

How to Get a Late Filing Penalty Waived or Reduced

Promoting Public Confidence in Government

TEXAS ETHICS
COMMISSION

TEC Administrative Fine Process



Reports at Issue
Fine Amounts



Correcting/Amending Reports
Substantial Compliance



Waiver / Reduction Process



Appeals

First Step:

- Don't Panic

By the Numbers

Determination

- Total Determinations
 - 1079
- Waived
 - 486
- Reduced
 - 291
- Denied
 - 277
- Good standing
 - 18

Appeal

- Waived
 - 53
- Reduced
 - 13
- Denied
 - 2

Reports at Issue

- Filed with the TEC
 - Lobby report / registration
 - Personal Financial Statement
 - Campaign finance report

Late Reports

Electronic

- Considered timely filed if it is successful transmitted by midnight, Central Time Zone, on the due date

Paper

- Pre-election reports
 - *Received* by the filing deadline
- Other reports
 - Postmarked or hand delivered by the deadline

Fine Amounts

\$500

- Campaign finance reports*
 - [§254.042\(b\), Elec. Code](#)
- Lobby reports and registration
 - [§305.033, Gov't Code](#)
- Personal Financial Statements
 - [§572.033, Gov't Code](#)

Increasing

- 8-day pre-election report
 - [§254.042\(b\), Elec. Code](#)
- *SOME* Semi-annuals
 - First semiannual after an election for candidates, officeholders, and GPACs
 - [§254.042\(b\), Elec. Code](#)

HB89

The commission may not impose a civil penalty on a general-purpose committee for a violation of this chapter if the report filed by the committee that is the subject of the violation discloses that the committee did not accept political contributions totaling \$3,000 or more, accept political contributions from a single person totaling \$1,000 or more, or make or authorize political expenditures totaling \$3,000 or more during:

- 1) the reporting period covered by the report that is the subject of the violation; or
- 2) either of the two reporting periods preceding the reporting period described by Subdivision (1)

[Tex. Elec. Code § 254.164](#)

Correcting Reports

A corrected/amended report submitted after the original report was due is subject to a late fine.

[1 Tex. Admin. Code § 18.9\(d\)](#)

Correcting Reports

Subsection (d) does not apply to:

(1) a lobby or registration report, other than an activities report, that is corrected/amended not later than the 14th business day after the date the filer became aware of the errors or omissions in the original registration or report

[1 Tex. Admin. Code § 18.9\(e\)\(1\)](#)

Correcting Reports

Subsection (d) does not apply to:

(2) a semiannual report that is corrected/amended before the eighth day after the original report was filed;

[1 Tex. Admin. Code § 18.9\(e\)\(2\)](#)

Correcting Reports

Subsection (d) does not apply to:

(3) a semiannual report that is corrected/amended on or after the eighth day after the original report was filed if:

(A) the correction/amendment is made before a sworn complaint is filed with regard to the subject of the correction/amendment; and

(B) the original report is made in good faith and without an intent to mislead or misrepresent the information contained in the report

[1 Tex. Admin. Code § 18.9\(e\)\(3\)](#)

Correcting Reports

Subsection (d) does not apply to:

(5) a report other than an 8-day pre-election report that is corrected/amended not later than the 14th business day after the date the filer learns the report as originally filed is inaccurate or incomplete if:

(A) the errors or omissions were made in good faith;
and

(B) the filer files an affidavit stating that the errors or omissions in the original report were made in good faith

[1 Tex. Admin. Code § 18.9\(e\)\(5\)](#)

Substantial Compliance

Subsection (d) does not apply to:

(4) an 8-day pre-election report that is corrected/amended in accordance with § 18.10 of this title

[1 Tex. Admin. Code § 18.9\(e\)\(4\)](#)

Substantial Compliance

A corrected/amended 8-day pre-election report substantially complies with applicable law and will not be assessed a late fine if:

- (1) Good faith, not later than 14 days after the filer learned of the errors;
- (2) The only corrections/amendments were to correct the following types of errors:

[1 Tex. Admin. Code § 18.9\(e\)\(4\)](#)

Substantial Compliance

- Technical, clerical, de minimis, administrative, minor in context, deleting duplicate information;
- Adding or deleting from the outstanding loans total an amount of loans made from personal funds
- Adding the name of each candidate supported or opposed by the committee, when each name was originally disclosed on the appropriate schedule for disclosing political expenditures;
- Correcting an overestimation reported on the original report

