



## TEXAS ETHICS COMMISSION MEETING MINUTES

August 21, 2007, 9:34 a.m.

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



**COMMISSIONERS PRESENT:** Raymond R. "Tripp" Davenport, III, Chair; Tom Harrison, Vice Chair; Ross Fischer; Jim Graham; Cullen R. Looney; Paula M. Mendoza; David Montagne; and Nicholas C. Taylor.

**COMMISSIONERS ABSENT:** None.

**STAFF PRESENT:** Natalia L. Ashley, Amy Barden, Margie Castellanos, Homer Diaz, Robbie Douglas, Sharon Finley, Becky Levy, Bobby Mannas, Veronica Medrano, Sandy Mitchell, David A. Reisman, Ian Steusloff, and Mary Young.

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### 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 Davenport. David A. Reisman, Executive Director, called the roll. All commissioners were present.

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

None.

**Agenda Item 3: Comments by the commissioners.**

Commissioner Taylor requested that staff continue working on the penalties process.

**Agenda Item 4: Comments by the executive director.**

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

1. Staff is currently updating the Ethics Commission's website, forms, guides, and implementing new laws that were passed by the 80th legislative session. Staff has also been preparing for the August 31, 2007, fiscal year-end reports.
2. This calendar year, 192 sworn complaints have been received of which 50 have been received since the June 29, 2007, commission meeting.
3. Mr. Reisman commented on the August 12, 2007, Houston Chronicle new article.

**Agenda Item 5: Approve minutes of the June 29, 2007, meeting.**

Motion by Commissioner Taylor to adopt the June 29, 2007, meeting minutes; second by Commissioner Looney. Motion passed by a vote of eight ayes.

**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.**

1. Hector M. Garcia Delgado, Treasurer, 'D.S.A.B.C./P.A.C.' Deputy Sheriff's Assn. Of Bexar County PAC (00015992)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
2. Scott B. Ransom, President, University of North Texas Health Science Center at Fort Worth (00060168)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
3. Paul Fisk, II, Treasurer, 'RCRMC' Rockwall County Republican Men's Club (00015537)  
Report: 8-day pre-election report due May 4, 2007  
Penalty: \$1,200  
Staff recommendation: waiver of the late-filing penalty

Paul Fisk, II, spoke before the commission.

4. Kathy Grant, Lobbyist (00033418)  
Report: lobby activities report due June 11, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
5. Russell J. Hargraves, Treasurer, 'TRA PAC' Texas Republican Alliance (00057947)  
Report: semiannual report due January 16, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty
6. Kelly McBeth, Lobbyist (00059190)  
Report: lobby activities report due May 10, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

Andy Barrett, Attorney, spoke before the commission on behalf of Ms. McBeth.

7. Justin B. Unruh, Lobbyist (00059720)  
Report: lobby activities report due June 11, 2007  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Looney to adopt staff's recommendations on Agenda Item 6, numbers 1 through 7; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 1 through 7.**

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

5. John M. Sharbaugh, Lobbyist (00043024)  
Report: lobby activities report due February 12, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Diane Joiner spoke before the commission on behalf of Mr. Sharbaugh. Motion by Commissioner Looney to postpone Agenda Item 7, number 5; second by Commissioner Fischer. Motion passed by a vote of eight ayes. **Agenda Item 7, number 5, postponed until the next commission meeting.**

**Return to Agenda Item 6.**

13. James Greer, Member, Texas Board of Professional Engineers (00059537)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

James Greer spoke before the commission. Motion by Chair Davenport to reduce the \$500 late-filing penalty to \$100; second by Commissioner Harrison. Motion passed by a vote of eight ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 13.**

8. Elsa Alcala, Justice, Court of Appeals (00039401)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
9. Debbie Lynn Benningfield, Member, Texas Forensic Science Commission (00059156)  
Report: personal financial statement due June 29, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
10. Patrick L. Brockett, Member, Texas Property & Casualty Insurance Guaranty Assn. (00050958)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

11. John Alcus Cotten, Jr., Member, Lavaca – Navidad River Authority (00055946)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
12. Jim B. Darnell, District Judge (00033198)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
14. Douglas E. ‘Doug’ Lowe, Criminal District Attorney (00032754)  
Report: personal financial statement due June 29, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
15. Juan Sanchez Munoz, Ph.D., Member, Texas Youth Commission (00059536)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
16. Stephanie K. Stephens, District Attorney (00055577)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
17. Sharon Venable, Texas Woman’s University Board of Regents (00057094)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Motion by Chair Davenport to adopt staff’s recommendations on Agenda Item 6, numbers 7 through 12 and 14 through 17; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff’s recommendations are adopted on Agenda Item 6, numbers 7 through 12 and 14 through 17.**

18. Art Brender, Treasurer, Tarrant County Democratic Party PAC (00015705)  
Report: 8-day pre-election report due October 30, 2006  
Penalty: \$900  
Staff recommendation: no waiver of the late-filing penalty

Art Brender spoke before the commission.

