

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
GRAY'S INSURANCE AGENCY, INC.,	§	TEXAS ETHICS COMMISSION
RESPONDENT	§	SC-250428

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission met on July 14, 2005, to consider sworn complaint SC-250428. A quorum of the commission was present. The commission determined that there is credible evidence of violations of section 253.094 of the Election Code, a law administered and enforced by the commission. To resolve this complaint without further proceedings, the commission proposes this resolution to the respondent.

II. Allegations

The complaint alleges that the respondent made three political contributions to a candidate for county commissioner.

III. Facts Supported by Credible Evidence

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

1. The complaint was filed on April 8, 2005.
2. The respondent is an incorporated entity.
3. The respondent made the following contributions to a candidate for county commissioner in Montgomery County: \$200 (August 2003), \$100 (July 2002), and \$100 (August 2001).
4. An officer of the respondent corporation swears that he did not realize that corporate political contributions to candidates were illegal.

IV. Findings and Conclusions of Law

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

1. Corporations organized under the Texas Business Corporations Act or the Texas Non-profit Corporations Act may not legally make political contributions to a candidate or officeholder. ELEC. CODE § 253.094.
2. Ethics Commission rules prohibit the commission from considering an allegation barred from criminal prosecution by operation of the applicable statute of limitations. Ethics Commission Rules § 12.5(3). The statute of limitations with respect to a corporate contribution is three years from the date of the offense. The contribution that was made in August 2001 was made more than three years before the complaint was filed with the commission, and therefore the allegation as it relates to this contribution is not within the commission's sworn complaint jurisdiction.
3. The respondent corporation made two political contributions that are within the commission's sworn complaint jurisdiction to a candidate for county commissioner. Therefore, there is credible evidence that the respondent violated section 253.094 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 corporations organized under the Texas Business Corporations Act may not legally make political contributions to a candidate or officeholder. The respondent agrees to comply with this requirement 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 seriousness of 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 for the violations described under Sections III and IV.

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-250428.

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

Gray's Insurance Agency, Inc., Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director