



TEXAS ETHICS COMMISSION MEETING MINUTES



February 2, 2007, 10:02 a.m.

Texas Workforce Commission Building

101 E. 15th Street, Conference Room 244, Austin, Texas 78701

COMMISSIONERS PRESENT: Raymond R. "Tripp" Davenport, III, Chair; Ross Fischer; Jim Graham; Cullen R. Looney; Paula M. Mendoza; David Montagne; and Nicholas C. Taylor.

COMMISSIONERS ABSENT: Tom Harrison, Vice Chair.

STAFF PRESENT: Natalia L. Ashley, Birdie Bagwell, Amy Barden, Margie Castellanos, Homer Diaz, Sharon Finley, Jeanine C. Hudson, Jason D. King, Becky Levy, Bobby Mannas, Veronica Medrano, Robbie Miller, David A. Reisman, Tim Sorrells, Ian Steusloff, and Mary Young.

MINUTES

This meeting was tape recorded. These minutes are a summary record of the commission's actions at the meeting. For a detailed record of discussions and statements made by persons speaking at the meeting, please consult the audio tapes on file at the commission's office.

Agenda Item 1: Call to order; roll call.

The meeting was called to order by Chair Davenport. David A. Reisman, Executive Director, called the roll. All commissioners were present except Commissioner Harrison.

Agenda Item 2: Communication to the commission from the public.

None.

Agenda Item 3: Comments by the commissioners.

Commissioner Fischer briefed the commission regarding the status of the recommendations of the Task Force.

Commissioner Taylor requested David Reisman, Executive Director, to brief the commission on the internal staff guidelines for penalties and to begin the consideration of the accuracy or the appropriateness of the statutory and internal guidelines.

Chair Davenport presented former Chair Looney with a gift certificate in appreciation for his service as chair of the commission.

Commissioner Looney expressed his appreciation of staff and commissioners' support last year and welcomed the new commissioners.

Agenda Item 4: Comments by the executive director.

David A. Reisman, Executive Director, made the following comments:

1. Mr. Reisman introduced Birdie Bagwell, new chief fiscal officer, and Homer Diaz, new attorney.
2. Tuesday, January 16, 2007, was the semiannual filing deadline. Due to the severe weather conditions on the filing deadline, staff accepted filings on Wednesday, January 17, 2007, as timely filed.
3. Mr. Reisman stated that the Ethics Commission staff made improvements to the campaign finance filing software and expressed his appreciation for their work on the software.
4. In 2006, the Ethics Commission received 270 complaints. This number has exceeded previous years' totals.
5. Staff testified on Wednesday, January 31, 2007, before the Senate Finance Committee, to request funding items that exceeded the Legislative Budget Board's recommendations. The Legislative Budget Board restored our ten percent funding cuts, but included a reduction of five percent in indirect administrative costs and did not include funding for desktop computers or an increase for exempt salary levels. We will be asking the Legislature to restore the indirect administration funding of five percent as well as funding for desktop computers and to increase the threshold for exempt salary levels. The Ethics Commission will be testifying next week before the House Appropriations Committee.

Return to Agenda Item 3.

Chair Davenport introduced two new commissioners, Paula Mendoza from Houston and Jim Graham from Dallas.

Commissioners Graham and Mendoza introduced themselves.

Agenda Item 5: Approve minutes of the November 27, 2006, meeting.

Motion by Commissioner Taylor to adopt the November 27, 2006, meeting minutes; second by Commissioner Looney. Motion passed by a vote of seven ayes.

For Agenda Items 6 and 7, the following represents the actions taken by the Ethics Commission in the order they occurred during the meeting.

Agenda Item 6: Briefing, discussion, and possible action to waive or reduce certain penalties assessed for late filing of campaign finance reports, lobby reports, or personal financial statements.

