

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
WILLIAM “BILL” LINDQUIST,	§	
CAMPAIGN TREASURER,	§	TEXAS ETHICS COMMISSION
WCS – TEXAS SOLUTION PAC,	§	
	§	
RESPONDENT	§	SC-3120248

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on November 29, 2012, to consider sworn complaint SC-3120248. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 253.037 and 254.036 of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposed this resolution to the respondent.

II. Allegations

The complaint alleged that the respondent, as campaign treasurer for a general-purpose committee: 1) did not include a properly executed affidavit in a campaign finance report; and 2) made or authorized political contributions or political expenditures totaling more than \$500 for the committee at a time when the committee had not accepted political contributions from at least 10 persons.

III. Facts Supported by Credible Evidence

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

1. The respondent is the campaign treasurer of “WCS – Texas Solution PAC” (also known as “TEXSOL PAC”), a general-purpose committee in Dallas, Texas. The complaint alleged that the respondent made or authorized approximately \$64,500 in political expenditures for the committee that were unlawful because the committee had not accepted political contributions from at least ten persons before the expenditures were made. The complaint also alleged that one of the committee’s campaign finance reports did not include a properly executed affidavit because it did not include a proper signature.

2. The committee filed its campaign treasurer appointment with the commission on June 21, 2011. The appointment named the respondent as the campaign treasurer and appointed another individual as an assistant campaign treasurer. The appointment also identified Waste Control Specialists LLC as a controlling entity for the committee and did not identify any contribution or expenditure decision makers.
3. According to documents filed with the Texas Secretary of State, the respondent is the chief executive officer and a director of Waste Control Specialists LLC.
4. The committee filed its July 2011 semiannual report with the commission on July 15, 2011. The report disclosed that the committee had no activity during the reporting period. The report was filed on paper and included an affidavit bearing the signature of an individual “for William J. Lindquist” on the line required to include the “Signature of Campaign Treasurer.” The individual who signed the report was not a campaign treasurer or assistant campaign treasurer for the committee.
5. The respondent filed a January 2012 semiannual report on January 13, 2012. The report disclosed the following:
 - \$0 in total political contributions of \$50 or less
 - \$100,100 in total political contributions
 - \$0 in total political expenditures of \$50 or less
 - \$65,000 in total political expenditures
 - \$35,100 in total political contributions maintained
 - \$0 in total principal amount of outstanding loans
6. The semiannual report disclosed a single political contribution of \$100,100 from an individual in Dallas, Texas, on September 21, 2011. The report also disclosed approximately \$65,000 in political expenditures to candidates with dates ranging from October 8, 2011, to December 13, 2011, and that were described as campaign contributions.
7. The respondent stated that he was responsible for the expenditures at issue in the complaint.

IV. Findings and Conclusions of Law

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

1. Each campaign finance report that is not filed by electronic transfer must be accompanied by an affidavit executed by the person required to file the report. The affidavit must contain the statement: “I swear, or affirm, under penalty of perjury, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code.” ELEC. CODE § 254.036(h).

2. The assistant campaign treasurer of a general-purpose committee has the same authority as the campaign treasurer of the committee. Ethics Commission Rules § 20.407(b).
3. The July 2011 semiannual report filed for the committee was filed on paper and did not include an affidavit executed by the committee's campaign treasurer or assistant campaign treasurer. The report at issue disclosed no activity. Under the circumstances, there is credible evidence of a technical or *de minimis* violation of section 254.036(h) of the Election Code.
4. A general-purpose committee may not make or authorize political expenditures totaling more than \$500 unless the committee has filed its campaign treasurer appointment not later than the 60th day before the date the expenditure is made that causes the total expenditures to exceed \$500, and accepted political contributions from at least 10 persons. ELEC. CODE §§ 253.031(b), 253.037(a); Ethics Advisory Opinion No. 161 (1993).
5. The committee accepted a single political contribution of \$100,100 from one person on September 21, 2011, and made approximately \$65,000 in political expenditures to candidates from October 8, 2011, to December 13, 2011. At the time the expenditures were made, the committee had accepted political contributions from only one person. In addition, at the time the expenditures were made, the respondent was the chief executive officer and a director of the committee's controlling entity and was the committee's campaign treasurer. The respondent also accepted responsibility for the expenditures. Therefore, there is credible evidence that the respondent violated section 253.037(a) of the Election Code in connection with approximately \$64,500 in political expenditures.

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: 1) each campaign finance report that is not filed by electronic transfer must be accompanied by an affidavit executed by the person required to file the report. The affidavit must contain the statement: "I swear, or affirm, under penalty of perjury, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code;" and 2) a person may not make or authorize political expenditures totaling more than \$500 for a general-purpose committee

unless the committee has accepted political contributions from at least 10 persons. The respondent agrees to fully and strictly comply with these requirements of 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 nature, circumstances, and consequences of the violations described under Sections III and IV, and after considering the sanction necessary to deter future violations, the commission imposes a \$6,450 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-3120248.

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

William "Bill" Lindquist, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director