



**TEXAS ETHICS COMMISSION MEETING MINUTES**  
February 12, 2009, 8:32 a.m  
Texas Workforce Commission Building  
101 E. 15th Street, Conference Room 244, Austin, Texas 78701



**COMMISSIONERS PRESENT:** Ross Fischer, Chair; David Montagne, Vice Chair; Wilhelmina Delco, Jim Graham, Tom Harrison, Paula M. Mendoza, and Nicholas C. Taylor.

**COMMISSIONERS ABSENT:** Raymond R. "Tripp" Davenport, III.

**STAFF PRESENT:** Natalia L. Ashley, Amy Barden, Margie Castellanos, Homer Diaz, Susana Esparza, Sharon Finley, Ginger Hunter, Brad Johnson, Becky Levy, Bobby Mannas, Mike McElhaney, Sandy Mitchell, David A. Reisman, Nadina Rose, Veronica Scott, Tim Sorrells, Ian Steusloff, and Mary Young.

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**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 Fischer. David A. Reisman, Executive Director, called the roll. All Commissioners were present, except for Commissioner Davenport.

**Agenda Item 2: Communication to the Commission from the public.**

None.

**Agenda Item 3: Comments by the Commissioners.**

Chair Fischer stated that this may be Vice Chair Montagne's last Commission meeting. Chair Fischer stated that Vice Chair Montagne had been nominated by the Governor, subject to confirmation by the Senate, to the Texas State University System Board of Regents, and congratulated him on his appointment. Chair Fischer also wanted to thank outgoing chair, Tom Harrison, for his service and dedication to the Ethics Commission.

**Agenda Item 4: Comments by the executive director.**

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

1. Mr. Reisman updated the Commission on the legislative bills filed. We are currently tracking 25 bills filed that pertain to the Ethics Commission's jurisdiction. Mr. Reisman will be providing updates on legislation to the Commissioners.

2. Mr. Reisman will be attending the Senate Finance Committee hearing on February 18, 2009, to discuss the agency's budget requests.
3. House Speaker Strauss and Lt. Governor Dewhurst sent a letter requesting that agencies submit recommendations on reducing their budgets. Staff is working on that list of recommendations.
4. Mr. Reisman reminded the Commissioners that personal financial statements are due April 30 and that the extension date is June 29. He discussed the filing software that can be used to fill out the form, print it, and then send it to the Ethics Commission.
5. Staff has surveyed approximately 3,400 local filing authorities to see who posted campaign finance reports on their website. The Commission has provided a link on the Commission's website to the local filing authorities' websites.
6. Mr. Reisman discussed an article about agency fees and fines. The article was inadvertently misleading and may have been based on a revenue report submitted to the Legislative Budget Board at the end of the fiscal year. The article stated that the Commission had collected only 66% of fines assessed. The Commission has actually collected 83% in 2007 and 94% in 2008 in fees and fines assessed. He explained the procedures used in the collection of fees and fines.

**Agenda Item 5: Approve minutes of the December 4, 2008, meeting.**

Motion by Commissioner Taylor to adopt the December 4, 2008, meeting minutes; second by Commissioner Mendoza. 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.**

**12. Philip J. Kunetka (00040849)  
Treasurer, 'IEC' Independent Electrical Contractors Of Houston PAC**

Report: 8-day runoff report due December 8, 2008  
Penalty: \$600  
Staff recommendation: no waiver of late-filing penalty

Philip J. Kunetka spoke before the Commission. **The late-filing penalty for Agenda Item 6, number 12, stands due to lack of a motion.**

**18. Joseph O. Slovacek (00015702)  
Treasurer, C Club**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$3,300

Staff recommendation: no waiver of late-filing penalty

Dale Wilkins spoke before the Commission. Motion by Commissioner Harrison to reduce the late-filing penalty to \$1,000 on Agenda Item 6, number 18; second by Vice Chair Montagne. Motion passed by a vote of seven ayes. **The reduction of the late-filing penalty to \$1,000 is adopted on Agenda Item 6, number 18.**

**30. Art Nicholson (00063518)  
Treasurer, 'APPAC' Alvin Proud Political Action Committee**

(a) Report: 30-day pre-election report due April 10, 2008  
Penalty: \$500

(b) Report: 8-day pre-election report due May 2, 2008  
Penalty: \$9,100

(c) Report: semiannual report due July 15, 2008  
Penalty: \$500

Staff recommendation: At the December 2008 meeting, the Commission voted not to waive the late-filing penalties.

