



in political expenditures made from personal funds on Schedule G. When the \$1,500 loan and the amount disclosed on Schedule G are added together, the total is the amount disclosed by the respondent as total outstanding loans. In response to the complaint the respondent swore that all amounts were properly disclosed. The respondent explained that the \$1,500 loan from herself disclosed on Schedule E was made to open a campaign bank account.

### **Filing of Semiannual Campaign Finance Reports**

3. The complaint alleged that the respondent failed to file January and July 2010 semiannual campaign finance reports. In response to the complaint, the respondent swore that she was an unsuccessful candidate in the May 2009 election and filed what she believed was a final report with the Arlington City Secretary on July 15, 2009. However, while that report was marked as a July 2009 semiannual report, it was not marked as a final report, and did not include an affidavit designating it as a final report. On January 11, 2011, the respondent filed a correction to the July 2009 semiannual report with the Arlington City Secretary and marked the report as a final report. In the correction affidavit, she swore that she had no reportable activity after the original report was filed.

## **IV. Findings and Conclusions of Law**

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

### **Disclosure of Political Expenditures and Loans**

1. Each campaign finance report must include the aggregate principal amount of all outstanding loans as of the last day of the reporting period. ELEC. CODE § 254.031(a)(2).
2. Each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
3. Each report must include the total amount of all political contributions and the total amount of all political expenditures made during the reporting period. ELEC. CODE § 254.031(a)(6).
4. A candidate or officeholder who makes political expenditures from the candidate's or officeholder's personal funds may report the amount expended as a loan and may reimburse those personal funds from political contributions in the amount of the reported loan. ELEC. CODE § 253.0351(a).
5. If a candidate uses her personal funds to make political expenditures, she may disclose the amount expended as a loan. The respondent properly disclosed political expenditures on the corresponding individual reporting schedules of her 30-day pre-election report. However, in the totals section of the cover sheet, the respondent improperly disclosed the amount of total political expenditures (she reported the amount disclosed on Schedule F

but failed to include the amount disclosed on Schedule G). With regard to the disclosure of outstanding loans, it appears that the respondent disclosed the \$1,500 deposit to open her campaign account as a loan. The use of personal funds, if reported on Schedule E, should reflect only the amount of personal funds actually expended by the candidate. Nevertheless, the errors in disclosing political expenditures and outstanding loans were, in context, *de minimis*. Therefore, there is credible evidence of technical or *de minimis* violations of sections 254.031(a)(2) and 254.031(a)(6) of the Election Code.

### **Filing of Semiannual Campaign Finance Reports**

6. A candidate is required to file two reports each year. The first report must be filed by July 15. The report covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30. ELEC. CODE §§ 254.063(a), 254.063(b).
7. The second report shall be filed not later than January 15. The report covers the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through December 31. ELEC. CODE §§ 254.063(a), 254.063(c).
8. The designation of a report as a final report terminates a candidate's campaign treasurer appointment. ELEC. CODE § 254.065(b).
9. Although the respondent was unsuccessful in the May 2009 election, she did not file a final report after the election. Although the respondent filed a correction that attempted to file a final report retroactively, the respondent still had an active campaign treasurer appointment on file after the election and she was still a candidate for filing purposes and thus, was required to file the January and July 2010 semiannual reports. Therefore, there is credible evidence of violations of section 254.063 of the Election Code.

### **V. Representations and Agreement by Respondent**

By signing this order 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 campaign finance report must include the aggregate principal amount of all outstanding loans as of the last day of the reporting period. The respondent also acknowledges that each report must include the total amount

of all political contributions and the total amount of all political expenditures made during the reporting period. The respondent also acknowledges that a candidate is required to file two reports each year. The first report must be filed by July 15. The report covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, and continuing through June 30. The second report shall be filed not later than January 15. The report covers the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, and continuing through December 31. The respondent agrees to comply with these requirements of the law.

### **VI. Confidentiality**

This order and agreed resolution describes violations that the commission has determined are 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 violations described under Sections III and IV, including the nature, circumstances, and consequences of the violations, and after considering the sanction necessary to deter future violations, the commission imposes a \$100 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-31008262.

AGREED to by the respondent on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Thresa A. "Terry" Meza, Respondent

EXECUTED ORIGINAL received by the commission on: \_\_\_\_\_.

Texas Ethics Commission

By: \_\_\_\_\_  
David A. Reisman, Executive Director