

TEXAS ETHICS COMMISSION

IN THE MATTER OF
GABRIELLE HADNOT,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-3120383

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 Gabrielle Hadnot, whose last known mailing address is 4316 Europa Street, Houston, Texas 77022-4050. A sworn complaint was filed with the Texas Ethics Commission against the respondent on March 30, 2012. The Notice of Hearing was mailed to the respondent on April 23, 2013, 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 April 25, 2013.
2. The Texas Ethics Commission held a preliminary review hearing on May 30, 2013, 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 president of the Houston Black American Democrats (HBAD).
5. The complaint alleged that the respondent accepted political contributions on behalf of a general-purpose political committee at a time when the committee did not have a campaign treasurer appointment in effect. The allegations were based on expenditures disclosed to HBAD on the January 2012 semiannual campaign finance reports of three judicial officeholders who file with the commission.
6. HBAD held an event on or about September 16, 2011. Based on the dates given and the purpose descriptions of the expenditures at issue, it appears that the expenditures may have been made as contributions to HBAD in connection with that event. HBAD did not have an active treasurer appointment on file from May 24, 2011, to October 4, 2011. On October 5, 2011, a new campaign treasurer was appointed for HBAD general-purpose committee. On October 4, 2012, HBAD filed a January 2012 semiannual report covering

the period from October 5, 2011, through December 31, 2011. The contributions at issue were not disclosed on that report.

7. The United States Postal Service website shows that the notice of the sworn complaint was delivered on April 26, 2012. The notice stated that the respondent was required to respond within 25 business days from receipt of the notice. To date, the respondent has not filed a response to the sworn complaint.

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.

Acceptance of Political Contributions Without a Treasurer

3. A political committee may not knowingly accept political contributions totaling more than \$500 or make or authorize political expenditures totaling more than \$500 at a time when a campaign treasurer appointment for the committee is not in effect. ELEC. CODE § 253.031(b).
4. HBAD general-purpose committee did not have a campaign treasurer appointment on file during the period at issue. The January 2012 semiannual reports of three judicial officeholders disclosed political expenditures made to HBAD in August and September, 2011. However, there is no evidence that the contributions were accepted by the respondent on behalf of HBAD political committee. Further, the evidence is inconclusive as to whether the contributions were political contributions. Therefore, there is insufficient evidence of violations of section 253.031(b) of the Election Code.

Response to Sworn Complaint

5. The respondent must respond to the notice of Category Two violations not later than the 25th business day after the date the respondent receives the notice and failure to respond to a notice of sworn complaint within the time required is a separate Category One violation. GOV'T CODE § 571.1242(b) and (c).
6. The response required by section 571.1242 of the Government Code must be in writing, admit or deny the allegations set forth in the complaint, and be signed by the respondent. If a respondent does not submit a response within the time period prescribed by section 571.1242 of the Government Code, the commission may issue an order imposing a civil penalty for failure to file a response. If a respondent does not submit a response that satisfies the requirements of this section, the commission may issue an order imposing a penalty for failure to file a complete response. Ethics Commission Rule § 12.52.

7. The United States Postal Service website shows that the notice of the sworn complaint was delivered on April 26, 2012. The notice stated that the respondent was required to respond within 25 business days from receipt of the notice. To date, the respondent has not filed a response to the sworn complaint. Therefore, there is credible evidence of a violation of section 571.1242(b) and (c) of the Government Code.

Penalty

8. 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 pay to the Texas Ethics Commission, within 30 days of the date of this order, a civil penalty in the amount of \$1,500.

Order Date: _____

FOR THE COMMISSION

David A. Reisman
Executive Director
Texas Ethics Commission