19. Thao Dao, Treasurer, ‘VAVN PAC’ Vietnamese American Voters Network Political Action Committee (00058306)  
Report: monthly report due June 5, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

**Agenda Item 6, number 19, is postponed at the filer's request.**

20. Darrell L. Dingmore, Jr., Lobbyist (00029855)  
Report: lobby activities report due June 11, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
21. Martin V. Fleming, II, Lobbyist (00043025)  
Report: lobby activities report due May 10, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
22. Henry Gilchrist, Treasurer, Jenkins & Gilchrist PAC (00016281)  
Report: monthly report due June 5, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
23. Margaret Lopez, Treasurer, 'P4' P4: Power of People Praying for Peace (00056025)  
Report: monthly report due June 5, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
24. Harold Oliver, Lobbyist (00055191)  
Report: lobby activities report due June 11, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
25. Kym Nicole Olson, Lobbyist (00053641)  
Report: lobby activities report due June 11, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Motion by Chair Davenport to reduce the \$900 late-filing penalty to \$400 on Agenda Item 6, number 18, and to adopt staff's recommendations on Agenda Item 6, numbers 20 through 25; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Reduction of the late-filing penalty to \$400 on Agenda Item 6, number 18, and staff's recommendations are adopted on Agenda Item 6, numbers 20 through 25.**

26. Tom Sanders, Lobbyist (00050818)  
Report: lobby activities report due January 10, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Tom Sanders spoke before the commission. Motion by Vice Chair Harrison to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 26; second by Commissioner Looney. Motion passed by a vote of eight ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 26.**

27. Wanda J. Harris, Treasurer, 'CyFair FT C.O.P.E.' CyFair Federation of Teachers Committee on Political Education (00055455)  
Report: semiannual report due January 16, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$100
28. Nanette Hasette, District Judge (00033034)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
29. Paul Holden, Treasurer, 'ABC PAC' Associated Builders & Contractors Of Texas PAC (00028329)  
Report: semiannual report due January 16, 2007  
Penalty: \$10,000  
Staff recommendation: reduction of the late-filing penalty to \$1,000

David Ford spoke before the commission on behalf of Mr. Holden.

30. Greg A. Kauffman, Candidate, State Representative (00051765)  
Report: semiannual report due January 16, 2007  
Penalty: \$10,000  
Staff recommendation: reduction of the late-filing penalty to \$500
31. Richard J. Langenstein, Treasurer, Citizens Party Of West University Place (00041030)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
32. Richard J. Langenstein, Treasurer, 'WUHOA' West University Place Homeowners Assn. PAC (00042657)  
Report: semiannual report due July 16, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$250
33. Richard Levy, Lobbyist (00010024)  
Report: lobby activities report due January 10, 2007  
Penalty: \$500  
Staff recommendation: reduction of the late-filing penalty to \$100

**Agenda Item 6, number 33, is postponed at the filer's request.**

34. Michael A. Logan, Treasurer, KRCL PAC (00036294)  
(a) Report: 30-day pre-election report due April 12, 2007  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due May 4, 2007  
Penalty: \$3,000  
Staff recommendation: reduction of the late-filing penalty to \$1,500

Total penalties:       \$3,500           Total recommended penalties:       \$2,000

35. Dorothy M. Olmos, Candidate, State Representative (00041785)  
 Report:       semiannual report due July 16, 2007  
 Penalty:       \$500  
 Staff recommendation:       reduction of the late-filing penalty to \$250

36. Ken Rector, Lobbyist (00060362)  
 (a) Report:    lobby activities report due June 11, 2007  
 Penalty:       \$500  
 Staff recommendation:       no waiver of the late-filing penalty  
  
 (b) Report:    lobby activities report due July 10, 2007  
 Penalty:       \$500  
 Staff recommendation:       reduction of the late-filing penalty to \$250

Total penalties:       \$1,000           Total recommended penalties:       \$750

Ken Rector spoke before the commission.

