



TEXAS ETHICS COMMISSION MEETING MINUTES

Executive Session Meeting Minutes

June 27, 2023, 3:09 p.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: Brandon Barrett, Margie Castellanos, Carmen Dalpiaz, Nick Espinosa, David Guilianelli, Jessie Haug, Jordan Hunn, J.R. Johnson, Natalie McDermon, Amy Padilla, Mark Pillsbury, Patti Shannon, Seth Smith, Jim Tinley, and Bill Wilson.

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. J.R. Johnson, 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 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; Cause No. 03-21-00033, *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 345th Judicial District Court of Travis County, Texas; and related cases, 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 459th Judicial District Court in Travis County, Texas; and related case, Cause No. 03-22-00133-CV: *Michael Quinn Sullivan v. Texas Ethics Commission*, in the Third Court of Appeals, Austin, Texas.
 - iv. Cause No. 1:22-cv-1371, *Orlando Salinas v. J.R. Johnson, et al.*, in the U.S District Court for the Western District of Texas, Austin Division.
 - v. Cause No. 22-CV-1130, *Matt Wiggins v. Texas Ethics Commission*, in the 122nd Judicial District of Galveston County, Texas.
 - vi. Cause No. 2023-DCL-01478, *Valleywide Pharmacy and DMI, Inc., vs. Texas Ethics Commission, by and through its Executive Director, J.R. Johnson, in his official capacity*, in the 445 Judicial District of Cameron County, Texas.
- B. Discussion of contemplated litigation and to seek legal advice regarding the collection of imposed penalties.
 - C. Discussion of contemplated litigation and to seek legal advice regarding the enforcement of Section 255.004 of the Election Code.
 - D. Discussion and possible action related to personnel matters regarding employee evaluations and compensation.
 - E. Legal advice regarding sworn compliant procedures.
 - F. Reconvene in open session.

Reconvened in open session at 4:20 p.m. **Commissioner Slovacek was absent.**

Motion by Vice Chair Erben to raise the salaries of the Executive Director and General Counsel to the maximum allowed by law; second by Commissioner Schmidt. **Motion passed by a vote of seven ayes.**

Commissioner Slovacek returned.

Agenda Item 3: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to 1 Tex. Admin. Code § 22.37, regarding virtual currency contributions.

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Vice Chair Erben, Commissioners Craycraft, Schmidt and Wolens, J.R. Johnson, Executive Director, and Mr. Tinley responded with questions and comments. Motion by Commissioner Schmidt to adopt Agenda Item 3; second by Vice Chair Erben. **Motion passed by a vote of seven ayes (Commissioner Wolens voted no).**

Agenda Item 4: Adjourn.

Meeting adjourned at 4:46 p.m. by unanimous consent.