TEXAS ETHICS COMMISSION

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IN THE MATTER OF

NORMAN PARRISH,

RESPONDENT

BEFORE THE

TEXAS ETHICS COMMISSION

§ §

SC-290229

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on June 11, 2010, to consider sworn complaint SC-290229. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.1212 of the Election Code and section 20.62 of the Ethics Commission Rules, 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 the campaign treasurer of a political committee: 1) failed to properly disclose political contributions, 2) accepted political contributions from corporations or labor organizations, 3) converted political contributions to the personal use of a candidate or officeholder, 4) failed to properly disclose political expenditures, and 5) failed to disclose the name of each candidate and measure supported or opposed by the committee.

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 a specific-purpose political committee, Texans for Tommy Williams.
- 2. The allegations relate to the committee's 30-day and 8-day pre-election campaign finance reports for the March 2008 primary election, 30-day and 8-day pre-election campaign finance reports for the November 2008 general election, and semiannual campaign finance reports for July 2007, January 2008, July 2008, and January 2009.
- 3. The respondent filed an affidavit in response to the sworn complaint.

Political Contributions

Disclosure of Total Political Contributions Maintained

- 4. The complaint alleged that the respondent failed to properly disclose total political contributions maintained as of the last day of the reporting period on the reports at issue.
- 5. As to the July 2007 semiannual report, the complaint alleged that the contribution balance should be at least \$311,461.24, and not \$308,804.53, as reported, because a loan repayment disclosed as a political expenditure in the same reporting period as the loan was made, caused the contribution balance to be understated by the loan amount, \$2,656.71. The report disclosed on Schedule E (used for reporting loans) a loan in the amount of \$2,656.71. The report disclosed on Schedule F (used for reporting political expenditures) that the loan was paid back.
- 6. As to the other reports at issue, the complaint merely stated that the contribution balance should be at least a certain amount and not the amount disclosed.
- 7. There was no additional evidence to show that the disclosure for total political contributions maintained was incorrect.

Disclosure of the Principal Occupation or Job Title and Employer of Contributors

- 8. The complaint alleged that the respondent failed to disclose the principal occupation or job title and employer of contributors on the committee's corrected January 2008, July 2008, and January 2009 semiannual reports, and 8-day pre-election report for the March 2008 primary election. A number of allegations relate to entities and the information is not required for entities. Those allegations were not considered.
- 9. The allegations regarding the committee's corrected January 2008 semiannual report are based on five contributions of \$500 each from individuals disclosed on Schedule A of the committee's report. The report did not disclose the principal occupation or job title of any of the individuals at issue, disclosed the employer of one individual, and indicated that the required information was requested for one individual.
- 10. The committee's July 2008 semiannual report disclosed the required information.
- 11. The allegation regarding the committee's January 2009 semiannual report is based on one contribution of \$500 from an individual disclosed on Schedule A of the committee's report. The report did not disclose the principal occupation or job title of the individual and stated "Self-Employed" for the employer.
- 12. The total amount at issue is \$3,000.

13. The respondent filed corrected reports providing the missing information for all of the individuals except the one that the report had indicated that the required information was requested. The entry for this individual on the corrected report states "Best Effort" in the spaces for "Principal occupation / Job title" and "Employer." The evidence indicated that the respondent met the best efforts requirement with regard to the contribution.

Acceptance of Corporate Contributions

- 14. The complaint alleged that the respondent accepted corporate contributions, which he disclosed on the committee's 8-day pre-election report for the March 2008 primary election and January 2009 semiannual report.
- 15. The allegations regarding the committee's 8-day pre-election report for the March 2008 primary election are based on the following contributions disclosed on Schedule A of the committee's report (the addresses are not included):

02/13/2008	Independent Insurance Agents of Texas	\$2,000.00
02/21/2008	Texas Council of Egr. Companies	\$1,000.00

- 16. The allegation regarding the committee's January 2009 semiannual report is based on a \$1,000 contribution from Independent Insurance Agents of Texas accepted on December 9, 2008.
- 17. The evidence indicated that political committees made the contributions at issue.
- 18. The respondent corrected the reports at issue to correct the name of one contributor and to clarify that the other contributions came from a political committee.

Personal Use of Political Contributions

- 19. The complaint alleged that the respondent converted political contributions to the personal use of a candidate or officeholder in violation of section 253.035(b) of the Election Code when he made expenditures for staff and candidate/officeholder meals, for committee and senate gifts, car washes, lodging, and a gift as disclosed on the committee's 30-day and 8-day pre-election reports for the March 4, 2008, primary election, 30-day and 8-day pre-election reports for the November 4, 2008, general election, and July 2007, corrected January 2008, July 2008, and January 2009 semiannual reports.
- 20. As to the allegations regarding meals, the respondent's affidavit stated, "Meals at various restaurants were for staff members and sometimes for constituents. No meals were purchased to primarily benefit the candidate/officeholder."