37. David K. White, Lobbyist (00013379)  
 Report:        lobby activities report due June 11, 2007  
 Penalty:       \$500  
 Staff recommendation:       reduction of the late-filing penalty to \$250

38. Roger Williams, Treasurer, Builders For Brazos County PAC Bryan/College Station Homebuilders Assn. (00016892)  
 Report:        8-day pre-election report due May 4, 2007  
 Penalty:       \$900  
 Staff recommendation:       reduction of the late-filing penalty to \$250

Motion by Vice Chair Harrison to adopt staff's recommendations on Agenda Item 6, numbers 27 through 32 and 34 through 38; second by Commissioner Graham. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 27 through 32 and 34 through 38.**

39. Thomas M. Anderson, Member, Human Rights Commission (00052963)  
 Report:        personal financial statement due April 30, 2007  
 Penalty:       \$500  
 Reconsideration:       June 2007 meeting, the commission voted not to waive the late-filing penalty  
 Staff recommendation:       waiver of the late-filing penalty (based on the new information in a letter from Mr. Anderson)

Motion by Commissioner Montagne to adopt staff's recommendation on Agenda Item 6, number 39; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda item 6, number 39.**

41. Morris Burns, Lobbyist (00010195)  
Report: lobby activities report due January 10, 2007  
Penalty: \$500  
Reconsideration: June 2007 meeting, the commission voted not to waive the late-filing penalty  
Staff recommendation: waiver of the late-filing penalty (based on the new information in a letter from Mr. Burns)

Motion by Commissioner Looney to adopt staff's recommendation on Agenda Item 6, number 41; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda item 6, number 41.**

44. Elena Rodriguez, Treasurer, West Texas Voices For Progress (00057282)  
Report: semiannual report due January 16, 2007  
Penalty: \$500  
Reconsideration: June 2007 meeting, the commission voted not to waive the late-filing penalty  
Staff recommendation: waiver of the late-filing penalty (based on the new information in a letter from Ms. Rodriguez)

Motion by Commissioner Taylor to adopt staff's recommendation on Agenda Item 6, number 44; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda item 6, number 44.**

43. Alfred Green, Treasurer, 'C.C.G.G.' Concerned Citizens For Good Government (00039123)  
Report: semiannual report due January 16, 2007  
Penalty: \$500  
Reconsideration: June 2007 meeting, the commission voted not to waive the late-filing penalty

Alfred Green and Vahda DeWitt spoke before the commission.

Motion by Commissioner Looney to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 43; second by Commissioner Montagne. Motion passed by a vote of eight ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 43.**

40. J. Timothy Boddie, Jr., Interim President, Texas Southern University (00061390)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Reconsideration: June 2007 meeting, the commission voted not to waive the late-filing penalty

Motion by Vice Chair Harrison to waive the \$500 late-filing penalty on Agenda Item 6, number 40; second by Commissioner Taylor. Motion passed by a vote of eight ayes. **The late-filing penalty is waived on Agenda Item 6, number 40.**

42. Billy W. Byrd, Criminal District Attorney (00058691)  
Report: personal financial statement due April 30, 2007  
Penalty: \$500  
Reconsideration: June 2007 meeting, the commission voted not to waive the late-filing penalty



**The late-filing penalty for Agenda Item 6, number 42, stands due to lack of a motion.****Return to Agenda Item 7.**

1. William L. 'Bill' McAdams, District Judge (00020399)  
 Report: semiannual report due July 16, 2007  
 Penalty: \$500  
 Staff recommendation: that the original report substantially complied with the applicable law

Motion by Commissioner Graham to adopt staff's recommendation on Agenda Item 7, number 1; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendation is adopted on Agenda Item 7, number 1.**

2. Emeral E. Hayden, Treasurer, El Paso Assn. Of Fire Fighters PAC (00016882)  
 Report: semiannual report due January 16, 2007  
 Penalty: \$10,000  
 Staff recommendation: waiver of the late-filing penalty
3. Thomas C. Merritt, State Representative (00023181)  
 Report: personal financial statement due February 13, 2006  
 Penalty: \$500  
 Staff recommendation: waiver of the late-filing penalty
4. Kay Vinzant, Treasurer, 'HOTPAC' Heart Of Texas PAC (00015695)  
 Report: semiannual report due January 16, 2007  
 Penalty: \$500  
 Staff recommendation: waiver of the late-filing penalty

Motion by Vice Chair Harrison to adopt staff's recommendations on Agenda Item 7, numbers 2 through 4; second by Commissioner Montagne. Motion passed by a vote of eight ayes on Agenda Item 7, numbers 3 and 4, and by a vote of seven ayes on Agenda Item 7, number 2. Chair Davenport abstained on Agenda Item 7, number 2. **Staff's recommendations are adopted on Agenda Item 7, numbers 2 through 4.**

6. Hector De Leon, Treasurer, Associated Republicans Of Texas Campaign Fund (00015555)
    - (a) Report: 8-day pre-election report due October 30, 2006  
 Penalty: \$8,400  
 Staff recommendation: waiver of the late-filing penalty
    - (b) Report: semiannual report due January 16, 2007  
 Penalty: \$10,000  
 Staff recommendation: reduction of the late-filing penalty to \$500
- Total penalties: \$18,400                      Total recommended penalties: \$500

Thomas P. Washburn spoke before the commission on behalf of Mr. De Leon.