[1 Tex. Admin. Code § 18.10\(a\)\(2\)](#)

Substantial Compliance

- Disclosing one or more errors in contributions, expenditures, loans, or contributions maintained that, in total:
 - Do not exceed \$7,500; or
 - Do not exceed the lessor of 10% of the amount originally disclosed or \$20,000

[1 Tex. Admin. Code § 18.10\(b\)\(D\)-\(G\)](#)

Waiver/Reduction Requirements

- Report at issue filed
- All other reports filed
- No outstanding fines

[1 Tex. Admin. Code § 18.21\(b\)](#)

210 Day Deadline

“The commission will not consider a request [to reduce or waive a fine] unless the filer, not later than 210 days after the report or statement was due...”

[1 Tex. Admin. Code § 18.21\(b\)](#)

Upon a showing of good cause, the executive director may extend the deadline in subsection (b) of this section.

[1 Tex. Admin. Code § 18.21\(c\)](#)



TEXAS ETHICS COMMISSION STATEMENT OF DEFENSE

Complete this form if you are raising a defense to a late filing.
You must complete either Jurat 1 or Jurat 2 below.

OFFICE USE ONLY
Date Received
Date Postmarked
Date Processed
MID #
LOG:

Filer Name	Filer ID #
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I swear, or affirm, under penalty of perjury, that the following statement is in all things true and correct:

This statement is filed for the _____ report due on _____
(type of report)
(report due date). I learned that the report was late on _____
(date)

by _____
(how filer learned the report was late)

A Statement of Defense must be filed within 210 days, absent good cause for missing the deadline. Is this affidavit being submitted more than 210 days after the report referenced was due? Yes No

If yes, please explain why you have good cause for submitting the affidavit late:

The reasons for requesting a waiver or reduction are (attach additional pages if necessary):

