



## TEXAS ETHICS COMMISSION MEETING MINUTES

### Public Meeting Minutes

December 2, 2020, 9:12 a.m.

Via Teleconference



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

**COMMISSIONERS NOT PRESENT:** All Present

**STAFF PRESENT:** Joe Brocato, Sonya Caldwell, Margie Castellanos, Nick Espinosa, Betty Gallegos, Jessie Haug, Cristina Hernández, Jordan Hunn, J.R. Johnson, Haksoon Andrea Low, Natalie McDermon, Amy Padilla, Anne Temple Peters, Lindsay Powers, Margaret Sanchez, Patti Shannon, Jim Tinley, and Preston Tom.

## MINUTES

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 Craycraft. Anne Temple Peters, Executive Director, called the roll. All Commissioner were present.

### **Agenda Item 2: Executive session pursuant to Section 551.071, Government Code, Consultation with Attorneys, and Section 551.074, Government Code, Personnel Matters; Closed Meeting.**

- A. Discussion of pending litigation to seek legal advice relating to the following:
- i. Cause No. D-1-GN-17-001878: *Texas Ethics Commission v. Michael Quinn Sullivan*, in the 250th Judicial District Court in Travis County, Texas; Cause No.03-17-00392-CV: *Michael Quinn Sullivan v. Texas Ethics Commission*, in the Third Court of Appeals

- at Austin, Texas; and Cause No. 18-0580: *Michael Quinn Sullivan v. Texas Ethics Commission*, in the Supreme Court of Texas.
- ii. Cause No. D-1-GN-15-004455: *Texas Ethics Commission v. Empower Texans, Inc. and Michael Quinn Sullivan*, in the 345<sup>th</sup> Judicial District Court of Travis County, Texas; and related case, Cause No. 03-16-00872-CV: *Empower Texans, Inc., and Michael Quinn Sullivan v. Texas Ethics Commission*, in the Third Court of Appeals, Austin, Texas.
- B. Discussion of personnel matters.
- C. Reconvene in open session and Public meeting at 10:15am.

**Agenda Item 3: Discussion regarding dates for next quarterly Commission meeting.**

Chair Craycraft briefed the Commission on this agenda. Chair Craycraft, Vice Chair Kennedy, and Commissioners Erben, Flood, Mizell Schmidt, Slovacek and Wolens responded with questions and comments. Tentative dates for the next Commission meeting, subject to change, are March 11-12, 2020.

**Agenda Item 4: Approve minutes for the following meetings:**

- **Public Meeting – September 15 , 2020; and**
- **Prehearing Conference in Sworn Complaint No. SC-3180254, In the Matter of Robert L. “Bob” Hall, III, Respondent – June 19, 2020.**

Chair Craycraft briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt the minutes in Agenda Item 4; second by Commissioner Mizell. Motion passed unanimously.

**Agenda Item 5: Discussion and possible action on appeals of determinations made under Ethics Commission on Rules §§ 18.25 and 18.26 relating to administrative waiver or reduction of a fine for the following filers:**

- 1. Nicole Both, Lobbyist (00083524)**
- 2. IEA Political Action Committee, treasurer Shakel Ahmed (00080061)**
- 3. Timothy Ottinger, Lobbyist (00069333)**
- 4. Rockwall Republican County Executive Committee General Purpose PAC, Treasurer Peter Flores (00056027)**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Nicole Booth represented by Soujoud Hamade and Timothy Ottinger addressed the Commission. Chair Craycraft, Vice Chair Kennedy, and Commissioner Erben, Flood, Mizell, Schmidt, Slovacek and Wolens responded with questions and comments. Motion by Vice Chair Kennedy to waive the fine on Agenda Item 5, number 1; second by Commissioner Flood. **Motion passed unanimously.** Motion by Commissioner Flood to adopt staff recommendation on Agenda Item 5, number 2; second by Commissioner Mizell. **Motion passed unanimously.** Motion by Commissioner Slovacek to waive the fine on Agenda Item 5, number 3; second by Vice Chair Kennedy. **Motion passed unanimously.** Motion by Commissioner Wolens to waive the fine on Agenda Item 5, number 4; second by Commissioner Slovacek. **Motion passed unanimously.**

