

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
THOMAS P. MARINIS, JR.,	§	
CAMPAIGN TREASURER,	§	TEXAS ETHICS COMMISSION
VINSON & ELKINS TEXAS PAC,	§	
	§	
RESPONDENT	§	SC-3120384

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on August 8, 2013, to consider sworn complaint SC-3120384. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.151 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, as campaign treasurer of a political committee, the respondent: 1) did not properly disclose political contributions and political expenditures; 2) did not disclose the principal occupation for certain persons from whom political contributions were accepted; and 3) made political contributions to other general-purpose committees without having included the full names and addresses of the recipient committees in the campaign treasurer appointment for the respondent's 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 for Vinson & Elkins Texas PAC, a general-purpose committee that files monthly reports with the commission.
2. The allegations were based on 19 monthly reports filed by the respondent for Vinson & Elkins Texas PAC from August 2010 through February 2012.

Full Address of Contributors

3. The complaint alleged that the respondent did not disclose on Vinson & Elkins Texas PAC's December 2010, April 2011, August 2011, October 2011, November 2011, and December 2011 monthly reports the contributor's full address for 149 political contributions totaling approximately \$28,740.
4. For 118 political contributions at issue totaling approximately \$19,860, the reports disclosed only the state and zip code. For 26 political contributions at issue totaling approximately \$7,160, the reports disclosed a foreign address, including a street or post office box number, city, and country, with "ZZ" as the state and "00000" as the zip code. For five political contributions at issue totaling approximately \$1,730, the reports left blank the field provided for the contributor's address.¹
5. In response to the allegations, the respondent swore that "we inadvertently omitted some information" in the reports at issue, including addresses with respect to certain individuals. The respondent swore that in the process of preparing the response, "we have also discovered that some addresses that were listed are inaccurate."
6. Instructions provided by the commission for disclosing a foreign or international address using the commission's campaign filing software state that "ZZ" should be entered in the field provided for the state and "99999" should be entered in the field provided for the zip code if there is no zip code or a non-standard zip code.
7. On May 24, 2012, the respondent filed corrections to the reports to disclose additional address information for certain political contributions. The corrected reports disclosed the full address for the five political contributions for which the contributor address field was originally left blank. Of the 26 political contributions at issue which originally disclosed a foreign address, the corrected reports added zip code information for five contributions, changed the address for 15 contributions, and did not add or amend any address information for six contributions. The six political contributions at issue totaling approximately \$1,140 that were not amended disclosed "00000" as the zip code and were each from the same contributor, whose address did not include a zip code. The corrected reports added city and street information for the remaining 118 political contributions at issue.

Principal Occupation of Contributors

8. The complaint alleged that the respondent did not disclose on Vinson & Elkins Texas PAC's April 2011, August 2011, October 2011, November 2011, and December 2011 monthly

¹ The reports disclosed that the same individual made the five political contributions for which the contributor address field was left blank.

reports the contributor's principal occupation for 123 political contributions totaling approximately \$21,580. The reports left blank the fields provided for the principal occupation for all of the political contributions at issue.

9. On April 23, 2012, in response to the allegations, the respondent swore that "we inadvertently omitted some information" in the reports at issue, including occupations with respect to certain individuals, all of whom are partners of Vinson & Elkins, L.L.P. On May 24, 2012, the respondent filed corrections to the reports to disclose "Attorney" as the principal occupation for all of the political contributions at issue.

Full Name of Payee

10. The complaint alleged that the respondent did not disclose the full name of the person receiving a \$1,500 political expenditure disclosed in Vinson & Elkins Texas PAC's January 2011 monthly report.
11. The report disclosed a \$1,500 political contribution to "LSG" on December 10, 2010. The purpose description was "Legislative Study Group TX House of Reps Harris County Commissioner TX."
12. Commission records show that a legislative caucus named "Legislative Study Group – Caucus" is registered with the commission and disclosed a \$1,500 political contribution from Vinson & Elkins Texas PAC during the general time period at issue. The caucus does not have an acronym on file with the commission.
13. The respondent did not file a correction to the report at issue and did not address the allegation in his response to the complaint.

Full Address of Payee

14. The complaint alleged that the respondent did not disclose the full address of the person receiving a \$2,500 political expenditure disclosed in Vinson & Elkins Texas PAC's July 2011 monthly report.
15. The report disclosed a \$2,500 political expenditure to a candidate on June 15, 2011. The report disclosed the city and state for the payee but did not disclose a street address for the payee.
16. On May 24, 2012, in response to the complaint allegations, the respondent corrected the expenditure at issue to disclose the payee's full address.

Purpose of Political Expenditure

17. The complaint alleged that the respondent did not properly disclose the purpose description for a \$589.95 political expenditure disclosed in Vinson & Elkins Texas PAC's April 2011 monthly report.
18. The report disclosed a \$589.95 political expenditure to "The Coronado Club" on February 28, 2011. The purpose category was disclosed as "Contributions/Donations Made By Candidate/Officeholder/Political Committee" and the purpose description as "Melissa Goodwin – COURT OF APPEALS JDG/Melissa Goodwin Appellate Court Incumbent – Rep. 2011 P."
19. On May 24, 2012, in response to the complaint allegations, the respondent corrected the expenditure at issue to change the purpose description to "Melissa Goodwin – COURT OF APPEALS JDG/In-kind Contr. – Fundraiser-Breakfast Banquet for 20."

Total Political Contributions Maintained

20. The complaint alleged that the respondent did not disclose the correct amount of total political contributions maintained in each of the 19 monthly reports at issue.
21. Bank records provided by the respondent disclosed a discrepancy between the actual amount of total political contributions maintained as of the last day of each reporting period at issue and the amount disclosed in campaign finance reports filed for Vinson & Elkins Texas PAC. On average, the reports disclosed an amount that was approximately \$26,870 less than the actual amount of political contributions maintained as of the last day of each reporting period at issue.
22. The respondent did not file corrections to the amount of total contributions maintained in the reports at issue.

