

**Texas Ethics Commission
Public Meeting Minutes**

December 14, 2018

9:00 a.m.

Capitol Extension

Room E1.014

Austin, Texas 78701

COMMISSIONERS PRESENT: Steven D. Wolens, Chair; Chad M. Craycraft, Vice Chair; Randall H. Erben, Chris Flood, Mary K. “Katie” Kennedy, Patrick W. Mizell, Richard S. Schmidt and Joseph O. Slovacek.

COMMISSIONERS NOT PRESENT: None.

STAFF PRESENT: Margie Castellanos, Terri Counts, Nick Espinosa, Betty Gallegos, Domingo Gonzales, Angela Goodwin, Jessie Haug, Cristina Hernandez, Haksoon Andrea Low, Amy Padilla, Ian Steusloff, Jim Tinley, Patty Williams, and Seana Willing.

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 either the video recording available to view online at: <http://www.house.state.tx.us/video-audio/capitol-events/>, or 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 Wolens. Seana Willing, Executive Director, called the roll. All Commissioners were present.

Agenda Item 2: Comments by Commission.

Chair Wolens addressed the Commission on this agenda item. No action was taken.

Agenda Item 3: Discussion regarding the next Texas Ethics Commission meeting.

Chair Wolens addressed the Commission. Chair Wolens, Commissioners Floods, and Seana Willing, Executive Director, responded and with comments. The next Texas Ethics Commission meetings are tentatively set for March 14, and 15, 2018, subject to change.

Agenda Item 4: Update regarding Texas Ethics Commission Legislative Appropriations request for FY 2020-2021.

Chair Wolens addressed the Commission. Chair Wolens and Commission Erben plan to attend hearing.

Agenda Item 5: Presentation by Commissioner Mizell regarding ease of navigating through electronic version of meeting materials using iPads, tablets or laptops.

Commissioner Mizell briefed the Commission on this agenda item. Chair Wolens, Vice Chair Craycraft, Commissioners Flood, Kennedy, and Slovacek, responded with question and comments.

Agenda Item 6: Approve minutes for the following meetings:

- **Executive Session – October 3, 2018**
- **Public Meeting – October 3, 2018; and**
- **Public Meeting – October 4, 2018**

Chair Wolens has requested the October 3-4, 2018, minutes reflect Commissioner Slovacek absent due to unexpected and important business. Minutes approved by unanimous consent.

Agenda Item 7: Discussion and possible action on appeal of fines increased by the Commission, and on appeals of determinations made under Ethics Commission Rules §§ 18.25 and 18.26 relating to administrative waiver or reduction of a fine, for the following individual: Amanda J. Marzullo (00065422).

Nick Espinosa, Deputy Director of Enforcement, briefed the Commission on this agenda item. Amanda J. Marzullo addressed the Commission on this agenda item. Chair Wolens, Commissioners Erben, Flood, Kennedy, and Slovacek, responded with questions and comments. Motion by Commissioner Slovacek to waive fines; second by Commissioner Schmidt. **Motion passed by a vote of eight ayes.**

Agenda Item 8: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 12.35, regarding frivolous complaints.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens and Seana Willing, Executive Director responded with questions and comments. Motion by Commissioner Kennedy to adopt Ethics Commission Rules § 12.35; second by Commission Slovacek. **Motion passed by a vote of eight ayes.**

Agenda Item 9: Discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 26.1, regarding political advertising on the Internet.

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens and Commissioner Erben responded with questions and comments. Motion by Commissioner Mizell to adopt Ethics Commission Rules § 26.1; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

Agenda Item 10: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Texas Ethics Commission Rules § 50.1 (Legislative Per Diem) relating to the legislative per diem required to be set under Article III, Section 24a, of the Texas Constitution.

Chair Wolens briefed the Commission on this agenda item. Commissioner Kennedy responded with questions and comments. Motion by Commissioner Flood to adopt Texas Ethics Commission Rules § 50.1 (Legislative Per Diem) relating to the legislative per diem required to be set under Article III, section 24a, of the Texas Constitution; second by Commission Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 11: Discussion and possible action on the adoption or proposal and publication in the Texas Register of new rule § 34.77, regarding the disclosure of foreign agent registration number on file with United States Attorney General.

Chair Wolens briefed the Commission. Ian Steusloff, General Counsel, Commissioners Erben and Kennedy responded with questions and comments. Motion by Commissioner Slovacek to publish in the Texas Register new rule § 34.77, with edits; second by Commissioner Flood. **Motion passed by a vote of eight ayes.**

Agenda Item 12: Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules § 18.31 in regarding adjustments to reporting thresholds based on rate of inflation under Government Code § 571.064.

Chair Wolens briefed the Commission on this agenda item. Jessie Haug, Director of Computer Services and Disclosure Filing Division, addressed the Commission on this agenda item. Ian Steusloff, General Counsel, Commissioners Erben and Kennedy responded with questions and comments. Motion by Commissioner Flood to republish in the Texas Register Ethics Commission Rules § 18.31, with edits and implement upon funding from the legislature; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Vice Chair Craycraft was briefly off the dais during this agenda item.

Agenda Item 13: Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules § 16.12, regarding facial compliance reviews.

Chair Wolens briefed the Commission on this agenda item. Ian Steusloff, General Counsel responded to questions and comments. Motion by Commissioner Erben to publish in the Texas Register new Ethics Commission Rules § 16.12; second by Commissioner Schmidt. **Motion passed by a vote of eight ayes.**

Agenda Item 14: Discussion of Advisory Opinion Request No. SP-14: Whether a public officer may use government resources for political advertising.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens, Vice Chair Craycraft, Commissioners Erben, Flood, Kennedy, Mizell, Schmidt, and Slovacek responded with questions and comments. No action was taken. Chair Wolens asked opinion be redrafted.

Agenda Item 15: Update regarding Advisory Opinion Request No. SP-15: Whether an associate judge may wear judicial robes and use the title “associate judge” in political advertising.

Chair Wolens briefed the Commission on this agenda item. Commissioners Mizell, Slovacek, and Ian Steusloff, General Counsel, responded with questions and comments. Motion by Commissioner Mizell to adopt Agenda Item 15; second by Commissioner Slovacek. **Motion passed by a vote of eight ayes.**

Agenda Item 16: Discussion and possible action on a petition for rulemaking concerning the designation of a corporation's political contributions made to a general-purpose committee for administrative expenses under § 253.100 (a) of the Election Code.

Commissioner Erben briefed the Commission on this agenda item. Chair Wolens and Commissioner Erben responded with questions and comments. Motion by Commissioner Erben to publish in the Texas Register; second by Commissioner Flood. **Motion passed by a vote of eight ayes.**

Agenda Item 17: Discussion and possible action on the proposal and publication in the Texas Register of new and amended Ethics Commission rules regarding corporations and labor organizations making political expenditures to finance the establishment and administration of, and solicitation political contributions to, a general-purpose committee and making political contributions to a political committee for supporting or opposing measures exclusively under §§ 253.096 and 253.100 of the Election code.

Commissioner Erben briefed the Commission on this agenda item. Chair Wolens responded with comments. No action was taken.

Agenda Item 18: Discussion and possible action on any unfinished business from December 13, 2018 Public Meeting.

Chair Wolens addressed the Commission. No action was taken.

Agenda Item 19: Adjourn.

Motion by Chair Wolens to adjourn. **Commission meeting adjourned by unanimous consent.**

Meeting adjourned at 10:34 a.m.