15. Sarah J. Wheat, Treasurer, NARAL Pro-Choice Texas PAC (00059691)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$2,600
Staff recommendation: waiver of the late-filing penalty

Sarah J. Wheat spoke before the commission. Motion by Commissioner Looney to adopt staff's recommendation on Agenda Item 6, number 15; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Staff's recommendation to waive the late-filing penalty is adopted on Agenda Item 6, number 15.**

33. Carlton R. Schwab, Treasurer, 'TEDCPAC' Texas Economic Development PAC (00038187)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Carlton R. Schwab spoke before the commission. Motion by Commissioner Montagne to adopt staff's recommendation on Agenda Item 6, number 33; second by Commissioner Looney. Motion passed by a vote of seven ayes. **Staff's recommendation not to waive the late-filing penalty is adopted on Agenda Item 6, number 33.**

39. Irismelda R. Benavides, Treasurer, Austin Women's Political Caucus (00015717)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$3,600
Staff recommendation: reduction of the late-filing penalty to \$600

Irismelda R. Benavides spoke before the commission. Motion by Commissioner Fischer to reduce the late-filing penalty to \$100. Commissioner Looney amended the motion to be that the reduction of the late-filing penalty to \$100 will be on the condition that the filer files online on Agenda Item 6, number 39; second by Commissioner Graham on the amendment and second by Commissioner Montagne on the amended motion. Motion passed by a vote of seven ayes. **Late-filing penalty reduced to \$100 on the condition that the filer files online is adopted on Agenda Item 6, number 39.**

64. Gisela D. Triana, District Judge (00054704)
Report: personal financial statement due May 1, 2006
Penalty: \$500
Reconsideration: September 2006 meeting, the commission voted not to waive the late-filing penalty

Gisela D. Triana spoke before the commission. **The late-filing penalty for Agenda Item 6, number 64, stands due to lack of a motion.**

43. Alex Castano, Candidate, State Representative (00057703)
Report: semiannual report due July 17, 2006
Penalty: \$10,000
Staff recommendation: reduction of the late-filing penalty to \$500

Alex Castano spoke before the commission. Motion by Commissioner Montagne to reduce the \$10,000 late-filing penalty to \$100 for Agenda Item 6, number 43; second by Commissioner Graham. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 43.**

63. Barbara E. Moschner, Treasurer, 'SAAPAC' San Antonio Area Progressive Action Coalition (00057442)
Report: 30-day pre-election report due October 11, 2005
Penalty: \$500
Reconsideration: November 2006 meeting, the commission voted not to waive the late-filing penalty

Agenda Item 7: Briefing, discussion, and possible action to waive or reduce late-filing penalties in connection with certain corrected reports or to determine whether certain corrected reports as originally filed substantially complied with the applicable law.

43. Barbara E. Moschner, Treasurer, 'SAAPAC' San Antonio Area Progressive Action Coalition (00057442)
Report: semiannual report due January 17, 2006
Penalty: \$500 (reduced to \$250)
Reconsideration: November 2006 meeting, the commission voted to reduce the \$500 late-filing penalty to \$250

Barbara E. Moschner spoke before the commission. Motion by Commissioner Looney to reduce the late-filing penalties to \$100 for each report for Agenda Item 6, number 63, and Agenda Item 7, number 43; second by Commissioner Taylor. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$100 for each report is adopted on Agenda Item 6, number 63, and Agenda Item 7, number 43.**

Return to Agenda Item 6.

38. Charles F. 'Charlie' Baird, Candidate, District Judge (00021113)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

Laura Kolstad, campaign manager, spoke before the commission. Motion by Commissioner Looney to adopt staff's recommendation to reduce the \$500 late-filing penalty to \$250 on Agenda Item 6, number 38; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendation to reduce of the late-filing penalty to \$250 is adopted on Agenda Item 6, number 38.**

Return to Agenda Item 7.

36. Michael 'Mike' O'Day, State Representative (00060245)
Report: 8-day pre-election report due December 11, 2006
Penalty: \$1,500
Staff recommendation: reduction of the late-filing penalty to \$500

Richard Tarrer, CPA, spoke before the commission. Motion by Commissioner Montagne to adopt staff's recommendation on Agenda Item 7, number 36; second by Commissioner Taylor. Motion passed by a vote of six ayes. Commissioner Graham voted no. **Staff's recommendation to reduce the late-filing penalty to \$500 is adopted on Agenda Item 7, number 36.**

42. Mark Luitjen, District Judge (00037637)
Report: semiannual report due July 17, 2006
Penalty: \$3,700 (reduced to \$500)
Reconsideration: November 2006 meeting, the commission voted to reduce the \$3,700 late-filing penalty to \$500

Mark Luitjen spoke before the commission. **The late-filing penalty for Agenda Item 7, number 42, stands due to lack of a motion.**

