

TEXAS ETHICS COMMISSION

IN THE MATTER OF
LIBERTY MATERIALS, INC.,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-2605140

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on July 14, 2006, to consider sworn complaint SC-2605140. A quorum of the commission was present. The commission determined that there is credible evidence of a violation of sections 253.094 and 253.003 of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposes this resolution to the respondent.

II. Allegation

The complaint alleges that the respondent used corporate funds to make a political contribution to a candidate for public office.

III. Facts Supported by Credible Evidence

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

1. The respondent is a corporation organized under the Texas Business Corporation Act.
2. An owner of the respondent corporation used corporate funds to make a \$500 political contribution to a candidate.

IV. Findings and Conclusions of Law

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

1. A corporation may not make a political contribution to a candidate. ELEC. CODE § 253.094.
2. A person may not make a political contribution in violation of the restrictions in chapter 253 of the Election Code. ELEC. CODE § 253.003.

3. A political contribution includes a campaign contribution. ELEC. CODE § 251.001(5). A campaign contribution is a direct or indirect transfer of money, goods, services, or any other thing of value to a candidate given with the intent that it be used in connection with a campaign for elective office. ELEC. CODE §§ 251.001(2), (3).
4. An owner of the corporation used corporate funds to make a \$500 political contribution to a candidate for public office. Therefore, there is credible evidence of a violation of sections 253.094 and 253.003 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 the use of corporate funds to make a political contribution to an officeholder or candidate for public office is prohibited by law. The respondent agrees to 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 \$500 civil penalty for the violation 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-2605140.

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

James Welch, on behalf of Liberty
Materials, Inc., Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director