Total penalties: \$10,100

Art Nicholson spoke before the Commission. Motion by Commissioner Graham to reduce the late-filing penalties to \$1,800 total on Agenda Item 6, number 30; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalties to \$1,800 total is adopted on Agenda Item 6, number 30.** Motion to reconsider by Commissioner Harrison to reduce the late-filing penalty to \$600; second by Commissioner Taylor. Motion failed by a vote of four ayes and three nays. Previous motion stands.

**28. Billy W. McClendon (00053118)  
Member, Texas Juvenile Probation Commission**

Report: personal financial statement due June 30, 2008

Penalty: \$500

Staff recommendation: At the December 2008 meeting, the Commission voted not to waive the late-filing penalty.

Billy W. McClendon spoke before the Commission. Motion by Vice Chair Montagne to reduce the late-filing penalty to \$100 on Agenda Item 6, number 28; second by Commissioner Taylor. Motion passed by a vote of six ayes. Commissioner Graham voted no. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 28.**

**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.**

**8. Mark S. Homer (00037071)  
State Representative**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: waiver of the late-filing penalty

Mark S. Homer spoke before the Commission. Motion by Commissioner Taylor to adopt staff recommendation on Agenda Item 7, number 8; second by Commissioner Delco. Motion passed by a vote of seven ayes. **Staff recommendation is adopted on Agenda Item 7, number 8.**

**14. Matthew Angle (00057717)  
Treasurer, Texas Democratic Trust**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$2,500  
Staff recommendation: no waiver of the late-filing penalty

Renea Hicks spoke before the Commission. Motion by Commissioner Harrison to reduce the late-filing penalty to \$1,000; second by Commissioner Delco. Motion passed by a vote of five ayes. Chair Fischer and Commissioner Graham voted no. **Reduction of the late-filing penalty to \$1,000 is adopted on Agenda Item 7, number 14.**

**15. J. Gaylord Armstrong (00017165)  
Treasurer, 'TCFA PAC' Texas Consumer Finance Assn. PAC**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$8,400  
Staff recommendation: no waiver of the late-filing penalty

**Agenda Item 7, number 15, is postponed at filer's request.**

**18. Betty Adams (00015561)  
Treasurer, 'FBRWC PAC' Fort Bend Republican Women's Club PAC**

Report: 8-day runoff report due December 8, 2008 (original filed late)  
Penalty: \$2,900  
Staff recommendation: reduction of the late-filing penalty to \$500

Betty Adams spoke before the Commission. Motion by Commissioner Delco to adopt staff recommendation on Agenda Item 6, number 18; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff recommendation is adopted on Agenda Item 7, number 18.**

**Returned to Agenda Item 6.**

**1. William B. 'Bill' Gray, Jr. (00058864)**  
**Candidate, State Representative**

Report: 30-day pre-election report due October 6, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty

Motion by Vice Chair Montagne 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. Linda C. Eissler (00015780)**  
**Treasurer, 'MCRW PAC' Montgomery County Republican Women's PAC**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty

**3. Louis Kalkbrenner (00059627)**  
**Lobbyist**

Report: lobby activities report due November 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty

**4. Michael McMullen (00062808)**  
**Lobbyist**

Report: lobby activities report due December 10, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty

**5. Sarah Whitaker (00023983)**  
**Chair, Kaufman County Democratic Party (P)**

Report: 50-day pre-election political party report due September 15, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty

Motion by Commissioner Taylor to adopt staff's recommendations on Agenda Item 6, numbers 2 through 5; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 2 through 5.**

**8. Doris Fears (00061700)**  
**Treasurer, 'SD13' Senate District 13 PAC**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

Motion by Commissioner Harrison to reduce the \$500 late-filing penalty to \$100 on Agenda Item 6, number 8; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$100 is adopted on Agenda Item 6, number 8.**

**14. Don W. Minton (00061843)**  
**Criminal District Court Judge**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**15. Daniel G. Rios (00062663)**  
**District Judge**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

Motion by Commissioner Harrison to reduce the late-filing penalty to \$250 on Agenda Item 6, numbers 14 and 15; second by Commissioner Delco. Motion passed by a vote of seven ayes. **Reduction of the late-filing penalty to \$250 is adopted on Agenda Item 6, numbers 14 and 15.**

**6. Sam S. Beecroft (00015612)**  
**Treasurer, 'AGC-PAC' South Texas Chapter Associated General Contractors PAC**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$600  
Staff recommendation: no waiver of late-filing penalty

**7. Mike Dunn (00050821)**  
**Lobbyist**

Report: lobby activities report due January 12, 2009  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**9. Grant P. Harpold (00063993)**  
**Candidate, State Senator**

Report: personal financial statement due October 30, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

Grant P. Harpold spoke before the Commission on this matter.