40. Judith Zaffirini, State Senator (00020971)
- (a) Report: 30-day pre-election report due February 9, 2004
Penalty: \$500
 - (b) Report: 8-day pre-election report due March 1, 2004
Penalty: \$10,000
 - (c) Report: semiannual report due July 15, 2004
Penalty: \$10,000
 - (d) Report: semiannual report due January 18, 2005
Penalty: \$10,000
 - (e) Report: semiannual report due January 17, 2006
Penalty: \$500
- Total penalties: \$31,000

David Reisman, Executive Director, mentioned that he distributed to the commission a copy of Senator Rodney Ellis's letter regarding Senator Zaffirini. Edward M. Shack, Attorney, and Judith Zaffirini, State Senator, spoke before the commission. After consideration by the commission, Commissioner Looney moved that a \$500 late-filing penalty be assessed only for the report due January 17, 2006; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Motion that a \$500 late-filing penalty be assessed for the report due January 17, 2006, is adopted for Agenda Item 7, number 40.**

1. Matthew Angle, Treasurer, Texas Democratic Trust (00057717)
- Report: 8-day pre-election report due October 30, 2006
 - Penalty: \$1,100
 - Staff recommendation: that the original report substantially complied with the applicable law

Renea Hicks, Attorney, spoke before the commission. Motion by Commissioner Fischer to adopt staff's recommendation on Agenda Item 7, number 1; second by Commissioner Graham. Motion passed by a vote of seven ayes. **Staff's recommendation that the report substantially complied with the applicable law is adopted on Agenda Item 7, number 1.**

10. Kathryn N. McCarter, Treasurer, 'CSSP SC-PAC' Common Sense and Sound Public Policy SC-PAC (00059042)
- Report: 8-day pre-election report due October 30, 2006
 - Penalty: \$2,100
 - Staff recommendation: that the original report substantially complied with the applicable law

Rob Kohler, Consultant, spoke before the commission. Motion by Commissioner Taylor to adopt staff's recommendation on Agenda Item 7, number 10; second by Commissioner Montagne. Motion passed by a vote of

seven ayes. **Staff's recommendation that the report substantially complied with the applicable law is adopted on Agenda Item 7, number 10.**

31. Ellen R. Cohen, State Representative (00057532)
 (a) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$600
 Staff recommendation: no waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$100
 Staff recommendation: that the original report substantially complied with the applicable law
- Total penalties: \$700 Total recommended penalties: \$600

Mathew A. Zeis, Finance Director, spoke before the commission. **The late-filing penalty for Agenda Item 7, number 31, stands due to lack of a motion.**

37. Albert B. Sibbet, Candidate, State Representative (00057950)
 Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- Report: 8-day pre-election report due October 30, 2006
 Penalty: \$1,900
 Staff recommendation: reduction of the late-filing penalty to \$500
- Total penalties: \$2,400 Total recommended penalties: \$1,000

Albert B. Sibbet spoke before the commission. Motion by Commissioner Montagne to reduce the late-filing penalties to \$50 for each report on Agenda Item 7, number 37; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$50 for each report is adopted on Agenda Item 7, number 37.**

38. John Thrift, Treasurer, Bastrop County Democratic Club (00059604)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$3,200
 Staff recommendation: reduction of the late-filing penalty to \$500

John Thrift spoke before the commission. Motion by Commissioner Fischer to reduce the late-filing penalty to \$50 on Agenda Item 7, number 38; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$50 is adopted on Agenda Item 7, number 38.**

41. Carl W. Boyd, Treasurer, Strategic Energy Political Action Committee (00055863)
 Report: semiannual report due July 17, 2006
 Penalty: \$500
 Reconsideration: November 2006 meeting, the commission voted not to waive the late-filing penalty

Read Comstock, Director of the steering committee on the Regulatory Affairs Strategic Energy PAC, spoke before the commission. **The late-filing penalty for Agenda Item 7, number 41, stands due to lack of a motion.**

44. J. Eric T. Sandberg, Jr., Lobbyist (00013389)
 Report: lobby activities report due May 10, 2006
 Penalty: \$500
 Reconsideration: September 2006 meeting, the commission voted not to waive the late-filing penalty

J. Eric T. Sandberg, Jr., spoke before the commission. Motion by Commissioner Looney to postpone Agenda Item 7, number 44 at the filer's request; second by Commissioner Fischer. **Agenda Item 7, number 44, is postponed at filer's request.**

Return to Agenda Item 6.