**Agenda Item 6: Draft Advisory Opinion No. AOR-637: Whether a for-profit limited liability company (LLC) may operate a contribution-processing website platform to be used by third parties to solicit, collect, and disperse political contributions to candidates as designated by third parties without having to register and report with the Commission.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Donna Garcia Davidson addressed the Commission. Chair Craycraft, Vice Chair Kennedy, Commissioners Erben, Mizell, Schmidt, Slovacek and Wolens and Mr. Johnson responded with questions and comments. Motion by Commissioner Erben to adopt Agenda Item 6 as drafted; second by Commissioner Slovacek. Anne Temple Peters, Executive Director called the role. Chair Craycraft, Vice Chair Kennedy, and Commissioners Erben, Flood, and Slovacek voted yes; Commissioners Mizell, Schmidt, and Wolens voted no. **Motion passed by a vote of five ayes.**

**Agenda Item 7: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to 1 Tex. Admin. Code §§ 18.23 and 18.24, regarding changes to administrative waiver rules.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Chair Craycraft, Commissioner Wolens, Anne Temple Peter, Executive Director, and Mr. Johnson responded with question and comments. Motion by Commissioner Schmidt to adopt Agenda Item 7; second by Commissioner Slovacek. **Motion passed unanimously.**

**Agenda Item 8: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to 1 Tex. Admin. Code § 50.1 (Legislative Per Diem) relating to the legislative per diem required to be set under Article III, Section 24a, of the Texas Constitution.**

J.R. Johnson, General Counsel briefed the Commission on this agenda item. Motion by Commissioner Wolens to adopt Agenda Item 8; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 9:**      **Discussion and possible action on the proposal and publication in the Texas Register of amendments to 1 Tex. Admin. Code § 20.434 (Alternate Reporting Requirements for General-Purpose Committees) to correct errors in cross-references to other rules.**

J.R. Johnson, General Counsel briefed the Commission on this agenda item. Motion by Commissioner Flood to publish Agenda Item 9; second by Commissioner Mizell. **Motion passed unanimously.**

**Agenda Item 10:**      **Discussion and possible action on the proposal and publication in the Texas Register of amendments to 1 Tex. Admin. Code § 18.15 (Additional Fine), regarding procedures for increasing fines.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Commissioner Slovacek and Mr. Johnson, responded with questions and comments. Motion by Commissioner Erben to publish Agenda Item 10; second by Commissioner Mizell. **Motion passed unanimously.**

**Agenda Item 11:**      **Discussion regarding recommendations for statutory changes to the 87<sup>th</sup> Legislature as required by Tex. Govt Code § 571.073.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Chair Craycraft, Vice Chair Kennedy, Commissioners Erben, Flood, Mizell, Slovacek and Wolens, Mr. Johnson, and Anne Temple Peters, Executive Director, responded with questions and comments. Motion by Commissioner Mizell to approve all recommendations as directed to be amended on Agenda Item 11; second by Commissioner Flood. **Motion passed unanimously.** Motion by Commissioner Wolens to ask the Legislature to reconsider the threshold law to make it easier; second by Commissioner Mizell. **Motion passed unanimously.** Commissioner Wolens directed staff to send the Texas Ethics Commission's recommendations to the Speaker of the House, Lieutenant Governor, the Governor, and all Legislators.

**Agenda Item 12:**      **Adjourn.**

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

Meeting adjourned at 12:18pm.



**TEXAS ETHICS COMMISSION MEETING MINUTES**  
**Public Meeting Minutes**  
December 18, 2020, 1:31 p.m.  
Via Teleconference



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

**COMMISSIONERS NOT PRESENT:** All Present

**STAFF PRESENT:** Margie Castellanos, Jessie Haug, Cristina Hernández, J.R. Johnson, Haksoon Andrea Low, Natalie McDermon, Amy Padilla, Anne Temple Peters, Margaret Sanchez, Patti Shannon, Jim Tinley, and Preston Tom.

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**MINUTES**

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**Agenda Item 1: Call to Order/Roll Call.**

The meeting was called to order by Chair Craycraft. Anne Temple Peters, Executive Director, called the roll. All Commissioner were present.

**Agenda Item 2:** Motion to rescind the adoption of the amendment to 1 Tex. Admin. Code § 50.1, regarding Legislative Per Diem, from the December 2, 2020 Commission meeting.

Chair Craycraft briefed the Commission on this agenda item. Commissioner Slovacek responded with comments. Motion by Commissioner Slovacek to rescind the adoption of the amendment to 1 Tex. Admin. Code § 50.1 made at the December 2, 2020 meeting; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 3: Adjourn.**

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

Meeting adjourned at 1:36pm.