

**Texas Ethics Commission
Public Meeting Minutes**

March 22, 2019

9:13 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, Nick Espinosa, Betty Gallegos, Domingo Gonzales, Jessie Haug, Cristina Hernández, Jordan Hunn, Haksoon Andrea Low, Amy Padilla, Ian Steusloff, Jim Tinley, Preston Tom, 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 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.

The following represents the actions taken by the Commission in the order they occurred during the meeting.

Agenda Item 1 (From March 22, 2019, Executive Session, immediately preceding this Public Agenda): Call to Order/Roll Call.

The meeting was called to order by Chair Wolens. Ian Steusloff, Interim Executive Director, called the roll. All Commissioners were present

Agenda Item 2: Discussion regarding dates for next Texas Commission meeting.

Chair Wolens addressed the Commission on this agenda item. Tentative dates for the next Commission meeting, subject to change, are June 27-28, 2019.

Agenda Item 4: Approve minutes for the following meetings:

- **Executive Session – December 13, 2018**
- **Public Meeting – December 13, 2018; and**
- **Public Meeting – December 14, 2018**

Chair Wolens addressed the Commission on this agenda item. Motion by Commissioner Schmidt to adopt the minutes in Agenda Item 4; second by Vice Chair Craycraft. **Motion passed by a vote of eight ayes.** Commissioner Kennedy responded with a correction to the December 14, 2018, meeting minutes. Motion by Commissioner Kennedy to reconsider the previous motion on the adoption of the minutes; second by Commissioner Schmidt. **Motion passed by a vote of eight ayes.** Motion by Commissioner Kennedy to adopt the minutes in Agenda Item 4, as amended; second by Commissioner Schmidt. **Motion passed by a vote of eight ayes.**

Agenda Item 5: Discussion and possible action to waive or reduce the late-filing penalty in connection with a corrected report or to determine whether the corrected report as originally filed substantially complied with the applicable law for the following individual and political committee:**2. Richard West “Bo” French (00070859).**

Chair Wolens and Ian Steusloff, Interim Executive Director, briefed the Commission on this agenda item. Trey Trainor addressed the Commission. Commissioner Kennedy responded with questions and comments. Motion by Commissioner Kennedy to waive the fine on Agenda Item 5, number 2; second by Commissioner Flood. **Motion passed by a vote of eight ayes.**

1. Elizabeth Graham, Treasurer, Texas Right to Life PAC (GPAC)(00016515)

Chair Wolens briefed the Commission on this agenda item. Chair Wolens, Commissioner Mizell, and Ian Steusloff, Interim Executive Director, responded with comments. Motion by Commissioner Mizell to accept staff recommendations of substantial compliance on the first report and waiver on the second and third reports on Agenda Item 5, number 1; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 3: Discussion regarding per diem applicable to Commission members.

Chair Wolens addressed the Commission on this agenda item. Margie Castellanos, Senior Legal Secretary, addressed the Commission. Chair Wolens, Commissioner Kennedy, and Ian Steusloff, Interim Executive Director, responded with questions and comments. No action was taken.

Agenda Item 6: Discussion and possible action on the adoption and publication in the Texas Register of new Ethics Commission Rules § 34.77, regarding the requirement that a lobbyist registered with the Texas Ethics Commission disclose a registration made under the Foreign Agent Registration Act.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens and Ian Steusloff, Interim Executive Director, responded with questions and comments. Motion by Vice Chair Craycraft to adopt new Ethics Commission Rule § 34.77; second by Commission Slovacek. **Motion passed by a vote of eight ayes.**

Agenda Item 7: Discussion and possible action on the adoption and publication in the Texas Register of new Ethics Commission Rules § 18.31, regarding adjustments to reporting thresholds under Government Code § 571.064 based on the rate of inflation.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens and Jessie Haug, Director of Computer Services and Director of Disclosure Filing, responded with questions and comments. Motion by Commissioner Slovacek to adopt new Ethics Commission Rule § 18.31; second by Commissioner Erben. **Motion passed by a vote of eight ayes.**

Agenda Item 8: Discussion and possible action on the adoption and publication in the Texas Register of new Texas Ethics Commission Rules § 16.12, regarding facial compliance reviews.

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt new Ethics Commission Rule § 16.12; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

Agenda Item 9: Discussion and possible action on the adoption and publication in the Texas Register of new rule § 24.18, regarding 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.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens and Commissioners Erben, Kennedy, and Schmidt responded with questions and comments. Motion by Commissioner Erben to adopt new Ethics Commission Rule § 24.18; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

Agenda Item 10: Discussion and possible action regarding procedures for advisory opinion requests received by the Texas Ethics Commission.

Chair Wolens and Ian Steusloff, Interim Executive Director, briefed the Commission on this agenda item. Chair Wolens directed Mr. Steusloff to present a draft template for those requesting advisory opinions to use at the next Commission meeting.

Agenda Item 11: 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 and Commissioners Flood, Kennedy, and Mizell responded with questions and comments. No action was taken. Chair Wolens requested that the opinion be redrafted.

Agenda Item 12: Discussion of Advisory Opinion Request No. SP-16: Whether the secretary of state is a statewide officeholder for purposes of Title 15 of the Election Code.

Chair Wolens briefed the Commission on this agenda item. Chair Wolens, Commissioners Kennedy, Mizell and Slovacek, and Ian Steusloff, Interim Executive Director, responded with questions and comments. Motion by Commissioner Mizell to adopt Agenda Item 12; second by Commissioner Slovacek. **Motion passed by a vote of eight ayes. SP-16 is adopted.**

Agenda Item 13: Reports more than 30 days late: Discussion and possible action regarding the imposition of an additional fine on the following filers:

Personal Financial Statements

- 1. Julian Ybarr, Jr. (00070645)**
- 2. Seth Andrew Sutton (00082500)**

Chair Wolens briefed the Commission on this agenda item. Motion by Commissioner Slovacek to accept staff recommendations and increase the penalties from \$500 to \$1,000 on Agenda Item 13, numbers 1 and 2; second by Commissioner Schmidt. **Motion passed by a vote of eight ayes**

Agenda Item 14: Update on accepting payments of fines by credit card.

Chair Wolens and Ian Steusloff, Interim Executive Director, briefed the Commission on this agenda item. No action was taken.

Agenda Item 15: Update on legislative action concerning the Commission's budget.

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

Agenda Item 16: Discussion and possible action on any unfinished business from March 21, 2019, Public Meeting.

Commissioner Erben requested information on pending legislation (Agenda Item 2 from the March 21, 2019 Public Meeting). Ian Steusloff, Interim Executive Director, briefed the Commission on this agenda item. Commissioner Erben and Mr. Steusloff responded with questions and comments. No action was taken.

Agenda Item 17: Adjourn.

Motion by Vice Chair Craycraft to adjourn; second by Commissioner Slovacek. **Commission meeting adjourned by unanimous consent.**

Meeting adjourned at 9:57 a.m.