election report due February 27, 2006
Penalty: \$10,000
Staff recommendation: reduction of the late-filing penalty to \$2,000

Report: 8-day before runoff report due April 3, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$1,000

Total penalties: \$20,500 Total recommended penalties: \$3,500

George Antuna, Candidate for State Representative, District 118, spoke before the commission. Motion by Commissioner Harrison to reduce the late-filing penalties to \$100 each report on Agenda Item 7, number 26; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$100 each report is adopted on Agenda Item 7, number 26.**

31. Joe G. Farias, Candidate, State Representative (00058360)

Report: semiannual report due January 17, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: that the original report substantially complied with the applicable law

Total penalties: \$10,500 Total recommended penalties: \$500

Roger Garza, Campaign Manager for the Joe Farias Campaign, spoke before the commission. Motion by Commissioner Montagne to reduce to \$100 the late-filing penalty on the semiannual report due January 17, 2006, and that the 8-day pre-election report due February 27, 2006, substantially complied with the applicable law on Agenda Item 7, number 31; second by Commissioner Taylor. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 in connection with the report due January 17, 2006, and that the report due February 27, 2006, substantially complied with the applicable law, is adopted on Agenda Item 7, number 31.**

33. James W. Gorman, Treasurer, Texans for Joe Straus (00056637)

Report: semiannual report due July 17, 2006
 Penalty: \$1,100
 Staff recommendation: reduction of the late-filing penalty to \$500

Julie Straus, Government Affairs consultant, spoke before the commission. Motion by Commissioner Taylor to waive the late-filing penalty on Agenda Item 7, number 33; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Motion is adopted to waive the late-filing penalty on Agenda Item 7, number 33.**

34. Joe Russell Langley, Treasurer, 'TVAC' Texas Values in Action Coalition (00056320)

Report: semiannual report due July 15, 2005
 Penalty: \$500
 Staff recommendation: that the original report substantially complied with the applicable law

Report: semiannual report due January 17, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$1,000

Total penalties: \$11,500 Total recommended penalties: \$2,000

Joe Russell Langley, Fundraiser/Lawyer, spoke before the commission. Motion by Commissioner Montagne to reduce the \$500 late-filing penalty to \$300 on the report due January 17, 2006, and that the original reports due July 15, 2005, February 6, 2006, and February 27, 2006, substantially complied with the applicable law on Agenda Item 7, number 34; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Motion is adopted to reduce the late-filing penalty to \$300 on the report due January 17, 2006, and that the reports due July 15, 2005, February 6, 2006, and February 27, 2006, substantially complied with the applicable law on Agenda Item 7, number 34.**

37. Norman W. Parrish, Treasurer, Texans for Tommy Williams (00051715)
 Report: semiannual report due July 17, 2006
 Penalty: \$500
 Staff recommendation: reduction of the late-filing penalty to \$250

Donna Garcia Davidson, attorney, spoke before the commission. Motion by Commissioner Taylor to waive the \$500 late-filing penalty on Agenda Item 7, number 37; second by Commissioner Fischer. Motion passed by a vote of six ayes. Commissioner Montagne abstained. **Late-filing penalty is waived on Agenda Item 7, number 37.**

39. Mary L. Weigandt, Treasurer, 'RWHC' Republican Women Of Hood County PAC (00016554)
 Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty

Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$100

Report: 8-day before runoff report due April 3, 2006
 Penalty: \$9,500
 Staff recommendation: reduction of the late-filing penalty to \$100

Report: 8-day pre-election report due May 5, 2006
 Penalty: \$6,300
 Staff recommendation: reduction of the late-filing penalty to \$100

Total penalties: \$26,300 Total recommended penalties: \$300

Mary Weigandt, retired, spoke before the commission. Motion by Commissioner Fischer to reduce the late-filing penalties to \$25 each report on Agenda Item 7, number 39; second by Commissioner Taylor. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$25 each report is adopted on Agenda Item 7, number 39.**

40. Allan B. Ritter, State Representative (00037743)
Report: personal financial statement due February 11, 2004
Penalty: \$500
- Report: personal financial statement due February 13, 2006
Penalty: \$500

Allan B. Ritter, State Representative, District 21, spoke before the commission. Motion by Vice Chair Davenport not to waive the \$1,000 total late-filing penalties on Agenda Item 7, number 40; second by Commissioner Fischer. Motion passed by a vote of six ayes. Commissioner Montagne abstained. **Motion not to waive the late-filing penalties is adopted on Agenda Item 7, number 40.**

42. Margaret Faye Scott, Former Treasurer, 'ACRO' Aransas County Republican Organization (00015674)
Report: 8-day pre-election report due February 27, 2006
Penalty: \$3,900 (reduced to \$600)

Verna Yeamans, County Chair – Aransas County, provided the commission with written documentation and spoke before the commission. Motion by Commissioner Taylor to waive the \$600 late-filing penalty on Agenda Item 7, number 42; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Late-filing penalty is waived on Agenda Item 7, number 42.**

Commissioner Hernandez left the meeting.

