

TEXAS ETHICS COMMISSION

IN THE MATTER OF

IRV GERROW,
CAMPAIGN TREASURER,
GO WINDCREST PAC,

RESPONDENT

§
§
§
§
§
§
§
§

BEFORE THE

TEXAS ETHICS COMMISSION

SC-31708129, SC-31708133, AND
SC-31709143

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (Commission) met on November 13, 2017, to consider sworn complaints SC-31708129, SC-31708133, and SC-31709143. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of section 254.031 of Election Code, a law administered and enforced by the Commission. To resolve and settle these complaints without further proceedings, the Commission adopted this resolution.

II. Allegations

The complaints alleged that the respondent, as the campaign treasurer for Go Windcrest PAC, did not properly disclose political contributions and political expenditures.

III. Facts Supported by Credible Evidence

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

1. During the period of time relevant to the complaints, the respondent was the campaign treasurer for Go Windcrest PAC, a general-purpose committee that files reports with the Commission. The committee was dissolved on September 27, 2017.

Disclosure of Political Contributions and Political Expenditures

2. One of the complaints alleged that the respondent did not disclose a political contribution in the committee's January 2017 semiannual report. The complaint allegation was based on a candidate/officeholder's report that disclosed a \$500 political expenditure to Go Windcrest PAC on October 17, 2016, but the respondent did not disclose a corresponding contribution from the candidate/officeholder in the committee's reports.

3. One of the complaints alleged that the respondent did not properly disclose the address of a contributor who made a \$2,500 political contribution.
4. One of the complaints alleged that the respondent did not disclose political expenditures, or in the alternative, did not properly disclose political contributions and total political contribution maintained.
5. In response to the complaints, the respondent filed corrections to the committee's January 2017 semiannual report and disclosed nine political contributions totaling \$2,950 (including the \$500 contribution from the candidate/officeholder at issue) that were not included in the original report. The respondent provided bank statements to verify the information disclosed in the corrected report and swore that the omissions were inadvertent and due to an honest error.
6. Regarding the contributor address, the respondent made a typographical error in the original report by omitting one digit in the contributor's street address. The respondent provided a copy of the contribution check in response to the complaint and corrected the error.
7. The respondent also corrected the January 2017 semiannual report to correct certain political expenditures and disclose \$6,027.37 in additional political expenditures that were not included in the original report. The respondent also changed the amount of total political contributions maintained from \$0 to \$4,522.69 in the first set of corrections, and then from \$4,522.69 to \$1,627.28 in the third corrected report. The respondent provided bank statements to confirm the amount of political expenditures and total political contributions maintained as of December 31, 2016.

IV. Findings and Conclusions of Law

The facts described in Section III support the following findings and conclusions of law:

Disclosure of Political Contributions and Political Expenditures

1. 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 under this chapter, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
2. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. *Id.* § 254.031(a)(3).

3. A campaign finance report must include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period. *Id.* § 254.031(a)(6).
4. A campaign finance report must include as of the last day of the reporting period, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. *Id.* § 254.031(a)(8).
5. Credible evidence indicates that the respondent did not properly disclose political contributions, political expenditures, total political contributions and political expenditures, and total political contributions maintained. Therefore, there is credible evidence of violations of sections 254.031(a)(1), 254.031(a)(3), 254.031(a)(6), and 254.031(a)(8) of the Election Code.

V. Representations and Agreement by Respondent

By signing this order and agreed resolution and returning it to the Commission:

1. The respondent neither admits nor denies the facts described under Section III or the Commission's findings and conclusions of law described under Section IV, and consents to the entry of this order and agreed resolution solely for the purpose of resolving these sworn complaints.
2. The respondent consents to this order and agreed resolution and waives any right to further proceedings in this matter.
3. The respondent acknowledges that: 1) each 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 under this chapter, the full name and address of the person making the contributions, and the dates of the contributions; 2) each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures; 3) each campaign finance report must include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period; and 4) each campaign finance report must include as of the last day of the reporting period, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. The respondent agrees to comply with these requirements of the law.

VI. Confidentiality

This order and agreed resolution describes violations that the Commission has determined are neither technical nor *de minimis*. Accordingly, this order and agreed resolution is not confidential under section 571.140 of the Government Code and may be disclosed by members and staff of the Commission.

VII. Sanction

After considering the nature, circumstances, and consequences of the violations described under Sections III and IV, and after considering the sanction necessary to deter future violations, the Commission imposes a \$500 civil penalty.

VIII. Order

The Commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-31708129, SC-31708133, and SC-31709143.

AGREED to by the respondent on this _____ day of _____, 20__.

Irv Gerrow, Respondent

EXECUTED ORIGINAL received by the Commission on: _____.

Texas Ethics Commission

By: _____
Seana Willing, Executive Director