- 21. As to the allegations regarding the expenditures for committee and senate gifts the respondent's affidavit stated, "The expenditures to 'Friends of Kyle Janek,' 'The Honorable John Whitmire,' and 'Tiff's Treats' were all for permissible expenditures. None of them were for the personal use of the candidate/officeholder."
- 22. As to the expenditures for the car wash, the respondent's affidavit states, "None of the expenditures complained about were for the personal use of the candidate/officeholder. The car wash was for a staff member's car."
- 23. Regarding the expenditures disclosed on multiple reports to the Sam and Lois Lewis Living Trust for "Lodging," the respondent swore they "were for permissible lodging in Travis County for a legislator who resides outside Travis County." The evidence, including Travis County Central Appraisal District records, showed that the payments were made to a trust that owned a condominium in Austin.
- 24. As to the remaining gift, the respondent's affidavit stated, "The expenditure at 'Spec's' was for a staff gift."

Political Expenditures

Disclosure of the Purpose of Political Expenditures

- 25. The complaint made specific allegations that the respondent failed to properly disclose the purpose of three political expenditures made to Exact Temp Refrigeration totaling approximately \$440 disclosed on Schedule F (used to disclose political expenditures made from political contributions) of the committee's July 2007 semiannual report.
- 26. The committee's July 2007 semiannual report disclosed on Schedule F three political expenditures to Exact Temp Refrigeration. The purpose of each expenditure was "Equipment Repair."

Disclosure of Payroll Tax Expenditures

- 27. The complaint alleged that the respondent claimed payroll tax expenditures for non-existent payroll expenditures on Schedule F of the committee's 8-day pre-election report for the November 2008 general election, and July 2007, corrected January 2008, July 2008, and January 2009 semiannual reports. The original reports disclosed payroll tax expenditures of approximately \$15,040 and salary expenditures of approximately \$13,340.
- 28. The respondent filed corrected reports. The adjusted total amount of salaries was approximately \$62,110.

Reporting Political Expenditures as Reimbursements/Purpose of Expenditures

- 29. The complaint alleged that the respondent improperly reported political expenditures as reimbursements, and generally alleged that the respondent failed to disclose the purpose of political expenditures on his 30-day and 8-day pre-election reports for the March 2008 primary election, 30-day and 8-day pre-election reports for the November 2008 general election, and July 2007, corrected January 2008, July 2008, and January 2009 semiannual reports.
- 30. The total amount of expenditures disclosed as reimbursements is approximately \$10,130. The amount of expenditures that were reported as "Expense Report" is approximately \$5,380. The total amount of other expenditures is approximately \$105,620.
- 31. The respondent's attorney submitted a letter stating that the payments listed under "expense report" were for both mileage reimbursement and reimbursement for small expenditures like meals for Senator Tommy Williams, the person supported by the committee. The respondent's attorney stated that the senator has subtracted the reimbursements for non-mileage expenses and returned the non-mileage reimbursements to the committee on June 26, 2009, in the total amount of \$1,143.46. He states that the mileage reimbursement equaled \$4,240.46.

Political Expenditures for Travel Outside of the State of Texas

- 32. The complaint alleged that the respondent failed to complete Schedule T (In-Kind Contribution or Political Expenditure for Travel Outside of Texas) for expenditures disclosed on the committee's July 2007 and January 2008 semiannual reports.
- 33. The allegations regarding the committee's July 2007 semiannual report are based on expenditures disclosed on Schedule F of the committee's report to Hudson Group (\$8.80), National Travel (\$14.75), and Sam and Lois Lewis Living Trust (\$6,210 total).
- 34. The allegations regarding the committee's January 2008 semiannual report are based on expenditures disclosed on Schedule F of the committee's report to Grand Teton Lodge (\$421.88) and Platinum Executive Limo Inc. (\$180).
- 35. The evidence indicated that the expenditures to Sam and Lois Lewis Living Trust were for Travis County lodging. The remaining expenditures were not travel for purposes of Schedule T.