1. Dale E. Hopkins, Candidate, State Representative (00057967)
Report: 8-day pre-election report due February 27, 2006
Penalty: \$10,000
Staff recommendation: that the original report substantially complied with the applicable law
- Report: 8-day before runoff report due April 3, 2006
Penalty: \$10,000
Staff recommendation: that the original report substantially complied with the applicable law
2. Robert C. Pelfrey, Treasurer, Texas First Committee (00030459)
Report: 8-day before runoff report due April 3, 2006
Penalty: \$10,000
Staff recommendation: that the original report substantially complied with the applicable law
3. Kenneth M. Rose, Treasurer, Committee to Elect Patrick Rose (00051280)
Report: 8-day pre-election report due October 25, 2004
Penalty: \$10,000
Staff recommendation: that the original report substantially complied with the applicable law

Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, numbers 1 through 3; second by Commissioner Harrison. Motion passed by a vote of six ayes. **Staff's recommendation that the original reports substantially complied with the applicable law is adopted on Agenda Item 7, numbers 1 through 3.**

4. Daniel R. 'Dan' Barrett, Candidate, State Representative (00057719)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
5. Tammy S. Boehms, Treasurer, 'NFIB/TX' National Federation Of Independent Business/Texas Save America's Free Enterprise Trust (00016640)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
6. Beth L. Cox, Treasurer, 'TPPV-PAC' Texas Planned Parenthood Votes Political Action Committee (00059524)
Report: monthly report due June 5, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
7. O. Rene Diaz, District Judge (00056287)
Report: personal financial statement due January 2, 2005
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
8. Paul W. Enlow, Candidate, District Judge (00019954)
Report: 8-day before runoff report due April 3, 2006
Penalty: \$10,000
Staff recommendation: waiver of the late-filing penalty
9. Paula Hightower-Pierson, Candidate, State Representative (00057708)
Report: semiannual report due July 17, 2006
Penalty: \$1,400
Staff recommendation: waiver of the late-filing penalty
10. Laura C. Higley, Justice, Court of Appeals (00051161)
Report: personal financial statement due June 29, 2004
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Report: personal financial statement due July 1, 2005
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

11. Charla F. Moore, Candidate, District Judge (00043629)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
14. Ronald L. Walker, Senior District Judge (00020963)
Report: personal financial statement due April 30, 2004
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
- Report: personal financial statement due May 2, 2005
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
- Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
- Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, numbers 4 through 11, and 14; second by Commissioner Montagne. Motion passed by a vote of six ayes. **Staff recommendations are adopted on Agenda Item 7, numbers 4 through 11, and 14.**
15. Roberto R. Alonzo, State Representative (00019681)
Report: semiannual report due January 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
16. Gonzalo Barrientos, State Senator (00018886)
Report: semiannual report due January 18, 2005
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
17. R. Christopher Bell, Candidate, Governor (00056697)
Report: special session report due June 14, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
19. Larry Noll, Candidate, District Judge (00054656)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
20. Randhir Sahni, Treasurer, 'IAPAC' Indo American PAC
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

21. J. Eric T. Sandberg, Jr., Lobbyist (00013389)
 Report: lobby activities report due May 10, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
22. Rick G. Strange, Justice, Court of Appeals (00057078)
 Report: semiannual report due July 17, 2006
 Penalty: \$600
 Staff recommendation: no waiver of the late-filing penalty
23. Leticia Van de Putte, State Senator (00020909)
 Report: semiannual report due July 17, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
24. Linda R. Yanez, Justice, Court of Appeals (00024868)
 Report: semiannual report due January 15, 2004
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, numbers 15 through 17, 19 through 24; second by Commissioner Harrison. Motion passed by a vote of five ayes on Agenda Item 7, number 22. Commissioner Taylor abstained. Motion passed by a vote of five ayes on Agenda Item 7, number 24. Chair Looney abstained. Motion passed by a vote of six ayes on Agenda Item 7, numbers 15 through 17, 19 through 21, and 23. **Staff recommendations are adopted on Agenda Item 7, numbers 15 through 17, and 19 through 24.**

