

TEXAS ETHICS COMMISSION

IN THE MATTER OF
LILLY WILKINSON,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-32403201

RECEIVED
JUL 29 2024
Texas Ethics Commission

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (TEC) met on September 24, 2024, to consider sworn complaint SC-32403201. A quorum of the TEC was present. The TEC determined that there is credible evidence of violations of Sections 254.031, 254.063, and 254.064 of the Election Code, laws administered and enforced by the TEC. To resolve and settle this complaint without further proceedings, the TEC adopted this resolution.

II. Allegations

The complaint alleged that the respondent: 1) did not timely file the January 2024 semiannual campaign finance report, which was due by January 16, 2024, in violation of Section 254.063 of the Election Code; 2) did not properly disclose political contributions and political expenditures in the January 2024 semiannual report, in violation of Section 254.031 of the Election Code; 3) did not file the 30-day pre-election report for the March 5, 2024 primary election, which was due by February 5, 2024, in violation of Section 254.064 of the Election Code; and 4) did not file the 8-day pre-election report for the March 5, 2024 primary election, which was due by February 26, 2024, in violation of Section 254.064 of the Election Code.

III. Findings of Fact and Conclusions of Law

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

1. The respondent was an incumbent candidate for San Patricio County Commissioner, Precinct 3, in the March 5, 2024 primary election. The respondent was ultimately unsuccessful in the May 28, 2024 primary runoff election.

The Respondent Failed to Timely File Reports

2. The respondent had a campaign treasurer appointment on file and was a candidate during the periods at issue.
3. The respondent was required to file the January 2024 semiannual campaign finance report by January 16, 2024. Tex. Elec. Code § 254.063(c); 1 Tex. Admin. Code § 20.21. The respondent filed the report late on January 19, 2024. Therefore, there is credible evidence of a violation of Section 254.063 of the Election Code.
4. In addition, as more fully discussed below, the respondent did not itemize any of her political expenditures in the January 2024 report as originally filed. The respondent corrected the report on April 19, 2024, in response to the complaint.
5. Because the respondent had an opponent in the March 5, 2024 primary election, the respondent was required to a 30-day pre-election report by February 5, 2024, and an 8-day pre-election report by February 26, 2024. Tex. Elec. Code § 254.064; 1 Tex. Admin. Code § 20.21. The respondent filed both reports late on March 12, 2024, which is one day after the sworn complaint was filed. Therefore, there is credible evidence of violations of Section 254.064 of the Election Code.
6. In addition, the respondent failed to properly disclose political expenditures in the 30-day and 8-day reports as originally filed. The respondent corrected the reports on April 19, 2024, in response to the complaint. The original 30-day pre-election report disclosed \$0 in total political contributions and \$0 in total political expenditures; and the corrected report disclosed \$0 in total political contributions and \$3,044.80 in total political expenditures. The original 8-day pre-election report disclosed \$50 in total political contributions and \$2,098.81 in total political expenditures; and the corrected report disclosed \$50 in total political contributions and \$1,045 in total political expenditures.

The Respondent Failed to Disclose Political Expenditures

7. The respondent filed the January 2024 semiannual report late on January 19, 2024. In the report, the respondent disclosed \$0 in total political contributions and \$6,873.57 in total political expenditures. The respondent attached blank schedules to the report and did not itemize any expenditures.
8. In response to the complaint, on April 19, 2024, the respondent corrected the report to change the amount of total political expenditures to \$4,516.16. The respondent itemized all of the expenditures on Schedule G (used to disclose political expenditures from personal funds).

Most of the expenditures were printing expenses for political advertising signs, and nearly all of the expenditures exceeded the applicable \$200 itemization threshold.