1. Charles E. Soechting, Former State Chairman (00025071)
 (a) Report: 30-day pre-convention report due May 10, 2006 (combined report)
 Penalty: \$500
 (b) Report: 8-day pre-convention report due June 1, 2006 (combined report)
 Penalty: \$500

Total penalties: \$1,000

Staff recommendation: waiver of the late-filing penalties

Motion by Commissioner Looney to adopt staff's recommendation on Agenda Item 6, number 1; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendation is adopted on Agenda Item 6, number 1.**

2. Cynthia P. Carson, Treasurer, Texas Dental Hygienists' Assn. PAC (00015952)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$2,500
 Staff recommendation: waiver of the late-filing penalty
3. Cynthia N. Dunbar, Member, State Board of Education (00058333)
 Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
4. Charles Massey El, Treasurer, 'H.C.D.O.' Harris County Deputies Org. (00016580)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
5. Jana Fulgham, Treasurer, Shelby County Republican Women (00055198)
 Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500

- Staff recommendation: waiver of the late-filing penalty
6. Nancy Furry, Treasurer, Brown County Republican Women Club (00054563)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
7. VaLinda Hathcox, Candidate, Land Commissioner (00020124)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$2,600
Staff recommendation: waiver of the late-filing penalty
8. David L. Hodges, Treasurer, 'H.O.T. Real Force PAC' Heart of Texas Real Force PAC (00056020)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: waiver of the late-filing penalty
9. Ignacio Madera, Jr., Lobbyist (00059546)
Report: lobby activities report due January 10, 2007
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
10. Doug M. McGee, Treasurer, Sheet Metal Workers Local Union No. 54 PAC (00040413)
Report: monthly report due September 5, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
11. Bertha A. Ontiveros, Treasurer, 'WoPAC' Women's Political Action Committee of El Paso (00055998)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$5,000
Staff recommendation: waiver of the late-filing penalty
12. Randy E. Rolando, Treasurer, Rio Grande Valley Sugar Growers, Inc. PAC (00016115)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: waiver of the late-filing penalty
13. Carla C. Vela, Candidate, County Party Chair (00058597)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty
14. James S. Werner, Candidate, Governor (00058894)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

16. Christopher D. 'Chris' Youngblood, Candidate, State Representative (00058209)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Montagne to adopt staff's recommendation on Agenda Item 6, numbers 2 through 14 and 16; second by Commissioner Taylor. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 2 through 14 and 16.**

17. Art Brender, Treasurer, Tarrant County Democratic Party PAC (00015705)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$900
Staff recommendation: no waiver of the late-filing penalty

Agenda Item 6, number 17, postponed at the filer's request.

18. Patrick L. Brockett, Texas Property & Casualty Insurance Guaranty Assn. Board of Directors (00050958)
- (a) Report: personal financial statement due April 30, 2001
Penalty: \$100
Staff recommendation: no waiver of the late-filing penalty
- (b) Report: personal financial statement due April 30, 2002
Penalty: \$100
Staff recommendation: no waiver of the late-filing penalty
- (c) Report: personal financial statement due April 30, 2003
Penalty: \$100
Staff recommendation: no waiver of the late-filing penalty
- (d) Report: personal financial statement due April 30, 2004
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- (e) Report: personal financial statement due May 2, 2005
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- (f) Report: personal financial statement due May 1, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
- Total penalties: \$1,800

19. Margaret Charleton, Treasurer, Brazos County Democratic Party (CEC) (00056142)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

20. Harold V. Dutton, Jr., State Representative (00021133)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
21. William M. Eastland, Treasurer, Citizens For Honesty In Taxation (00015914)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$2,700
Staff recommendation: no waiver of the late-filing penalty
22. Henry C. Hering, Treasurer, Smith County Republicans (00015796)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$700
Staff recommendation: no waiver of the late-filing penalty
23. Jeanine L. Howard, Criminal District Court Judge (00058245)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
24. Chris J. Hughston, Candidate, State Representative (00040882)
Report: semiannual report due July 17, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
25. Jodi Jackson, Lobbyist (00056406)
Report: lobby activities report due January 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
26. Donze Lopez, Lobbyist (00034665)
Report: lobby activities report due June 12, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
27. Kenneth Lovell, Treasurer, Boating Trades Assn. Of Metropolitan Houston PAC (00016597)
Report: monthly report due November 6, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
28. William A. 'Bill' Mazur, Jr., District Judge (00057944)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$700
Staff recommendation: no waiver of the late-filing penalty

