TEXAS ETHICS COMMISSION

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IN THE MATTER OF

ADVANCED MICRO DEVICES,

RESPONDENT

BEFORE THE

TEXAS ETHICS COMMISSION

SC-2605154

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on September 21, 2006, to consider sworn complaint SC-2605154. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 253.094, 253.097, 254.031, and 254.121 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. Allegations

The complaint alleges that the respondent made unauthorized political expenditures, failed to make direct expenditures in a manner allowed by statute, failed to disclose the names and addresses of payees to whom political expenditures over \$50 were made and the dates of those expenditures, and failed to disclose its telephone number on a campaign finance report.

III. Facts Supported by Credible Evidence

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

- 1. The respondent is a corporation that made direct expenditures on a City of Austin ballot measure.
- 2. The respondent filed an 8-day pre-election campaign finance report disclosing an expenditure to itself in the amount of \$10,118.95 for compensation to its employees and consultants for campaign-related activities.
- 3. After the complaint was filed the respondent filed a corrected report that properly itemized each expenditure, including the date each expenditure was made, the amount and purpose of each expenditure, and the name and address of each payee.

- 4. The corrected report shows that the respondent did not itemize in the original report seventeen expenditures over \$50, totaling \$10,010.03, made to each employee and consultant.
- 5. The respondent failed to list the company's telephone number on the original campaign finance report.

IV. Findings and Conclusions of Law

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

- 1. A corporation or labor organization may not make a political contribution or political expenditure that is not authorized by subchapter D of the Election Code. ELEC. CODE § 253.094. Among other things, subchapter D of the Election Code provides that a corporation or labor organization not acting in concert with another person may make one or more direct campaign expenditures from its own property that exceed \$100 in connection with an election on a measure if the corporation or labor organization complies with chapter 254 of the Election Code as if it were a campaign treasurer of a political committee, and receives no reimbursement for the expenditures. ELEC. CODE §§ 253.097, 253.062.
- 2. Each campaign treasurer of a political committee shall maintain a record of all reportable activity. ELEC. CODE § 254.001. The 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.
- 3. The respondent's 8-day pre-election campaign finance report shows that it failed to itemize seventeen expenditures over \$50, totaling \$10,010.03. The respondent failed to include the dates of each expenditure, as well as the name and address of each payee. Therefore, there is credible evidence of a violation of sections 253.097, 254.031, and 253.094 of the Election Code.
- 4. A campaign finance report must include the telephone number of the committee's campaign treasurer. ELEC. CODE § 254.121(2).
- 5. The respondent did not include its telephone number on the 8-day pre-election campaign finance report. Thus, there is credible evidence of a violation of section 254.121(2) 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 a corporation may not make unauthorized political expenditures. The respondent acknowledges that a corporation not acting in concert with another person may make one or more direct campaign expenditures from its own property that exceed \$100 in connection with an election on a measure only if the corporation complies with chapter 254 of the Election Code as if it were a campaign treasurer of a political committee, and receives no reimbursement for the expenditures. In addition, the respondent acknowledges that a 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. Finally, the respondent acknowledges that a campaign finance report must include the telephone number of the committee's campaign treasurer. 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 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 \$500 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-2605154.

AGREED to by the respondent on this _____ day of _____, 2006.

on behalf of Advanced Micro Devices, Respondent

EXECUTED ORIGINAL received by the commission on: ______.

Texas Ethics Commission

By:

David A. Reisman, Executive Director