

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
JAMES M. ARMSTRONG,	§	
CAMPAIGN TREASURER,	§	TEXAS ETHICS COMMISSION
WE THE PEOPLE,	§	
	§	
RESPONDENT	§	SC-31405131

FINAL ORDER

The Texas Ethics Commission, having heard this case and voting to find a violation of a law under its jurisdiction, makes the following Findings of Fact and Conclusions of Law:

Findings of Fact

1. The respondent is James M. Armstrong, whose last known mailing address is 242 Trice Circle, El Paso, Texas 79907. A sworn complaint was filed with the Texas Ethics Commission against the respondent on May 23, 2014. The Notice of Hearing was mailed to the respondent on January 12, 2015, by certified mail, return receipt requested, restricted delivery, and delivery confirmation. United States Postal Service records indicate that the respondent received the Notice of Hearing on January 14, 2015.
2. The preliminary review hearing was held on February 12, 2015, by the Texas Ethics Commission in Austin, Texas.
3. The respondent did not file a reply to the Notice of Hearing and did not appear at the hearing.
4. The respondent was appointed as campaign treasurer for We The People (WTP) on January 28, 2014.
5. The complaint alleged that the respondent, as campaign treasurer of WTP, did not file pre-election campaign finance reports.
6. Based on WTP's campaign treasurer appointment that was filed on January 28, 2014, the committee was formed to oppose Veronica Escobar's reelection to El Paso County Judge in the March 4, 2014, primary election. The respondent did not elect on the campaign treasurer appointment form to file on a modified reporting schedule, and credible evidence indicates that WTP was involved in the March 2014 primary election during the pre-election reporting period. Thus, the committee was required to file reports with El Paso County.

7. The complaint alleged that the respondent did not file 30-day and 8-day pre-election reports in connection with the March 4, 2014, primary election. In his response to the complaint, the respondent submitted campaign finance reports to the Texas Ethics Commission. Based on the campaign finance reports that the respondent submitted to the Texas Ethics Commission, WTP accepted an in-kind contribution of \$175 from Victor Jett Contreras for “robocalls” on January 28, 2014, and another in-kind contribution of \$175 from the same contributor for “robocalls” on February 7, 2014. This was the only activity disclosed in the reports. To date, the respondent has not filed the reports with El Paso County.

Conclusions of Law

1. Disposition of this case is within the jurisdiction of the Texas Ethics Commission. GOV'T CODE § 571.061.
2. The respondent received legally sufficient notice of the hearing in this case. GOV'T CODE § 571.032 and 1 TAC § 12.21. The hearing was held in accordance with section 12.23, 1 Texas Administrative Code.
3. In addition to other required reports, for each election in which a specific-purpose committee supports or opposes a candidate or measure, the committee's campaign treasurer shall file two reports. ELEC. CODE § 254.124(a).
4. The first report must be received by the authority with whom the report is required to be filed not later than the 30th day before election day. The report covers the period beginning the day the committee's campaign treasurer appointment is filed or the first day after the period covered by the committee's last required report, as applicable, and continuing through the 40th day before election day. *Id.* § 254.124(b).
5. The second report must be received by the authority with whom the report is required to be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before election day and continuing through the 10th day before election day. *Id.* § 254.124(c).
6. If a specific-purpose committee supports or opposes a candidate or measure in an election after a reporting period prescribed by sections 254.124(b) or 254.124(c) of the Election Code, the first report must be received by the authority with whom the report is required to be filed not later than the regular deadline for the report covering the period during which the committee becomes involved in the election. The period covered by the first report begins the day the committee's campaign treasurer appointment is filed or the first day after the period covered by the committee's last required report, as applicable. *Id.* § 254.124(d).
7. The 30-day pre-election report for the March 4, 2014, primary election was due by February 3, 2014, and covered activity occurring through January 23, 2014. The evidence submitted in response to the complaint indicates that WTP did not have a

campaign treasurer appointment on file and did not have any activity during the 30-day pre-election reporting period. Therefore, there is credible evidence of no violation of section 254.124(b) of the Election Code.

8. The 8-day pre-election report for the March 4, 2014, primary election was due by February 24, 2014, and covered activity occurring through February 22, 2014. Credible evidence indicates that WTP was involved in the March 2014 primary election and had activity in connection with the election during the 8-day pre-election reporting period. The respondent did not file an 8-day pre-election report. Therefore, there is credible evidence of a violation of section 254.124(c) of the Election Code.
9. The Texas Ethics Commission may impose a sanction against the respondent of not more than \$5,000 or triple the amount at issue, whichever amount is greater. GOV'T CODE § 571.173.

Therefore, the Texas Ethics Commission orders that:

1. The respondent, within 30 days of the date of this order, file campaign finance reports with El Paso County and pay to the Texas Ethics Commission a civil penalty in the amount of \$500. If the respondent does not file campaign finance reports and pay the \$500 civil penalty within 30 days of the date of this order, then the Commission imposes a \$1,500 civil penalty.

Order Date: _____

FOR THE COMMISSION

Natalia Luna Ashley
Executive Director
Texas Ethics Commission