Disclosure of the Name of Each Candidate and Measure Supported or Opposed by the Committee

- 36. The complaint alleged that the respondent failed to disclose the name of each candidate and measure supported or opposed by the committee on the committee's July 2007, January 2008, July 2008, and January 2009 semiannual reports, 8-day pre-election report for the March 2008 primary election, and 30-day and 8-day pre-election reports for the November 2008 general election.
- 37. The allegations are based on expenditures disclosed on Schedule F of the reports at issue that appear to disclose expenditures to benefit other candidates.
- 38. The committee's reports list Senator Tommy Williams as a candidate that the committee supports in the committee purpose section.
- 39. The respondent's affidavit stated as to the July 2007 semiannual report, "Senator Tommy Williams is the only candidate/officeholder supported by the committee. The committee sometimes contributes money to individuals or causes to further the interests of Senator Tommy Williams but it does not support those candidates as described by section 254.121(4)."
- 40. The respondent's affidavit stated as to the January 2008 semiannual report, "The committee sometimes contributes money to causes to further the interests of Senator Tommy Williams but it does not support those causes as described by section 254.121(4)."
- 41. The respondent's affidavit stated as to the July 2008 and January 2009 semiannual reports, the 8-day pre-election report for the March 2008 primary election, and the 30-day and 8-day pre-election reports for the November 2008 general election, "The committee sometimes contributes money to individuals or causes to further the interests of Senator Tommy Williams but it does not support those candidates as described by section 254.121(4)."

IV. Findings and Conclusions of Law

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

Political Contributions

Disclosure of Total Political Contributions Maintained

1. A report must include, as of the last day of a reporting period for which the person is required to file a report, the total amount of political contributions maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. ELEC. CODE § 254.031(a)(8).

- 2. As to the July 2007 semiannual report, the complaint alleged that the total political contributions maintained amount was understated by the amount of a loan of \$2,656.71 that was reported as being made and repaid during the reporting period. Reporting the repayment of a loan in the same reporting period that the making of the loan is reported does not cause the contribution balance to be understated by the loan amount as alleged. Therefore, there is credible evidence that the respondent did not violate section 254.031(a)(8) of the Election Code with respect to the July 2007 semiannual report.
- 3. The complaint did not provide a basis for the other allegations related to total political contributions maintained. There was no evidence to show that the amounts disclosed were incorrect. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(8) of the Election Code with respect to the remaining reports.

Disclosure of the Principal Occupation or Job Title and Employer of Contributors

- 4. In addition to the contents required by sections 254.031 and 254.121 of the Election Code, each report by a specific-purpose committee for supporting a candidate must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate equal or exceed \$500 and that are accepted during the reporting period, the individual's principal occupation or job title and the full name of the individual's employer. ELEC. CODE §§ 254.1212, 254.0612.
- 5. A political committee report that is required to include an individual's principal occupation or job title and the full name of the individual's employer is considered to be in compliance with section 254.1212 of the Election Code if the committee's campaign treasurer shows that best efforts have been used to obtain the information, which includes a request for the information in any campaign solicitation. If the information is not provided, the campaign treasurer must make an additional oral or written request for the information. ELEC. CODE § 254.0312. A request under this subsection must be made not later than the 30th day after the date the contribution is received, must include a clear and conspicuous statement that complies with subsection (b) of section 254.0312 of the Election Code, if made orally, must be documented in writing, and may not be made in conjunction with a solicitation for an additional political contribution. *Id.*
- 6. The respondent failed to disclose the principal occupation or job title of all of the individuals at issue and the full name of the employer of all but two of the individuals at issue. For the contribution of \$500 from one individual, the report stated "Information Requested." The solicitation and the request to provide the missing information sent to this individual complied with the best efforts provision of section 254.0312 of the Election Code. The remaining amount at issue is \$2,500. The respondent filed corrected reports disclosing the missing information for the remaining contributors. Therefore, there is credible evidence that the respondent violated section 254.1212 of the Election Code as to \$2,500 of political contributions.

Acceptance of Corporate Contributions

- 7. A person may not knowingly accept a political contribution that the person knows was made in violation of chapter 253 of the Election Code. ELEC. CODE § 253.003(b).
- 8. A corporation may not make a political contribution or political expenditure that is not authorized by subchapter D, chapter 253, Election Code. ELEC. CODE § 253.094.
- 9. The prohibition applies to corporations that are organized under the Texas Business Corporation Act, the Texas For-Profit Corporation Law, the Texas Non-Profit Corporation Act, the Texas Nonprofit Corporation Law, federal law, or law of another state or nation. ELEC. CODE § 253.091.
- 10. The contributions at issue were from political committees not corporations. Therefore, there is credible evidence that the respondent did not violate sections 253.003(b) and 253.094 of the Election Code.