25. Rafael M. Anchia, State Representative (00054808)
 Report: semiannual report due July 17, 2006
 Penalty: \$2,800
 Staff recommendation: reduction of the late-filing penalty to \$1,000
27. Dwayne A. Bohac, State Representative (00032585)
 Report: semiannual report due July 17, 2006
 Penalty: \$700
 Staff recommendation: reduction of the late-filing penalty to \$250
28. Linda Bowles, Treasurer, 3DI, Inc. PAC (00018739)
 Report: monthly reports due June 6, 2005, July 5, 2005, August 5, 2005, September 6, 2005, December 5, 2005, January 5, 2006, February 6, 2006, March 6, 2006, April 5, 2006, May 5, 2006, June 5, 2006
 Penalty: \$500 (each report)
 Staff recommendation: reduction of the late-filing penalty to \$100 each report
- Total penalties: \$5,500 Total recommended penalties: \$1,100

30. Keith Dean, District Judge (00019861)
 Report: semiannual report due July 17, 2006
 Penalty: \$2,400
 Staff recommendation: reduction of the late-filing penalty to \$500
32. Gena M. Godinez, Treasurer, 'West Texas Home PAC' West Texas Home Builders PAC (00036435)
 Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
- Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$500
- Report: 8-day pre-election report due May 5, 2006
 Penalty: \$7,400
 Staff recommendation: reduction of the late-filing penalty to \$500
- Total penalties: \$17,900 Total recommended penalties: \$1,000
35. Jerry A. Madden, State Representative (00020298)
 Report: semiannual report due July 17, 2006
 Penalty: \$1,100
 Staff recommendation: reduction of the late-filing penalty to \$500
36. Donald R. 'Dee' Margo, II, Candidate, State Senator (00058443)
 Report: semiannual report due July 17, 2006
 Penalty: \$1,500
 Staff recommendation: reduction of the late-filing penalty to \$1,000
38. Dale B. Tillery, Candidate, State Representative (00026547)
 Report: semiannual reports due July 15, 2005, and January 17, 2006
 Penalty: \$500 each report
 Staff recommendation: reduction of the late-filing penalty to \$100 each report

Agenda Item 7, number 38, postponed at filer's request.

Motion by Vice Chair Davenport to adopt staff's recommendation on Agenda Item 7, numbers 25, 27, 28, 30, 32, 35, and 36; second by Commissioner Harrison. Motion passed by a vote of six ayes. **Staff recommendations are adopted on Agenda Item 7, numbers 25, 27, 28, 30, 32, 35, and 36.**

41. Phillip S. 'Phil' King, State Representative (00036483)
 Report: personal financial statements due February 11, 2004, and February 13, 2006
 Penalty: \$500 (each report)

Agenda Item 7, number 41, postponed at filer's request.

Agenda Item 9: AOR 536: Whether an incorporated statewide organization may invite elected officials to address the organization's membership.

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Harrison to adopt staff's recommendation; second by Commissioner Montagne. Motion passed by a vote of six ayes. **AOR 536 is adopted as Ethics Advisory Opinion No. 471.**

Agenda Item 11: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rule § 20.62 (Reporting Staff Reimbursement), regarding the reporting of a political expenditure made out of personal funds by a staff member of either a candidate or political committee.

Ed Shack, Attorney, spoke before the commission on this agenda item. Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Harrison to publish in the Texas Register Ethics Commission Rule § 20.62; second by Vice Chair Davenport. Motion passed by a vote of six ayes. **Ethics Commission Rule § 20.62 to be published in the Texas Register for comments.**

Agenda Item 12: Public discussion and possible action on the adoption and publication in the Texas Register of Ethics Commission Rule § 20.57 (Time of Making Expenditure), regarding the reporting of a political expenditure by credit card.

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Taylor to adopt and publish in the Texas Register Ethics Commission Rule § 20.57; second by Commissioner Montagne. Motion passed by a vote of six ayes. **Ethics Commission Rule § 20.57 is adopted.**

Agenda Item 13: Public discussion and possible action on the adoption and publication in the Texas Register of Ethics Commission Rule § 24.14 (Administrative Expenditure), regarding the permissibility of an expenditure by a corporation to deliver a political contribution.

Ed Shack, Attorney, spoke before the commission on this agenda item. Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Vice Chair Davenport to adopt and publish in the Texas Register Ethics Commission Rule § 24.14; second by Commissioner Harrison. Motion passed by a vote of six ayes. **Ethics Commission Rule § 24.14 is adopted.**

Agenda Item 14: Discussion regarding recommendations to the Legislature by the Chair of the Task Force, Commissioner Ross Fischer.

Commissioner Fischer briefed the commission on this agenda item. Commissioners Montagne and Taylor requested that the issue of using campaign contributions to rent a residence from a spouse or family member be added to the Legislative recommendations and discussed at the next commission meeting.

Chair Looney appointed Commissioner Fischer for the position of nominating committee for a new chair and vice chair at the next commission meeting.

Agenda Item 15: Adjourn.

Commission meeting adjourned by unanimous consent.