29. Kevin McDonnell, Treasurer, 'RPEC' Republican Party of Ellis County, Local (CEC) (00029533)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
30. Doug McMurry, Treasurer, San Antonio Chapter Associated General Contractors Political Action Committee (00024566)
 Report: monthly report due October 5, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
31. Jack C. Ogg, Lobbyist (00014863)
 Report: lobby activities report due December 11, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
32. Jim H. Restine, Treasurer, Potter-Randall Democratic Club (00052979)
 (a) Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$1,600
 Staff recommendation: no waiver of the late-filing penalty
- Total penalties: \$2,100
34. Donna K. Vining, Treasurer, Texas Assn. For Interior Design PAC (00016488)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Motion by Commissioner Looney to adopt staff's recommendations on Agenda Item 6, numbers 18 through 32 and 34; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Staff recommendations are adopted on Agenda Item 6, numbers 18 through 32 and 34.**

35. Rick Agosto, Member, State Board of Education (00058237)
 (a) Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$1,500
 Staff recommendation: no waiver of the late-filing penalty
- Total penalties: \$2,000 Total recommended penalties: \$1,500

36. Tom A. Akin, Treasurer, Texas Sport PAC (00015834)
Report: monthly report due November 6, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
37. John T. Bailey, Treasurer, 'CEMPAC' Texas Cemeteries Political Action Fund (00015510)
Report: monthly report due December 5, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
40. Jo C. Black, Treasurer, Fort Worth Citizens for Responsible Government (00055385)
(a) Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: waiver of the late-filing penalty

(b) Report: 8-day pre-election report due October 30, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty

Total penalties: \$1,000 Total recommended penalties: \$500
41. Frederick W. 'Fred' Burns, Candidate, District Judge (00058145)
Report: semiannual report due July 17, 2006
Penalty: \$10,000
Staff recommendation: reduction of the late-filing penalty to \$500
42. Tristan 'Tris' Castaneda, Jr., Lobbyist (00030333)
Report: lobby activities report due December 11, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
44. Mary Sue Cleveland, Treasurer, 'A.G.C.J.C.' Associated General Contractors Of Jefferson County PAC (00016601)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$3,200
Staff recommendation: reduction of the late-filing penalty to \$600
45. Rhonda K. Coleman, Treasurer, 'KANDO' Katy Area New Democratic Organization (00056208)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$3,700
Staff recommendation: reduction of the late-filing penalty to \$600
46. Mandy Dealy, Treasurer, Capitol Area Democratic Women PAC (00051024)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$2,700
Staff recommendation: reduction of the late-filing penalty to \$700

Agenda Item 6, number 46, postponed at the filer's request.

47. Thomas Evans Fisher, Candidate, State Representative (00058903)
- (a) Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- Total penalties: \$1,000 Total recommended penalties: \$500
48. Steve P. 'Patrick' Franklin, Candidate, State Representative (00058252)
- (a) Report: personal financial statement due February 13, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- (b) Report: semiannual report due July 17, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- (c) Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- (d) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$4,600
 Staff recommendation: reduction of the late-filing penalty to \$1,000
- Total penalties: \$15,600 Staff recommended penalties: \$3,000
49. Carlos M. Garcia, Candidate, State Representative (00058926)
- (a) Report: semiannual report due September 21, 2006
 Penalty: \$500
 Staff recommendation: waiver of the late-filing penalty
- (b) Report: 30-day pre-election report due October 10, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- (c) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$6,200
 Staff recommendation: reduction of the late-filing penalty to \$500
- Total penalties: \$7,200 Total recommended penalties: \$1,000

