



## TEXAS ETHICS COMMISSION MEETING MINUTES

### Public Meeting Minutes

June 28, 2023, 9:00 a.m.

Capitol Extension, Room E1.014

Austin, Texas 78701



#### COMMISSIONERS PRESENT:

Mary K. “Katie” Kennedy, Chair; Randall H. Erben, Vice Chair; Chad M. Craycraft, Chris Flood, Richard S., Schmidt, Joseph Slovacek, and Steven D. Wolens.

#### COMMISSIONERS NOT PRESENT:

Patrick W. Mizell.

#### STAFF PRESENT:

Brandon Barrett, Joe Brocato, Margie Castellanos, Carmen Dalpiaz, Nick Espinosa, Betty Gallegos, David Guilianelli, Jessie Haug, Cristina Hernandez, Jordan Hunn, J.R. Johnson, Natalie McDermon, Amy Padilla, Mark Pillsbury, Margaret Sanchez, Patti Shannon, Seth Smith, Jim Tinley, and Bill Wilson.

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### MINUTES

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 recordings on file at the Commission’s office.

#### **Agenda Item 1: Call to Order; Roll Call.**

The meeting was called to order by Chair Kennedy. J.R. Johnson, Executive Director, called the roll. All Commissioners were present except Commissioner Mizell, who was absent due to a previous commitment, and Commissioner Slovacek, who arrived late.

#### **Agenda Item 2: Discussion of, and possible action on, any unfinished business from the Executive Session or Public Meeting held on June 27, 2023, including discussion and possible action on the adoption or proposal and publication in the Texas Register of new 1 Tex. Admin. Code § 22.37, regarding virtual currency contributions.**

No action was taken.

**Agenda Item 3: Election of Chair and Vice Chair of the Texas Ethics Commission.**

Commissioners Craycraft and Wolens briefed the Commission on this agenda item. Motion by Commissioner Schmidt to elect Vice Chair Erben as Chair and Commissioner Flood as Vice Chair; second by Chair Kennedy. **Motion passed by a vote of six ayes.**

**Agenda Item 4: Discussion regarding dates for next quarterly Commission meeting.**

Chair Kennedy led the discussion on the next Commission meeting dates. Commissioners Craycraft, Schmidt and Wolens, and J.R. Johnson, Executive Director, responded with questions and comments. The tentative dates for the next Commission meetings are September 26-27, 2023. **No action was taken.**

**Agenda Item 5: Approve minutes for the following meetings:**

- **Executive Session on February 15, 2023;**
- **Public Meeting on February 16, 2023; and**
- **Executive Session on March 27, 2023.**

Chair Kennedy briefed the Commission on this agenda item. Motion by Commissioner Schmidt to approve the minutes in Agenda Item 5; second by Vice Chair Erben. **Motion passed by a vote of six ayes.**

**Agenda Item 6: Discussion and possible action on the adoption or proposal and publication in the Texas Register of the repeal and amendments to 1 Tex. Admin. Code §§ 18.21, 18.23, 18.24, 18.25 and 18.26, regarding the administrative waiver or reduction of civil penalties for late filing.**

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Motion by Commissioner Flood to adopt Agenda Item 6; second by Vice Chair Erben. **Motion passed by a vote of six ayes.**

**Agenda Item 7: Discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to 1 Tex. Admin. Code § 18.13, regarding a fine for a late report.**

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Motion by Vice Chair Erben to adopt Agenda Item 7; second by Commissioner Flood. **Motion passed by a vote of six ayes.**

**Agenda Item 8:** Discussion and possible action on the adoption or proposed and publication in the Texas Register of the repeal of 1 Tex. Admin. Code § 28.3, regarding the termination of a speaker candidate's candidacy.

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Motion by Vice Chair Erben to adopt Agenda Item 8; second by Commissioner Flood. **Motion passed by a vote of six ayes.**

**Commissioner Slovacek joined the meeting.**

**Agenda Item 9:** Discussion and possible action on the proposal and publication in the Texas Register of amendments to 1 Tex. Admin. Code § 18.31, regarding the adjustments of reporting thresholds, and Ethics Commission Rules that are affected by the adoption of the amendments to 1 Tex. Admin. Code § 18.31, including §§ 20.62, 20.65, 20.217, 20.219, 20.220, 20.221, 20.275, 20.279, 20.301, 20.303, 20.313, 20.329, 20.331, 20.333, 20.401, 20.405, 20.431, 20.433, 20.434, 20.435, 20.553, 20.555, 22.1, 22.6, 22.7, 34.41, and 34.43.

Chair Kennedy and Jim Tinley, General Counsel, briefed the Commission on this agenda item. Motion by Commissioner Flood to publish Agenda Item 9 for public comment; second by Vice Chair Erben. **Motion passed by a vote of seven ayes.**

**Commissioner Wolens left the dais briefly during this agenda item.**

**Agenda Item 10:** Draft Advisory Opinion No. AOR-681: How a state officeholder should report mileage reimbursement from the state of Texas for travel.