Disclosure of Recipient General-Purpose Committees

23. The complaint alleged that Vinson & Elkins Texas PAC made political contributions totaling approximately \$28,500 to five general-purpose committees without first disclosing the recipient committees in Vinson & Elkins Texas PAC's campaign treasurer appointment.
24. The respondent filed amended campaign treasurer appointments to disclose the names and addresses of the recipient general-purpose committees before the dates of the political contributions at issue.

IV. Findings and Conclusions of Law

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

Full Address of Contributors and Principal Occupation of Contributors

1. Each campaign finance report must include the amount of political contributions from each person that in the aggregate exceed \$50 and that are accepted during the reporting period by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
2. Each report by a campaign treasurer of a general-purpose committee must include the principal occupation of each person from whom political contributions that in the aggregate exceed \$50 are accepted during the reporting period. *Id.* § 254.151(6).
3. Each monthly report must comply with sections 254.031 and 254.151 of the Election Code except that the maximum amount of a political contribution, expenditure, or loan that is not required to be individually reported is: \$10 in the aggregate; or \$20 in the aggregate for a contribution accepted by a general-purpose committee to which section 254.1541 of the Election Code applies. *Id.* § 254.156.
4. The respondent did not disclose the contributor's full address, or disclosed an incorrect address, for 143 political contributions totaling approximately \$27,590. Although the respondent filed corrected reports to add or amend the contributor addresses for the 143 political contributions, the information was not properly disclosed when the report was originally due. Therefore, there is credible evidence of violations of section 254.031(a)(1) of the Election Code with respect to 143 political contributions totaling approximately \$27,590.
5. For six political contributions at issue totaling approximately \$1,140, the original reports disclosed a foreign address, including a post office box number, city, and country, with "ZZ" as the state and "00000" as the zip code for the contributor. The contributors' actual addresses did not include a zip code. Therefore, there is credible evidence of no violation of section 254.031(a)(1) of the Election Code with respect to these six contributions totaling approximately \$1,140.
6. The respondent did not disclose the contributor's principal occupation for 123 political contributions totaling approximately \$21,580, as required by section 254.151(6) of the Election Code. Although the respondent filed corrected reports to add the occupation information for the 123 political contributions, that information was not included when the report was originally due. Therefore, there is credible evidence of violations of section 254.151(6) of the Election Code.

Full Name of Payee, Full Address of Payee, and Purpose of Political Expenditure

7. Each campaign finance report must include as of the last day of a reporting period for which the person is required to file a report, the amount of political expenditures that in the aggregate exceed \$100 (\$50 until September 1, 2011) 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. *Id.* § 254.031(a)(3).
8. The respondent did not disclose the full name of the person receiving the \$1,500 political expenditure at issue in the January 2011 monthly report. The respondent did not disclose the full address of the person receiving the \$2,500 political expenditure at issue in the July 2011 monthly report. The respondent did not properly disclose the purpose description for the \$589.95 political expenditure at issue in the April 2011 monthly report. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code with respect to approximately \$4,590 in political expenditures.

Total Political Contributions Maintained

9. Each campaign finance 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 accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. *Id.* § 254.031(a)(8).
10. The respondent did not properly disclose the amount of total political contributions maintained in each of the 19 monthly reports at issue. The average discrepancy between the actual amount of total political contributions maintained as of the last day of the reporting period and the amount disclosed in reports filed for Vinson & Elkins Texas PAC was approximately \$26,870. Therefore, there is credible evidence of violations of section 254.031(a)(8) of the Election Code.

Disclosure of Recipient General-Purpose Committees

11. The campaign treasurer appointment of a general-purpose committee must include the full name and address of each general-purpose committee to whom the committee intends to make political contributions. *Id.* § 252.003(a)(2).
12. A general-purpose committee may not knowingly make a political contribution to another general-purpose committee unless the other committee is listed in the campaign treasurer appointment of the contributor committee. *Id.* § 253.037(b).

13. The complaint alleged that Vinson & Elkins Texas PAC made political contributions to other general-purpose committees without first disclosing the recipient committees in Vinson & Elkins Texas PAC's campaign treasurer appointment. The respondent timely filed amended campaign treasurer appointments to disclose the names and addresses of the recipient general-purpose committees before the dates of the political contributions at issue. Therefore, there is credible evidence of no violation of sections 252.003(a)(2) and 253.037(b) 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: 1) each campaign finance report must include the amount of political contributions from each person that in the aggregate exceed \$50 and that are accepted during the reporting period by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions; 2) each report by a campaign treasurer of a general-purpose committee must include the principal occupation of each person from whom political contributions that in the aggregate exceed \$50 are accepted during the reporting period; and the respondent acknowledges that each monthly report must comply with sections 254.031 and 254.151 of the Election Code except that the maximum amount of a political contribution, expenditure, or loan that is not required to be individually reported is: \$10 in the aggregate; or \$20 in the aggregate for a contribution accepted by a general-purpose committee to which section 254.1541 of the Election Code applies; 3) each campaign finance report must include as of the last day of a reporting period for which the person is required to file a report, the amount of political expenditures that in the aggregate exceed \$100 (\$50 until September 1, 2011) 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 4) each campaign finance 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 accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. 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 nature, circumstances, and consequences of the violations described under Sections III and IV, and the sanction necessary to deter future violations, the commission imposes a \$2,500 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-3120384.

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

Thomas P. Marinis, Jr., Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director