50. Jose A. Garcia, Treasurer, 'S.T.O.P. – P.A.C.' South Texas Organization of Police – Political Action Committee (00051895)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: reduction of the late-filing penalty to \$100
51. Billy D. 'Woody' Grimes, Candidate, State Representative (00058957)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$3,900
Staff recommendation: reduction of the late-filing penalty to \$700
52. David W. Hays, Treasurer, Chiang, Patel & Yerby, Inc. PAC (00059186)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
53. Melissa D. McCullough, Treasurer, 'ARW' Austin Republican Women's Club (00015789)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
54. Thomas T. Morgan, Treasurer, Committee For Good Government Of Temple-Inland Forest Products Corp. (00015608)
Report: monthly report due December 5, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
55. Jose R. 'Rudy' Ochoa, Candidate, State Representative (00057806)
Report: semiannual report due July 17, 2006
Penalty: \$10,000
Staff recommendation: reduction of the late-filing penalty to \$1,000
56. Oscar J. Palma, Jr., Candidate, State Representative (00058874)
Report: personal financial statement due February 13, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$100
57. Stephen Saloom, Lobbyist (00057243)
Report: lobby activities report due October 10, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250
58. Michael K. Stewart, Lobbyist (00014717)
Report: lobby activities report due December 11, 2006
Penalty: \$500
Staff recommendation: reduction of the late-filing penalty to \$250

59. Jim A. Stott, Treasurer, Texas Probation Association PAC (00055185)
 (a) Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty
- (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$600
 Staff recommendation: waiver of the late-filing penalty
- Total penalties: \$1,100 Total recommended penalties: \$500

Agenda Item 6, number 59, postponed at the filer's request.

60. Robert Strauser, Lobbyist (00011294)
 Report: lobby activities report due December 11, 2006
 Penalty: \$500
 Staff recommendation: reduction of the late-filing penalty to \$250
61. R. Michael Swayze, Treasurer, 'RRPAC' Round Rock Political Action Committee (00054792)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$2,500
 Staff recommendation: reduction of the late-filing penalty to \$600

Motion by Commissioner Looney to adopt staff's recommendations on Agenda Item 6, numbers 35 through 37, 40 through 42, 44 through 45, 47 through 58, and 60 through 61; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff recommendations are adopted on Agenda Item 6, numbers 35 through 37, 40 through 42, 44 through 45, 47 through 58, and 60 through 61.**

62. Janice B. Howard, Texas Funeral Service Commission (00052856)
 Report: personal financial statement due May 1, 2006
 Penalty: \$500
 Reconsideration: September 2006 meeting, the commission voted not to waive the late-filing penalty

Motion by Commissioner Montagne to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 62; second by Commissioner Looney. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 62.**

65. David A. Jones, Candidate, State Representative (00032432)
 Report: semiannual report due July 17, 2006
 Penalty: \$500

Motion by Commissioner Looney to postpone Agenda Item 6, number 65, until the next commission meeting; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Agenda Item 6, number 65, postponed.**

Return to Agenda Item 7.

2. Anne Armstrong, Treasurer, Friends Of Susan Combs Committee (00016016)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$1,500
Staff recommendation: that the original report substantially complied with the applicable law
3. David A. H. Baker, Treasurer, 'CLGG' Citizens and Labor for Good Government (00054454)
(a) Report: 8-day pre-election report due October 30, 2006
Penalty: \$5,500
Staff recommendation: that the original report substantially complied with the applicable law

(b) Report: 8-day pre-election report due October 30, 2006
Penalty: \$300
Staff recommendation: that the original report substantially complied with the applicable law
4. Joaquin Castro, State Representative (00051352)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$700
Staff recommendation: that the original report substantially complied with the applicable law
5. Paul D. Clayton, Candidate, State Representative (00051764)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$1,400
Staff recommendation: that the original report substantially complied with the applicable law
6. Brenda K. 'B.C.' Cornish, Candidate, District Judge (00058248)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$1,100
Staff recommendation: that the original report substantially complied with the applicable law
7. Jana Fulgham, Treasurer, Shelby County Republican Women (00055198)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$4,200
Staff recommendation: that the original report substantially complied with the applicable law
8. Linda L. Harper-Brown, State Representative (00051665)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$2,500
Staff recommendation: that the original report substantially complied with the applicable law
9. Sandra Hentges, Lobbyist (00050715)
Report: lobby activities report due April 11, 2005
Penalty: \$500
Staff recommendation: that the original report substantially complied with the applicable law
11. Michael S. Stevens, Treasurer, Texans for Greg Abbott (00051153)
(a) Report: 8-day pre-election report due October 30, 2006
Penalty: \$700

Staff recommendation: that the original report substantially complied with the applicable law

(b) Report: 8-day pre-election report due October 30, 2006

Penalty: \$2,000

Staff recommendation: that the original report substantially complied with the applicable law