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Motion by Vice Chair Erben to adopt AOR-681; second by Commissioner Flood. **Motion passed by a vote of seven ayes. AOR-681 is adopted.**

**Agenda Item 11:** Draft Advisory Opinion Nos. AOR-682 and 683: Whether a judicial candidate or officeholder may continue to accept political contributions more than 120 days after the election in which their name last appeared on the ballot, with the intention to use those contributions to defray expenses associated with an election contest.

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Judge David Fleischer addressed the Commission. Motion by Commissioner Schmidt to adopt AOR Nos. 682 and 683; second by Commissioner Flood. **Motion passed by a vote of seven ayes. AOR Nos. 682 and 683 are adopted.**

**Agenda Item 12: Discussion and possible action on appeals of determinations made under 1 Tex. Admin. Code §§ 18.11, 18.25 and 18.26 relating to administrative waiver or reduction of a fine, for the following filer: Tim Mahoney (00081838).**

Chair Kennedy and Natalie McDermon, Assistant General Counsel, briefed the Commission on this agenda item. Commissioner Wolens and Seth Smith, Assistant General Counsel, responded with comments. Tim Mahoney addressed the Commission. Motion by Commissioner Flood to accept staff recommendations of a reduction of the civil penalty to \$1,000 on Agenda Item 12; second by Commissioner Wolens. **Motion passed by a vote of seven ayes.**

**Agenda Item 13: Discussion and possible action regarding the termination of a campaign treasurer appointment for the following inactive political committees and individuals:**

### **Political Committees**

1. A Better Hays PAC, Taylor L. Hogeland, treasurer (00083788)
2. Alamo Area Republican Women, Sharon Saunders, treasurer (00086560)
3. Alliance Against Sexual Assault, Lawrence Collins, treasurer (00064955)
4. Committee for Victoria's Future, Aaron R. Franco, treasurer (00082041)
5. Constitutional Texans, Jordan B. Huley, treasurer (00085665)
6. First Financial Corp. PAC, Michelle Hill, treasurer (00015543)
7. Friends of Good Government, Steve Klein, treasurer (00085831)
8. Grassroots Bold Leadership Political Action Committee, Claude Foster, treasurer (00086118)
9. Midland County Texas Coalition of Black Democrats PAC, Eddie Rabb, treasurer (00085453)
10. People First, Mildred Escobedo, treasurer (00084648)
11. Port Arthur Community Political Action Committee, Gary I. Dixon, treasurer (00084118)
12. Round Rock Police Officers Association Political Action Committee, Blake C. Bearden, treasurer (00081695)
13. Texans for Access to Medical Care, Deshdeepak Sahni, treasurer (00085050)
14. Texans for Economic Development, Tommy J. Azopardi, treasurer (00059603)
15. Texans for Wellness and Recovery, Michael Dougherty, treasurer (00085374)
16. TX Youth PAC, Zane C. Smith, treasurer (00085333)

### **Individuals**

1. Adams, Alexis A. (00085761)
2. Bacy, Akilah A. (00083546)
3. Brown-Scoggins, Meghan L. (00081545)
4. Castaneda, Raynie G. (00085646)
5. Castillo, Fidel (00080604)
6. Davis, Brandon L. (00085850)
7. Demming Ruiz, Natasha (00084438)

8. Dominguez, Alberto A. (00086341)
9. Douglas, Will L. (00084229)
10. Drake, Phillip J. (00086219)
11. Farias, Katie (00085782)
12. Garza Lopez, Aimee (00084000)
13. Gutierrez, Martha M. (00086413)
14. Harper, Justin W. (00086224)
15. Jefferson-Wysinger, Demetra (00069827)
16. Jennings, Reginald E. (00086492)
17. Khon, Natalie N. (00086321)
18. Martinez, Jacinto (00084552)
19. Matranga, Michael A. (00086238)
20. McKinzie, Larry (00084539)
21. Mellina Hayslip, Susan (00085814)
22. Molison, Alfred (00086241)
23. Nash, Lynda (00086493)
24. Nervis, Marcus A. (00085544)
25. Pierce, Billy E. (00085687)
26. Raasch, Wayne G. (00066256)
27. Ramirez, Jr., Alfredo M. (00084198)
28. Rios, Jeremy Joseph (00086485)
29. Smith, Demetria Y. (00080343)
30. Vasquez, Connie G. (00084319)
31. Watkins, Nathan E. (00086233)

Jim Tinley, General Counsel, briefed the Commission on this agenda item. Political Action Committee #7 was removed from the list. Motion by Commissioner Flood to adopt staff recommendations on Agenda Item 13, except for Political Action Committee #7; second by Commissioner Schmidt. **Motion passed by a vote of seven ayes.**

**Agenda Item 14: Executive Director's Update: Briefing and discussion of legislation in the 2023 legislative session, including status of Ethics Commission legislative recommendations and discussion, possible action regarding improvements to the Commission's electronic filing software, and the sunset review process.**

J.R. Johnson, Executive Director, briefed the Commission on this agenda item. Chair Kennedy and Commissioners Schmidt and Slovacek responded with questions and comments. Commissioner Wolens thanked Chair Kennedy for her service to the Ethics Commission. **No action was taken.**

**Agenda Item 15: Adjourn.**

**Commission meeting adjourned by unanimous consent.**

Commissioner Wolens expressed his appreciation of Chair Kennedy as chair. Meeting adjourned at 9:45 am.