



**TEXAS ETHICS COMMISSION MEETING MINUTES**  
**Formal Hearing Minutes**

June 25, 2014, 8:58 a.m.  
John H. Reagan Building, Room 120  
Austin, Texas 78701



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

**COMMISSIONERS NOT PRESENT:** Chase Untermeyer.

**STAFF PRESENT:** Natalie Adalaja, Natalia L. Ashley, Margie Castellanos, Marta Cortes, Homer Diaz, Robbie Douglas, Nick Espinosa, Jessie Haug, Cristina Hernandez, Jessica Hurtado, Becky Levy, Bobby Mannas, Lowell McCormack, John Moore, Chris Ruby, Ian Steusloff, and Jim Tinley.

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**MINUTES**

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

**Formal hearing notice pursuant to Sections 551.002 and 571.139(b), Government Code, Open Meetings Requirement, and Section 12.117, Ethics Commission Rules.** Contested Case Proceeding; In the Matter of Michael Q. Sullivan, Respondent. Sworn Complaint Nos. SC-3120487 and SC-3120488, allege that the respondent did not file a registration as a lobbyist for calendar years 2010 and 2011, as required by section 305.003 of the Government Code.

Chair Clancy called the Commission to order. He stated that the Commission was ready to proceed with a formal hearing on sworn complaints SC-3120487 and SC-3120488. He stated that the Commission had reviewed the motions filed by each of the parties and that the motions would be taken under advisement and that, specifically, the motions would be carried.

The Chair then laid out the rules for the formal hearing. After that, he called the roll. All Commissioners were present except for Commissioner Untermeyer.

The Chair began the formal hearing by asking all witnesses who were going to testify to come up to the front of the dais so they could all be sworn in at the same time. After that, the Chair announced that the Commission was ready to proceed.

Commission staff then proceeded with its opening statement by presenting a brief overview of the facts and the issues for consideration. Commission staff stated that the issue in this case is whether the respondent was required to register as a lobbyist in 2010 and 2011 based on the compensation that was paid to him by Empower Texans.

Joe Nixon, the respondent's attorney, proceeded with his opening statement.

The Chair asked all witnesses who were going to testify to leave the room and reminded them while the hearing was being broadcast for the benefit of members of the public, they should not review any broadcast or any information regarding the broadcast until after being excused from their subpoena and their testimony in today's hearing.

The Chair asked Commission staff to proceed with its witnesses. Commission staff called the following witnesses: James Keffer, Vicki Truitt, Steve Bresnen, William Greenhaw, Robbie Douglas, Jessie Haug, and Michael Quinn Sullivan. After questioning the witnesses, Commission staff introduced additional explanatory information with regard to some of the documents contained in the notebook of documents to which both counsels had previously stipulated.

The Chair asked the counsel for the respondent, Mr. Nixon, to proceed. Mr. Nixon moved for a directed decision and urged the Commission to dismiss the complaints, find that they were frivolously filed, and sanction all who participated in them being filed.

Commission staff asked that Mr. Nixon's motion be denied. Mr. Nixon rebutted and again asked that the Commission dismiss the cases, find them to be frivolous, and sanction those who brought them.

The Chair stated that the Commission declined to grant the motion. Mr. Nixon asked for a vote of the Commission. Vice Chair Hobby made a motion in support of the rule of the Chair; second by Commissioner Harrison. Vote passed by a vote of seven ayes.

The Chair asked Mr. Nixon to call his first witness. Mr. Nixon called Mark Lisher. Commission staff questioned the witness under voir dire and then objected to Mr. Lisher's testimony as an expert witness for the respondent. The Chair overruled the objection and allowed Mr. Lisher's testimony. Mr. Nixon proceeded to question Mr. Lisher. Commission staff also questioned the witness.

Closing arguments were presented by Commission staff and Mr. Nixon.

The Chair then announced that the Commission will deliberate in the manner provided by law and will provide the parties with a final written order promptly. The Chair entertained a motion for adjournment. Motion made by Commissioner Ramsay, second by Commissioner Akin. Motion passed unanimously.

The Chair announced that the formal hearing and taking of evidence was concluded.