12. Michael U. Villarreal, State Representative (00040281)

Report: 8-day pre-election report due October 30, 2006

Penalty: \$800

Staff recommendation: that the original report substantially complied with the applicable law

Motion by Commissioner Montagne to adopt staff's recommendations on Agenda Item 7, numbers 2 through 9, 11, and 12; second by Commissioner Graham. Motion passed by a vote of seven ayes on Agenda Item 7, numbers 3 through 9, 11, and 12, and passed by a vote of six ayes on Agenda Item 7, number 2. Commissioner Looney abstained. **Staff's recommendations adopted on Agenda Item 7, numbers 2 through 9, 11, and 12.**

13. Jose A. Camacho, Treasurer, 'WINCORP SW PAC' Windstream Corporation Southwest PAC (00050331)

Report: monthly report due September 5, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

14. Cynthia P. Carson, Treasurer, Texas Dental Hygienists' Assn. PAC (00015952)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

15. Andy M. Chatham, District Judge (00058203)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

16. Sara Hall, Treasurer, Bentwood Republican Women PAC (00016081)

Report: 8-day pre-election report due October 30, 2006

Penalty: \$2,500

Staff recommendation: waiver of the late-filing penalty

17. Alberto Rivera, Treasurer, 'H.C.D.O.' Harris County Deputies Org. (00016580)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

18. Ronald W. Witt, Treasurer, 'O.P.E.R.A.T.E.' Operator's Political Educational and Recruitment Awareness Towards Elections (00053429)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Fischer to adopt staff's recommendations on Agenda Item 7, numbers 13 through 18; second by Commissioner Looney. Motion passed by a vote of seven ayes. **Staff's recommendations adopted on Agenda Item 7, numbers 13 through 18.**

19. Ateja N. Dukes, Treasurer, Dawwna Dukes Campaign (00025855)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: no waiver of the late-filing penalty
20. Harvey R. Hilderbran, State Representative (00020285)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$1,500
Staff recommendation: no waiver of the late-filing penalty
21. Delwin Jones, State Representative (00020196)
Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Staff recommendation: no waiver of the late-filing penalty
22. Sandra R. Kuprion-Thomas, Treasurer, ATTACK PAC, The Anti-Crime PAC (00016097)
Report: 8-day pre-election report due October 30, 2006 (original filed late)
Penalty: \$2,100
Staff recommendation: no waiver of the late-filing penalty
23. Jose Menendez, State Representative (00042411)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: no waiver of the late-filing penalty

Agenda Item 7, number 23, postponed at the filer's request.

24. Sidney C. Miller, State Representative (00042143)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$600
Staff recommendation: no waiver of the late-filing penalty
25. Jane Nelson, State Senator (00020673)
Report: 8-day pre-election report due October 30, 2006
Penalty: \$700
Staff recommendation: no waiver of the late-filing penalty
26. Stephen R. Phillips, Treasurer, Dallas Chapter Texas Society Of CPA's PAC (00015505)
(a) Report: 30-day pre-election report due October 10, 2006
Penalty: \$500
Reconsideration: November 2006 meeting, the commission voted not to waive the late-filing penalty

(b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

Total penalties: \$1,000

27. Carleton B. Spears, Candidate, District Judge (00020690)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$800
 Staff recommendation: no waiver of the late-filing penalty

28. Yvonne Gonzalez Toureilles, State Representative (00054587)
 Report: 8-day pre-election report due October 30, 2006
 Penalty: \$5,400
 Staff recommendation: no waiver of the late-filing penalty

Agenda Item 7, number 28, postponed at the filer's request.

Motion by Commissioner Looney to adopt staff's recommendations on Agenda Item 7, numbers 19 through 22, and 24 through 27; second by Commissioner Mendoza. Motion passed by a vote of seven ayes on Agenda Item 7, numbers 19, 21, 22, and 24 through 27, and passed by a vote of six ayes on Agenda Item 7, number 20. Commissioner Fischer abstained on Agenda Item 7, number 20. **Staff's recommendations adopted on Agenda Item 7, numbers 19 through 22, and 24 through 27.**

29. Joseph L. 'Jody' Anderson, II, Candidate, State Representative (00054931)
 (a) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

 (b) Report: 8-day pre-election report due October 30, 2006
 Penalty: \$100
 Staff recommendation: that the report substantially complied with the applicable law

Total penalties: \$600 Total recommended penalties: \$500

30. Alfred H. 'Al' Bennett, Candidate, State Representative (00057938)
 (a) Report: semiannual report due January 17, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

 (b) Report: 30-day pre-election report due February 6, 2006
 Penalty: \$500
 Staff recommendation: no waiver of the late-filing penalty

 (c) Report: 8-day pre-election report due February 27, 2006
 Penalty: \$10,000
 Staff recommendation: reduction of the late-filing penalty to \$1,000

Total penalties: \$11,000 Total recommended penalties: \$2,000

Agenda Item 7, number 30 postponed at filer's request.