Statement of Defense

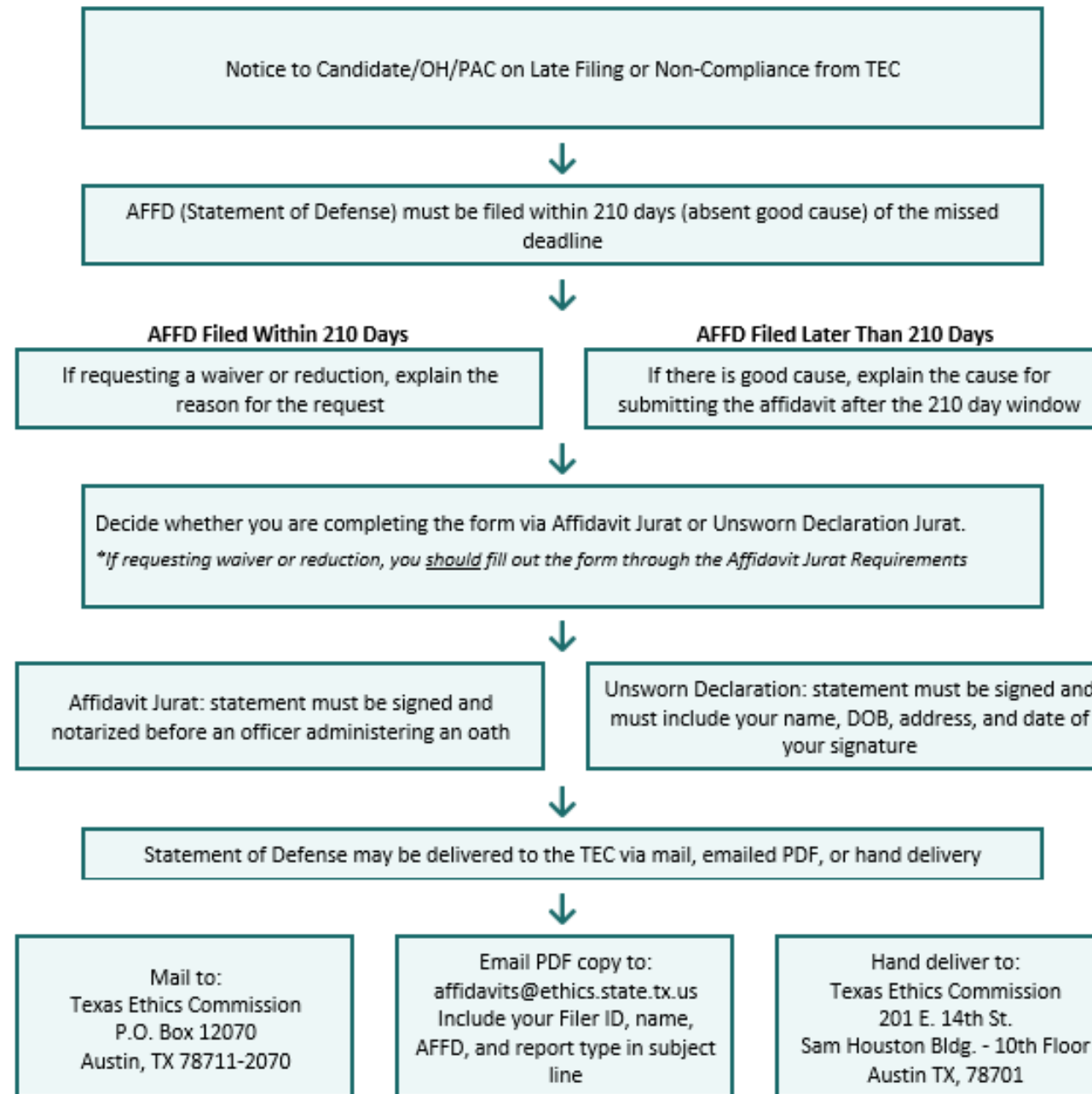


Chart by Ryan McCartney

\$500 fine reports

# OF PRIOR LATE OFFENSES IN PAST 5 YEARS	ADJUSTED FINE
0	Waiver
1	\$100
2	\$250
3 or more	No reduction or waiver

Prior late reports

A “prior late offense” is any report for which a civil penalty for late filing was assessed, regardless of whether the civil penalty was waived or reduced. The term does not include:

- (1) reports for which no late notices were sent and the filer did not request that the civil penalty be waived or reduced for the prior late report; and
- (2) reports determined by the executive director to be not required

[1 Tex. Admin. Code § 18.24\(a\)](#)

Increasing Fine Reports

Prior Late Offenses	Total Political Expenditures or Contributions in Reporting Period									
	<\$5k	<\$10k	<\$20k	<\$30k	<\$40k	<\$50k	<\$60k	<\$70k	<\$80k	<\$90k
0	\$0	90%	80%	70%	60%	50%	40%	30%	20%	10%
1	\$100	70%	60%	50%	40%	30%	20%	10%	0%	0%
2	\$250	50%	40%	30%	20%	10%	0%	0%	0%	0%

Appeals

A filer may appeal a determination made under §§18.25 or 18.26 of this title by submitting a request for appeal in writing to the commission within thirty (30) calendar days from the date of the letter informing the filer of the decision.

[1 Tex. Admin. Code § 18.24\(b\)](#)

Appeals



TEXAS ETHICS COMMISSION DETERMINATION APPEAL

Complete this form if you are appealing a determination to a late filing. You must complete either Jurat 1 or Jurat 2 below. See Instructions on back.

Filer Name	Filer ID #
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I swear, or affirm, under penalty of perjury, that the following statement is in all things true and correct:

This statement is filed for the _____ report due on _____
(type of report)

_____ I filed my Statement of Defense on _____
(report due date) (date)

I received my determination letter on _____
(date determination letter received)

I understand that the Executive Director may review this appeal and reconsider the determination or set it for a hearing before the commissioners at a future public commission meeting, at which time the commissioners may affirm the determination or make a new determination based on the facts set forth in this appeal. I also understand that I will have an opportunity to address the commissioners at that meeting.

- I will not attend this meeting I will attend this meeting in person I will attend this meeting virtually

The reasons for requesting an appeal (be sure to include any additional relevant information not provided in your Statement of Defense) are:

OFFICE USE ONLY
Date Received
Date Postmarked
Date Processed
MID #
LOG:

Appeals

appeals@ethics.state.tx.us

Questions?



Email: helpline@ethics.state.tx.us



FAQs: <https://www.ethics.state.tx.us/resources/FAQs/>