

TEXAS ETHICS COMMISSION

IN THE MATTER OF

YOLANDA NAVARRO FLORES,

RESPONDENT

§
§
§
§
§

BEFORE THE

TEXAS ETHICS COMMISSION

SC-240446

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission met on July 16, 2004, to consider sworn complaint SC-240446. A quorum of the commission was present. The commission determined that there is credible evidence of a violation of section 254.031 of the Election Code, a law administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposes this resolution to the respondent.

II. Allegations

The complainant alleges that the respondent, a candidate for the legislature, made political contributions in the name of another, unlawfully accepted political contributions, and made political expenditures from unlawful contributions.

III. Facts Supported by Credible Evidence

Credible evidence available to the commission supports the following findings of fact:

1. The respondent was a candidate for the state senate in the March 2004 primary.
2. The complainant alleges that five contributions, which the respondent reported on her 30-day pre-election report, were actually made by another person or persons. The complainant states he was suspicious of the five contributions (totaling \$9,000) because the contributions were supposedly made by young members of the respondent's extended family.
3. In her sworn response, the respondent states that the five contributors in fact did not make the contributions. The respondent states that she took out a \$35,000 loan from a financial institution in January 2004. The respondent states that her daughter and another campaign volunteer took it upon themselves to report the \$35,000 loan on the 30-day pre-election report not as a loan but as several contributions from individuals so as to give the impression that the respondent had more financial support than in fact was the case.

4. The respondent submitted affidavits from her daughter and the volunteer who state that they were responsible for the incorrect reporting of the loan. The daughter states that she filed the report electronically with the commission without telling her mother of what she and the volunteer had done. The respondent swears that she approved the report without first reviewing it. After the sworn complaint was filed, the respondent filed a corrected report.

IV. Findings and Conclusions of Law

The facts described in Section III support the following findings and conclusions of law:

1. Each report must include the amount of loans that are made during the reporting period. ELEC. CODE § 254.031(a)(2).
2. The respondent was an opposed candidate in the primary election, and thus required to file a 30-day pre-election report. ELEC. CODE § 254.064(b).
3. The reporting period for the pre-election report ended January 29, 2004.
4. The respondent accepted a \$35,000 loan from a financial institution on January 28, 2004. Therefore, the respondent was required to report the \$35,000 loan on the 30-day pre-election report, which she failed to do. Therefore, there is credible evidence that the respondent violated section 254.031(a)(2) of the Election Code.

V. Representations and Agreement by Respondent

By signing this order and agreed and agreed resolution and returning it to the commission:

1. The respondent neither admits nor denies the facts described under Section III or the commission's findings and conclusions of law described under Section IV, and consents to the entry of this order and agreed resolution solely for the purpose of resolving this sworn complaint.
2. The respondent consents to this order and agreed resolution and waives any right to further proceedings in this matter.
3. The respondent acknowledges that each report must include the amount of loans that are made during the reporting period. The respondent agrees to fully comply with this requirement of the law.

VI. Confidentiality

This order and agreed resolution describes a violation that the commission has determined is neither technical nor *de minimis*. Accordingly, this order and agreed resolution is not confidential under section 571.140 of the Government Code, and may be disclosed by members and staff of the commission.

VII. Sanction

After considering the seriousness of the violation described under Sections III and IV, including the nature, circumstances, and consequences of the violation, and after considering the sanction necessary to deter future violations, the commission imposes a \$1,000 civil penalty.

VIII. Order

The commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-240446.

AGREED to by the respondent on this _____ day of _____, 20____.

Yolanda Navarro Flores, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
Sarah Woelk, Acting Executive Director