9. The respondent was required to disclose the amount of total political expenditures and include an itemized listing of each expenditure that in the aggregate exceeded \$200. Tex. Elec. Code §§ 254.031(a)(3), 254.031(a)(6); 1 Tex. Admin. Code § 18.31(a).
10. Regarding the January 2024 semiannual report, the respondent failed to itemize political expenditures totaling approximately \$4,500 and failed to disclose the correct amount of total political expenditures that were made during the reporting period. Therefore, there is credible evidence of violations of Sections 254.031(a)(3) and 254.031(a)(6) of the Election Code.

IV. Representations and Agreement by Respondent

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

1. The respondent neither admits nor denies the findings of fact and conclusions of law described under Section III, and consents to the entry of this order and agreed resolution solely for the purpose of resolving and settling the sworn complaint.
2. The respondent consents to this order and agreed resolution before any adversarial evidentiary hearings or argument before the TEC, and before any formal adjudication of law or fact by the TEC. The respondent waives any right to a hearing before the TEC or an administrative law judge and consents to TEC staff presenting this order and agreed resolution to the commissioners outside of the respondent's presence. The respondent further waives any right to a post-hearing procedure established or provided by law. The TEC and respondent agree that the entry of this order and agreed resolution will be a full and complete resolution of sworn complaint SC-32403201.
3. The respondent understands and agrees that the TEC will consider this order and agreed resolution in any future sworn complaint proceedings against the respondent regarding similar violations that occur after the date this agreement is executed.

V. Confidentiality

This order and agreed resolution describes violations that the TEC 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 TEC.

VI. Sanction

The TEC may impose a civil penalty of not more than \$5,000 or triple the amount at issue, whichever amount is more. Tex. Gov't Code § 571.173. The TEC shall consider the following factors in assessing a sanction: 1) the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the violation; 2) the history and extent of previous violations; 3) the demonstrated good faith of the violator, including actions taken to rectify the consequences of the violation; 4) the penalty necessary to deter future violations; and 5) any other matters that justice may require. Tex. Gov't Code § 571.177.

The Amount at Issue

In total, the respondent failed to itemize \$8,605.96 in political expenditures in the January 2024 semiannual report and the 30-day and 8-day pre-election reports at issue. In fact, this activity was not fully disclosed until April 19, 2024, more than one month after the March 5, 2024 primary election.

Factor 1: The Seriousness of the Violation

The violations caused meaningful harm to disclosure. The respondent did not fully disclose and itemize her expenditures until after the March 2024 primary election. However, the TEC also takes into account that the respondent only accepted \$50 in political contributions, and nearly all expenditures were made from the respondent's personal funds.

Factor 2: The History and Extent of Previous Violations

The respondent has no previous violations.

Factor 3: The Demonstrated Good Faith of the Violator

There is no reason to believe that the respondent deliberately concealed or obscured activity. Further, the respondent filed the missing 30-day and 8-day pre-election reports shortly after the sworn complaint was filed, albeit the reports were incomplete.

Factor 4: The Penalty Necessary to Deter Future Violations

There is no reason to believe that this respondent intends to commit future violations; however, a penalty is justified by the general need to deter violations with significant disclosure consequences.

Factor 5: Any Other Matters that Justice May Require

The respondent did not squarely address the allegations in response to the complaint and stated that her campaign treasurer is the person who files her reports. The respondent's campaign treasurer worked extensively with TEC staff to file corrected reports in response to the complaint.

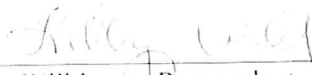
Conclusion

After considering the amount at issue and the nature, circumstances, and consequences of the violations described under Section III, the TEC imposes a \$1,000 civil penalty. If the penalty is not paid within 30 days of the date of this Order and Agreed Resolution, the penalty shall increase to \$2,500 and shall be referred to the Office of the Attorney General for collections.

VII. Order

The TEC hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-32403201.

AGREED to by the respondent on this 29 day of July, 2024.



Lilly Wilkinson, Respondent

EXECUTED by the TEC on: 9/24/24

Texas Ethics Commission

By: 

J.R. Johnson, Executive Director