32. Jose Luis Garza, District Judge (00059984)

(a) Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

(b) Report: 8-day pre-election report due October 30, 2006 (original filed late)

Penalty: \$1,100

Staff recommendation: reduction of the late-filing penalty to \$600

Total penalties: \$1,600 Total recommended penalties: \$600

33. Sharon K. Martin, Treasurer, 'DOL' Daughters Of Liberty Republican Women (00028792)

Report: 8-day pre-election report due October 30, 2006

Penalty: \$1,000

Staff recommendation: reduction of the late-filing penalty to \$500

34. Borris Lee Miles, State Representative (00052983)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Staff recommendation: reduction of the late-filing penalty to \$250

35. Ritesh Moza, Treasurer, Clean Government Advocates for Chris Bell (00060191)

Report: 8-day pre-election report due October 30, 2006

Penalty: \$1,900

Staff recommendation: reduction of the late-filing penalty to \$500

39. Selena Walsh, Treasurer, 'BVPAC' Buena Vista PAC (00060074)

Report: 8-day pre-election report due October 30, 2006

Penalty: \$4,200

Staff recommendation: reduction of the late-filing penalty to \$2,000

Motion by Commissioner Taylor to adopt staff's recommendations on Agenda Item 7, numbers 29, 32 through 35, and 39; second by Commissioner Fischer. Motion passed by a vote of seven ayes. **Staff's recommendations on Agenda Item 7, numbers 29, 32 through 35, and 39, are adopted.**

45. Willie Wright, Treasurer, 'TxTPAC' Texas Tea PAC (00031996)

Report: 30-day pre-election report due October 10, 2006

Penalty: \$500

Reconsideration: November 2006 meeting, the commission voted not to waive the late-filing penalty

The late-filing penalty for Agenda Item 7, number 45, stands due to lack of a motion.

Agenda Item 8: **AOR 537: Whether an incorporated local organization that is a member of an incorporated statewide organization may make donations to charities that match the amount of political contributions made by individual members of the local organization to the statewide organization's general-purpose political committee.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Looney to postpone Agenda Item 8 until the next commission meeting; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Agenda Item 8 postponed until the next commission meeting.**

Agenda Item 9: **Public discussion and possible action on the adoption and publication in the Texas Register of Ethics Commission Rule § 20.62 (Reporting Staff Reimbursement), regarding the reporting of a political expenditure made out of personal funds by a staff member of either a candidate or political committee.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Looney to adopt and publish in the Texas Register Ethics Commission Rule § 20.62; second by Commissioner Montagne. Motion passed by a vote of seven ayes. **Ethics Commission Rule § 20.62 is adopted.**

Agenda Item 10: **Public discussion and possible action on the adoption and publication in the Texas Register of an amendment to Ethics Commission Rule § 24.1 (Corporations and Certain Associations Covered) relating to the Texas Business Organizations Code.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Fischer to adopt and publish in the Texas Register Ethics Commission Rule § 24.1; second by Commissioner Graham. Motion passed by a vote of seven ayes. **Ethics Commission Rule § 24.1 is adopted.**

Agenda Item 11: **Public discussion and possible action on the adoption and publication in the Texas Register of an amendment to Ethics Commission Rule § 50.1 (Legislative Per Diem) relating to the legislative per diem required to be set under Article III, Section 24a, of the Texas Constitution.**

Natalia L. Ashley, General Counsel, briefed the commission on this agenda item. Motion by Commissioner Taylor to adopt and publish in the Texas Register Ethics Commission Rule § 50.1; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Ethics Commission Rule § 50.1 is adopted.**

The next Ethics Commission meeting is tentatively scheduled for April 12 and 13, 2007.

Agenda Item 12: **Adjourn.**

Commission meeting adjourned by unanimous consent.