

TEXAS ETHICS COMMISSION

P.O. Box 12070, Capitol Station
Austin, Texas 78711-2070

Paul W. Hobby
Chair

Chase Untermeyer
Vice Chair

Natalia Luna Ashley
Executive Director



Commissioners

Hugh C. Akin
Jim Clancy
Wilhelmina Delco
Tom Harrison
Bob Long
Tom Ramsay

February 20, 2015

Mr. Lupe Fraga
Campaign Treasurer
Texans for Lawsuit Reform

**RE: Notice of Reporting Error
SC-31411272
(Lupe Fraga, Respondent)**

Dear Mr. Fraga:

The Texas Ethics Commission (Commission) met on February 12, 2015, to consider SC-31411272. A quorum of the Commission was present. **The Commission determined that there is credible evidence of reporting errors that do not materially defeat the purpose of disclosure.** To resolve and settle this case without further proceedings, the Commission proposed this Notice of Reporting Error Agreement (agreement).

The Commission **found credible evidence** that:

1. The respondent, as campaign treasurer for Texans for Lawsuit Reform PAC (TLR PAC), did not timely file a pre-election campaign finance report as required by section 254.154(c) of the Election Code; and
2. The respondent did not disclose the full names of persons making political contributions as required by section 254.031(a)(1) of the Election Code.

The Commission **did not find credible evidence** that:

1. The respondent did not disclose the full names of persons making political contributions as required by section 254.031(a)(1) of the Election Code.

Come visit our home page at <http://www.ethics.state.tx.us> on the Internet.

(512) 463-5800 • FAX (512) 463-5777 • TDD 1-800-735-2989

The Texas Ethics Commission does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

Credible evidence available to the Commission supports the following findings of fact and conclusions of law:

Untimely Filing

1. It was contended that the respondent did not timely file TLR PAC's 8-day pre-election report for the November 2014 general election. The report was due October 27, 2014, and was filed on October 28, 2014. **Therefore, there is credible evidence of noncompliance with section 254.154 of the Election Code.**

Full Names of Contributors

2. It was contended that the respondent did not disclose the full names of persons making 19 political contributions on four of TLR PAC's campaign finance reports. The reports at issue are the 30-day pre-election report for the March 2014 primary election, the July 2014 semiannual report, and the 30-day and 8-day pre-election reports for the November 2014 general election. The respondent disclosed the first initial and last name of all the contributors at issue.
3. The evidence indicates that the contributions were accepted via checks or credit cards. The respondent provided copies of checks and online credit card payment receipts for the contributions at issue and stated that the information disclosed in the reports at issue was substantially similar to the information that was included on the contribution checks or credit card receipts.
4. Regarding two of the contributions at issue, the respondent disclosed the contributors' names exactly as they appeared on the contribution checks. It is not a valid basis of a complaint to allege that a report required under Chapter 254, Election Code, contains the improper name or address of a person from whom a political contribution was received if the name or address in the report is the same as the name or address that appears on the check for the political contribution. **Regarding the two contributions for which the respondent disclosed the contributors' names exactly as they appeared on the contributors' checks, there is credible evidence of compliance with section 254.031(a)(1) of the Election Code.**
5. The 17 remaining contributions at issue were made using checks or credit card information that provided the contributors' first initial, full middle name, and last name. The respondent omitted the full middle names when disclosing those 17 contributions. The total amount of those 17 contributions was \$298,450. Of the total amount, \$256,250 was from the same contributor. Regarding the 17 contributions for which the respondent disclosed only the contributors' first initials and last names, the respondent did not disclose the full names of the persons making the contributions. The respondent also omitted the contributors' middle names that appeared on the checks. **Therefore, there is credible evidence of noncompliance with section 254.031(a)(1) of the Election Code.**

By signing this agreement and returning it to the Commission:

1. You consent to this agreement.

2. You accept the determinations made by the Commission in this agreement.
3. You waive any right to further proceedings in this matter.
4. You understand and agree that the Commission will consider this agreement in any future proceedings against you regarding similar allegations.
5. You acknowledge that:

For each election in which a general-purpose committee is involved, the committee's campaign treasurer shall file two reports. 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.

A 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, the full name and address of the person making the contributions, and the dates of the contributions.

You agree to comply with these requirements of the law.

This agreement describes reporting errors that the Commission has determined are neither technical nor *de minimis*. Accordingly, this agreement is not confidential under section 571.140 of the Government Code.

The respondent agrees to tender a \$200 assessment fee to the Commission.

This agreement is a final and complete resolution of SC-31411272.

Lupe Fraga, Respondent

Date signed by Respondent

Executed original agreement received by the Commission on: _____.

Texas Ethics Commission

By: _____
Natalia Luna Ashley, Executive Director