Personal Use of Political Contributions

- 11. Political expenditure means a campaign expenditure or an officeholder expenditure. ELEC. CODE § 251.001(10).
- 12. Campaign expenditure means an expenditure made by any person in connection with a campaign for an elective office or on a measure. Whether an expenditure is made before, during, or after an election does not affect its status as a campaign expenditure. ELEC. CODE § 251.001(7).
- 13. Officeholder expenditure means an expenditure made by any person to defray expenses that are incurred by an officeholder in performing a duty or engaging in an activity in connection with the office and are not reimbursable with public money. ELEC. CODE § 251.001(9).
- 14. A specific-purpose committee that accepts a political contribution may not convert the contribution to the personal use of a candidate, officeholder, or former candidate or officeholder. ELEC. CODE § 253.035(b).
- 15. Personal use means a use that primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office. The term does not include payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a public officeholder, including payment of rent, utility, and other reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not ordinarily reside in Travis County, but excluding payments prohibited under section 253.038 of the Election Code. ELEC. CODE § 253.035(d).

16. A specific-purpose committee is prohibited from converting a political contribution to the personal use of a candidate, officeholder, or former candidate or officeholder. There is credible evidence of no violation regarding the payments to the trust for lodging. There is insufficient evidence to show that any of the remaining expenditures were for the personal use of a candidate, officeholder, or former candidate or officeholder. There is insufficient evidence that the respondent violated section 253.035(b) of the Election Code as to these expenditures.

Political Expenditures

17. Each report filed under this chapter 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).

Disclosure of the Purpose of Political Expenditures

- 18. The report of a political expenditure for goods or services must describe the categories of goods or services received in exchange for the expenditure. Ethics Commission Rules § 20.61(a).
- 19. The committee's July 2007 semiannual report disclosed the purpose of the three expenditures as "Equipment Repair." The respondent properly reported the purpose of each expenditure. Therefore, there is credible evidence that the respondent did not violate section 254.031(a)(3) of the Election Code or section 20.61(a) of the Ethics Commission Rules as to these expenditures.

Disclosure of Payroll Tax Expenditures

20. Based on Internal Revenue Service information, there is credible evidence to show that the respondent did not claim payroll tax expenditures for non-existent payroll salary expenditures on the committee's reports. Therefore, there is credible evidence that the respondent did not violate section 254.031(a)(3) of the Election Code by claiming payroll tax expenditures for non-existent payroll salary expenditures.

Reporting Political Expenditures as Reimbursements/Purpose of Expenditures

Reimbursement of Candidate/Officeholder

21. The committee reimbursed Senator Tommy Williams approximately \$5,380 during the period at issue, and disclosed the purpose as "Expense Report." \$4,240.46 were reimbursements for mileage. The purpose of those expenditures for mileage were not disclosed as mileage reimbursements. Further, the committee reported \$1,143.46 in expenditures as non-mileage reimbursements to Senator Tommy Williams without disclosing the names or addresses of the vendors who were actually paid by Senator Tommy Williams. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code, with regard to the political expenditures with the purpose described as "expense report."

Reimbursement of Staff

22. Ethics Commission Rule § 20.62. Reporting Staff Reimbursement states:

(a) Political expenditures made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee that in the aggregate do not exceed \$5,000 during the reporting period may be reported as follows IF the reimbursement occurs during the same reporting period that the initial expenditure was made:

- (1) 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; and
- (2) included with the total amount or a specific listing of the political expenditures of \$50 or less made during the reporting period.

(b) Except as provided by subsection (a) of this section, a political expenditure made out of personal funds by a staff member of an officeholder, a candidate, or a political committee with the intent to seek reimbursement from the officeholder, candidate, or political committee must be reported as follows:

- (1) the aggregate amount of the expenditures made by the staff member as of the last day of the reporting period is reported as a loan to the officeholder, candidate, or political committee;
- (2) the expenditure made by the staff member is reported as a political expenditure by the officeholder, candidate, or political committee; and

- (3) the reimbursement to the staff member to repay the loan is reported as a political expenditure by the officeholder, candidate, or political committee.
- 23. As to the committee's July 2007 semiannual report, none of the purposes of the approximately \$7,510 of expenditures state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were reimbursements. Thus, there is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 24. The committee's corrected January 2008 semiannual report disclosed approximately \$1,340 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the approximately \$16,570 of expenditures at issue state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were reimbursements. There is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 25. The committee's 30-day pre-election report for the March 2008 primary election disclosed approximately \$200 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the approximately \$6,490 of expenditures at issue state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were reimbursements. There is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 26. The committee's 8-day pre-election report for the March 2008 primary election disclosed approximately \$2,460 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the approximately \$6,810 of expenditures at issue state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were reimbursements. Thus, there is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient

evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.

