



## TEXAS ETHICS COMMISSION MEETING MINUTES

### Public Meeting Minutes

February 25, 2022, 9:08 a.m.

Capitol Extension, Room E1.014

Austin, Texas 78701



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

**COMMISSIONERS NOT PRESENT:** All Present

**STAFF PRESENT:** Joe Brocato, Margie Castellanos, Carmen Dalpaiz, Nick Espinosa, Betty Gallegos, Jessie Haug, Cristina Hernández, Jordan Hunn, J.R. Johnson, Natalie McDermon, Amy Padilla, Anne Temple Peters, Lindsay Powers, Frances Ramirez, Margaret Sanchez, Patti Shannon, Scarlett Scalzo and Jim Tinley.

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## 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 Kennedy. Anne Temple Peters, Executive Director, called the roll. All Commissioners 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 250<sup>th</sup> 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.
- iii. Cause No. D-1-GN-21-003269, *Michael Quinn Sullivan v. Texas Ethics Commission*, in the 459<sup>th</sup> Judicial District Court in Travis County, Texas.
- iv. Cause No. 21-00140: *Texas Ethics Commission v. Robert L. "Bob" Hall, III*, in the 294<sup>th</sup> Judicial District Court in Van Zandt County, Texas.

- B. Discussion of pending and contemplated litigation regarding the collection of imposed penalties.
- C. Discussion of personnel matters.
- D. Reconvene in open session, at 9:56 a.m. No action was taken.

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

Chair Kennedy briefed the Commission on this agenda item. Vice Chair Erben and Commissioners Mizell and Wolens responded with questions and comments. Tentative dates for the next commission meeting, subject to change, are May 11, 2022 and May 12, 2022.

**Agenda Item 4: Approve minutes for the following meeting: Public Meeting – December 9, 2021.**

Chair Kennedy briefed the Commission on this agenda item, and requested several changes to the draft minutes. Motion by Vice Chair Erben to approve the minutes in Agenda Item 4, as amended; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 5: Discussion and possible action on appeals of determinations made under Ethics Commission Rules §§ 18.11, 18.25 and 18.26 relating to administrative waiver or reduction of a fine, for the following filers:**

1. **Kelli Johnson (00080581)**
2. **Borris Miles (00052983).**

J.R. Johnson, General Counsel, briefed the Commission on Agenda Item 5, number 1. Chair Kennedy, Commissioner Flood and Mr. Johnson responded with questions and comments. Judge Johnson addressed the Commission. Motion by Commissioner Flood to reduce the fine on Agenda

Item 5, number 1, to \$1,000; second by Commissioner Schmidt. **Motion passed unanimously.** J.R. Johnson briefed the Commission on Agenda Item 5, number 2. Chair Kennedy and Mr. Johnson responded with questions and comments. Motion by Chair Kennedy to reject the request for waiver on Agenda Item 5, number 2; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 6: Discussion and possible action regarding the termination of a campaign treasurer appointment for the following inactive individuals and political committees:**

**Individuals**

1. Michael D. Antalan (00084550)
2. Earl W. Davis II (00084868)
3. Undrai Fizer (00081828)
4. Michelle D. Hammel (00084446)
5. Rumaldo Solis (00080104)
6. Jessica M. Pallett (00080599)
7. Likeithia D. Williams (00084533)
8. Christopher Lauren Graham (00082437)
9. Theresa Bui Creevy (00083849)
10. Edward W. Espinosa (00084876)

**Political Committee**

11. We Love Aubrey, Matt Armstrong, Treasurer (00085069)
12. Erath County Republican Party (CEC), Kimberly J. Barrier, Treasurer (00042858)
13. Fight for Austin, Logan M. Cheney, Treasurer (00084984)
14. Wendy R. Davis for Governor, Inc., Wendy R. Davis, Treasurer (00069581)
15. Hispanic PAC of Dallas, Victor Garza, Treasurer (00016060)
16. Focus on the Kids PAC, Victor Garza, Treasurer (00080650)
17. Bexar County Tejano Democrats SD 26, Juan Roberto Hernandez, Treasurer (00085019)
18. Keep Texas Great PAC, Ashley R. Kamrath, Treasurer (00084902)
19. Citizens For a Better Farmers Branch, Steve Michelson, Treasurer (00085074)
20. Fort Bend Breakfast Club Political Action Committee, Charles G. Rencher, Treasurer (00084955).

Chair Kennedy briefed the Commission on this agenda item. Chair Kennedy, Commissioners Flood and Wolens, and Mr. Johnson responded with questions and comments. Motion by Commissioner Wolens to adopt staff recommendation on Agenda Item 6, numbers 1 through 20; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 7: Draft Advisory Opinion No. AOR-655: Whether the revolving door provision in Government Code section 572.054(b) prohibits a former**

**employee of a regulatory agency who participated in canceling a request for proposal (“RFP”) during her state service from receiving compensation for assisting with a response to a subsequent RFP for the same service or product.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Ross Fischer addressed the Commission. Motion by Vice Chair Erben to adopt Agenda Item 7; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 8: Draft Advisory Opinion No. AOR-657: Whether Chapter 572 of the Government Code prohibits a former employee of a regulatory agency from accepting certain employment.**

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

**Agenda Item 9: Draft Advisory Opinion No. AOR-658: Whether section 572.069 of the Government Code prohibits a former employee of a regulatory agency from accepting employment from an affiliate of a person that was involved in procurements or contract negotiations in which the employee participated during her state service.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Chair Kennedy, Commissioners Craycraft and Schmidt, and Mr. Johnson responded with questions and comments. Motion by Commissioner Schmidt to adopt Agenda Item 9; second by Vice Chair Erben. **Motion passed unanimously.**

**Agenda Item 10: Draft Advisory Opinion No. AOR-661: Whether the laws under the Commission’s jurisdiction prohibit a former employee of a state agency from accepting employment at another state agency.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Motion by Vice Chair Erben to adopt Agenda Item 10; second by Commissioner Schmidt. **Motion passed unanimously.**

**Agenda Item 11: Discussion and possible action on the adoption or proposal and publication in the Texas Register of new 1 Tex. Admin. Code § 22.37, regarding virtual currency contributions.**

J.R. Johnson, General Counsel, briefed the Commission on this agenda item. Mr. Sam Gostomski, and Mr. Reed Clay from the Texas Blockchain Council addressed the Commission. Chair Kennedy, Vice Chair Erben, Commissioners Flood, Mizell, Schmidt and Wolens, and Mr. Johnson responded with questions and comments. Motion by Commissioner Schmidt to republish Agenda Item 11 with amendments; second by Vice Chair Erben. **Motion passed unanimously.**

**Agenda Item 12: Adjourn.**

Motion by Commissioners Schmidt to adjourn; second by Chair Kennedy. **Commission meeting adjourned by unanimous consent.**

Meeting adjourned at 10:56 am.