



TEXAS ETHICS COMMISSION MEETING

Morning Meeting Minutes

April 3, 2014, 11:32 a.m.

Capitol Extension, Room E1.010

Austin, Texas 78701



COMMISSIONERS PRESENT: Jim Clancy, Chair; Paul W. Hobby, Vice Chair; Hugh C. Akin, Wilhelmina Delco, Tom Harrison, Bob Long, Tom Ramsay, and Chase Untermeyer.

COMMISSIONERS NOT PRESENT: None.

STAFF PRESENT: Natalie Adelaja, Natalia L. Ashley, Amy Barden, Lauren Bellomy, Margie Castellanos, Homer Diaz, Robbie Douglas, Nick Espinosa, Jessie Haug, Bobby Mannas, Mike McElhaney, John Moore, Melissa Ramos, Ian Steusloff, Jim Tinley, and Patty Williams.

MINUTES

This meeting was 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 recordings on file at the Commission's office.

Agenda Item 1: Call to order; roll call.

The meeting was called to order by Chair Clancy. Natalia Luna Ashley, Interim Executive Director, called the roll. All Commissioners were present. Commissioner Akin was off the dais.

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

None.

Agenda Item 3: Approve minutes for the following meetings: Preconference hearing – February 12, 2014; AM public meeting – February 13, 2014; PM public meeting – February 13, 2014; and Executive Session (Empower Texans, et al v. Texas Ethics Commission, et al) – March 17, 2014.

Motion by Commissioner Long to approve the meeting minutes listed under agenda item 3; second by Commissioner Untermeyer. Commissioner Akin off the dais. **Motion passed by a vote of seven ayes.**

Agenda Item 4: Presentation on and discussion of the electronic filing system project by RFD & Associates, Inc.

Chair Clancy introduced this agenda item to the Commission. Tom Lynch, Client Engagement Manager, Erik Dietz, Project Manager, and Scott T. Glover, Software Development, with RFD & Associates, Inc., gave a detailed briefing on the electronic filing software. Commissioners expressed changes they would like to see in the screens that will be viewed and used by filers, such as larger print. Commissioner Akin returned to the dais.

For Agenda Items 5 through 12, the following represents the actions taken by the Commission in the order they occurred during the meeting.

Agenda Item 5: Public discussion and possible action on a proposed guide regarding the per diem set by the Commission.

Motion by Commissioner Untermeyer to adopt Exhibit C; second by Commissioner Long. **Motion passed by a vote of eight ayes.**

Agenda Item 6: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rule § 20.61 (Purpose of Expenditure) requiring the reporting of the purpose of an officeholder expenditure to include an indication if the expenditure is an officeholder expenditure for living in Austin, Texas.

Motion by Commissioner Untermeyer to adopt the amendment of section 20.61 of the Ethics Commission Rules; second by Commissioner Ramsay. **Motion passed by a vote of eight ayes.**

Chair Clancy moved to Agenda Item 8.

Agenda Item 8: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rule § 20.577 (Reporting Schedule for Candidate for State Chair) to clarify that candidates for state chair are required to file campaign finance reports electronically.

Natalia Luna Ashley, Interim Executive Director, briefed the Commission on this agenda item. Motion by Commissioner Harrison to publish for public comment Texas Ethics Commission Rule § 20.577; second by Commissioner Long. **Motion passed by a vote of eight ayes.**

Agenda Item 9: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rule § 40.2 regarding financial activity required to be disclosed on a personal financial statement.

Motion by Commissioner Untermeyer to publish for public comment proposed Texas Ethics Commission Rule § 40.2; second by Commissioner Delco. **Motion passed by a vote of eight ayes.**

Agenda Item 10: Comments by Interim Executive Director.

Natalia Luna Ashley, Interim Executive Director, made the following comments:

1. Regarding the quarterly status report:
 - (a) The Commission is now able to communicate with over 90 percent of filers by email, which allows the agency to communicate with them more often and save on postage.
 - (b) The agency has received, in the last calendar quarter, more telephone calls than any other calendar quarter which seems to be due to the filing deadlines that were shifted for purposes of getting names on the ballot. The agency anticipates that those numbers will drop down drastically this next quarter.
 - (c) The number of late reports was 11.7 percent of the total reports filed, which could have been attributed in part to the number of new candidates as a result of the primary election. The agency has collected their emails to send filing notices, so we anticipate the number of late reports to drop next reporting period.
2. Ms. Ashley mentioned Melissa Ramos will be leaving the Commission at the end of April to go back to school full time.
3. Ms. Ashley introduced the new staff attorney, Jim Tinley.

Agenda Item 11: Comments by the Commissioners.

Chair Clancy briefed the Commission on this week's decision handed down in the U.S. Supreme Court case *McCutcheon v. Federal Elections Commission*, which struck down the overall aggregate limits on campaign contributions. The decision has no impact on Texas law because we have no overall limits on the aggregate amount that an individual may contribute to candidates and political committees.

Chair Clancy moved to Agenda Item 7.

Agenda Item 7: Public discussion and possible action on a proposal and publication of a rule in the Texas Register addressing the meaning of "a principal purpose," as provided by the definition of a "political committee" under Election Code § 251.001(12).

Chair Clancy introduced this agenda item to the Commission. Chris Gober, attorney, spoke before the Commission on this agenda item. Steve Bresnen, lobbyist/lawyer, spoke before the Commission on this agenda item. Motion by Vice Chair Hobby to table this agenda item; second by Commissioner Harrison. **Motion passed by a vote of eight ayes.**

Agenda Item 12: Adjourn.

Motion by Commissioner Long to adjourn; second by Commissioner Delco. **Motion passed by unanimous consent.**