- 27. The committee's July 2008 semiannual report disclosed an expenditure of approximately \$210 for "Travel - Reimbursed Mileage." This is the proper way to report mileage reimbursements. Therefore, there is credible evidence that the respondent did not violate section 254.031(a)(3) of the Election Code as to this expenditure. The report disclosed approximately \$3,650 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to the approximately \$3,650 in expenditures which were not properly reported. As to the rest of the expenditures, none of the purposes of the approximately \$50,470 of expenditures at issue state that the expenditures were reimbursements. There is no other evidence to show that the other expenditures were reimbursements. Thus, there is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 28. The committee's 30-day pre-election report for the November 2008 general election disclosed approximately \$980 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the \$1,000 of expenditures state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were improperly disclosed as staff reimbursements. Therefore, there is insufficient evidence to that the respondent violated section 254.031(a)(3) of the Election 20.62 of the Ethics Commission Rules as to these expenditures were improperly disclosed as staff reimbursements. Therefore, there is insufficient evidence to the the respondent violated section 254.031(a)(3) of the Election 20.62 of the Ethics Commission Rules as to these expenditures are reimbursements. There is no other evidence to show that the expenditures were improperly disclosed as staff reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 29. The committee's 8-day pre-election report for the November 2008 general election disclosed approximately \$160 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the approximately \$7,210 of expenditures state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were reimbursements. Thus, there is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.

- 30. The committee's January 2009 semiannual report disclosed approximately \$1,130 in expenditures as reimbursements without disclosing the names or addresses of the vendors who were actually paid by the individuals. Therefore, there is credible evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures. As to the rest of the expenditures, none of the purposes of the approximately \$9,560 of expenditures state that the expenditures were reimbursements. There is no other evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures to show that the expenditures were reimbursements. Thus, there is insufficient evidence to show that the expenditures were improperly disclosed as reimbursements. Therefore, there is insufficient evidence that the respondent violated section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules as to these expenditures.
- 31. The political expenditures incorrectly disclosed as reimbursements total approximately \$9,920. The respondent corrected his reports to disclose the required information.

Political Expenditures for Travel Outside of the State of Texas

- 32. The description of a political expenditure for travel outside of the state of Texas must provide the name of the person or persons traveling on whose behalf the expenditure was made, the means of transportation; the name of the departure city or the name of each departure location, the name of the destination city or the name of each destination location, the dates on which the travel occurred, and the campaign or officeholder purpose of the travel, including the name of a conference, seminar, or other event. Ethics Commission Rules § 20.61(b)
- 33. The expenditures to Sam and Lois Lewis Living Trust were not for travel outside the state of Texas. The remaining expenditures at issue did not fall within the reporting requirement for out of state travel. Therefore, there is credible evidence that the respondent did not violate section 20.61(b) of the Ethics Commission Rules as to these expenditures.

Disclosure of the Name of Each Candidate and Measure Supported or Opposed by the Committee

- 34. Each report by a campaign treasurer of a specific-purpose committee must include the name of each candidate and each measure supported or opposed by the committee, indicating for each whether the committee supports or opposes. ELEC. CODE § 254.121(4).
- 35. The respondent swore that Senator Tommy Williams is the only candidate/officeholder supported by the committee and that the committee sometimes contributes money to individuals or causes to further the interests of Senator Tommy Williams but that the committee does not support those candidates as described by section 254.121(4) of the Election Code.

36. The statute is ambiguous as to the precise meaning of "support." There is insufficient evidence to show that the committee made the contribution to the candidates as described to support the candidates or solely for the purpose of furthering the interests of Senator Tommy Williams. Therefore, there is insufficient evidence that the respondent violated section 254.121(4) 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 campaign finance report must include the full name and address of the payees, and the dates and purposes of political expenditures that in the aggregate exceed \$50 to a single payee in the reporting period.

The respondent acknowledges that the proper method to report a reimbursement to a staff member is in accordance with section 20.62 of the Ethics Commission Rules.

The respondent acknowledges that in addition to the contents required by sections 254.031 and 254.121 of the Election Code, each report by a specific-purpose committee for supporting a candidate must include, for each individual from whom the person filing the report has accepted political contributions that in the aggregate equal or exceed \$500 and that are accepted during the reporting period, the individual's principal occupation or job title and the full name of the individual's employer.

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 if corrected reports are filed as provided under this section. If the respondent does not correct the reports at issue by July 12, 2010, to properly disclose political expenditures disclosed as "Expense Report," then the commission imposes a \$750 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-290229.

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

Norman Parrish, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By:

David A. Reisman, Executive Director