7. Dorothy M. Olmos, Candidate, State Representative (00041785)  
Report: semiannual report due January 16, 2007  
Penalty: \$10,000  
Staff recommendation: reduction of the late-filing penalty to \$500

Motion by Commissioner Montagne to adopt staff's recommendations on Agenda Item 7, numbers 6 and 7; second by Commissioner Mendoza. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 7, numbers 6 and 7.**

8. Garnet L. Franks, Treasurer, Waller County Democratic Club (00027570)  
(a) Report: 8-day pre-election report due October 30, 2006  
Penalty: \$10,000 (reduced to \$100)  
Reconsideration: June 2007 meeting, commission voted to reduce the \$10,000 penalty to \$100  
Staff recommendation: waiver of the late-filing penalty
- (b) Report: semiannual report due January 16, 2007  
Penalty: \$3,800 (reduced to \$100)  
Reconsideration: June 2007 meeting, commission voted to reduce the \$3,800 penalty to \$100  
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Taylor to adopt staff's recommendations on Agenda item 7, number 8; second by Commissioner Montagne. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 7, number 8.**

**Agenda Item 8: Discussion and possible action regarding the termination of campaign treasurer appointments of inactive candidates and inactive political committees.**

#### Candidates

1. Boyd W. Bauer (00041366)
2. Jack F. Borden, Sr. (00019789)
3. Darrell R. Gear (00051892)
4. Phillip S. Smart (00058961)
5. Charles P. 'Charlie' Urbina-Jones (00055172)

#### Political Committees

1. Stanley J. Briers, Plumbing Air Conditioning Mechanical Contractors Assoc. PAMCA Health & Safety Fund (00038691)
2. Karen J. Estes, 'DGLA PAC' Dallas Gay & Lesbian Alliance PAC (00037802)

Motion by Commissioner Taylor to adopt staff's recommendations on Agenda Item 8, numbers 1 through 5 (Candidates) and 1 and 2 (Political Committees); second by Commissioner Fischer. Motion passed by a vote of eight ayes. **Staff's recommendations are adopted on Agenda Item 8, numbers 1 through 5 (Candidates) and 1 and 2 (Political Committees).**

**Agenda Item 9: AOR 539: Whether section 255.003 of the Election Code prohibits the spending of city funds for a city council member's newsletter.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Fischer to adopt staff's recommendation of AOR 539, on Agenda Item 9; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Staff's recommendation of AOR 539 is adopted on Agenda Item 9.**

**Agenda Item 10: AOR 540: Whether a former employee of a regulatory state agency who worked on the standard specification manual used for agency contracts is prohibited by Government Code section 572.054(b) from working on a private company's bid for contracts that utilize those specifications.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Looney to adopt staff's recommendation of AOR 540, on Agenda Item 9; second by Commissioner Graham. Motion passed by a vote of seven ayes. Chair Davenport abstained. **Staff's recommendation of AOR 540 is adopted on Agenda Item 10.**

**Agenda Item 11: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rule § 18.7 (Timely Reports and Complete Reports), regarding the filing deadline for any report filed electronically with the Ethics Commission.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Looney to publish in the Texas Register Ethics Commission Rule § 18.7; second by Vice Chair Harrison. Motion passed by a vote of eight ayes. **Ethics Commission Rule § 18.7 to be published in the Texas Register for comments.**

**Agenda Item 12: 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.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Taylor to publish in the Texas Register Ethics Commission Rule § 20.62; second by Commissioner Fischer. Motion passed by a vote of eight ayes. **Ethics Commission Rule § 20.62 to be published in the Texas Register for comments.**

**Agenda Item 13: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rules, Chapter 20 (Reporting Political Contributions and Expenditures).**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Fischer to publish in the Texas Register Ethics Commission Rules, Chapter 20; second by Commissioner Looney. Motion passed by a vote of eight ayes. **Ethics Commission Rules, Chapter 20, to be published in the Texas Register for comments.**

**The next Ethics Commission meeting is scheduled for October 25 and 26, 2007.**

**Agenda Item 14: Adjourn.**

Commission meeting adjourned by unanimous consent.