**10. Stacy Hunt (00015547)**  
**Treasurer, 'HAABGF' Houston Apartment Assn. Better Government Fund**

Report: 8-day runoff report due December 8, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**11. Edward Kaleta (00028202)**  
**Treasurer, 'Humana TX PAC' Humana Inc. Texas PAC**

Report: monthly report due November 5, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**13. Rogelio 'Roy' Martinez (00038971)**  
**Treasurer, 'HCRP' Hidalgo County Republican Party (CEC)**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**16. Brent Sheets (00016001)**  
**Treasurer, 'CCST' Career Colleges & Schools Of Texas**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**17. Stephanie E. Simmons (00065027)**  
**Candidate, State Senator**

Report: personal financial statement due October 30, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**19. Robert J. 'Sam' Tessen (00039782)**  
**Lobbyist**

Report: lobby activities report due December 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**20. Ronnie R. Volkening (00034522)**  
**Lobbyist**

Report: lobby activities report due December 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

Ronnie R. Volkening spoke before the Commission on this matter.

**21. Brian K. 'Keith' Walker (00058136)**  
**Candidate, State Representative**

Report: special pre-election report due October 28, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**22. Lawrence D. 'Larry' Weiman (00060041)**  
**District Judge**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty

**Agenda Item 6, number 22, is postponed at filer's request.**

Motion by Commissioner Graham to adopt staff's recommendations on Agenda Item 6, numbers 6, 7, 9 through 11, 13, 16, 17, and 19 through 21; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 6, 7, 9 through 11, 13, 16, 17, and 19 through 21.**

**23. Rosendo Carranco (00063943)**  
**Treasurer, Texas First PAC**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$3,900  
Staff recommendation: reduction of late-filing penalty to \$500

Colin Strother spoke before the Commission on this matter.



- 24. Brian Chester (00042938)**  
**Treasurer, 'TCA' Texas Construction Assn. PAC**
- (a) Report: 30-day pre-election report due October 6, 2008  
Penalty: \$500  
Staff recommendation: waiver of late-filing penalty
- (b) Report: 8-day pre-election report due October 27, 2008  
Penalty: \$600  
Staff recommendation: no waiver of late-filing penalty
- Total penalties: \$1,100      Total recommended penalties: \$600
- 25. Douglas Dunsavage (00055935)**  
**Lobbyist**
- Report: lobby activities report due September 10, 2008  
Penalty: \$500  
Staff recommendation: reduction of late-filing penalty to \$250
- 26. Hector Gutierrez, Jr. (00012652)**  
**Lobbyist**
- (a) Report: lobby activities report due November 10, 2008  
Penalty: \$500  
Staff recommendation: no waiver of late-filing penalty
- (b) Report: lobby activities report due December 10, 2008  
Penalty: \$500  
Staff recommendation: reduction of late-filing penalty to \$250
- Total penalties: \$1,000      Total recommended penalties: \$750
- 27. Jude Roberson (00055456)**  
**Treasurer, 'BFT COPE' Brazosport Federation of Teachers Committee on Political Education**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$1,900  
Staff recommendation: reduction of late-filing penalty to \$500

Motion by Commissioner Harrison to adopt staff's recommendations on Agenda Item 6, numbers 23 through 27; second by Vice Chair Montagne. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 6, numbers 23 through 27.**

**29. James D. Schull (00062138)**  
**Candidate, State Representative**

Report: semiannual report due July 15, 2008

Penalty: \$600

Staff recommendation: At the October 2008 meeting, the Commission voted not to waive the late-filing penalty.

**31. Wayne F. Salvant (00026795)**  
**Criminal District Court Judge**

Report: 30-day pre-election report due October 6, 2008

Penalty: \$500

Staff recommendation: At the December 2008 meeting, the Commission voted not to waive the late-filing penalty.

**32. Nancy J. Moffat (00020479)**  
**Candidate, State Representative**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$700

Staff recommendation: At the December 2008 meeting, the Commission voted not to waive the late-filing penalty.

**The late-filing penalties for Agenda Item 6, numbers 29, 31, and 32, stand due to lack of a motion.**

**Return to Agenda Item 7.**

**1. Tamela Gough (00017224)**  
**Treasurer, 'Pediatric Dentists PAC' Texas Academy of Pediatric Dentistry Political Action Committee**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$8,400

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

**2. Todd A. Hunter (00020493)**  
**State Representative**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$1,300

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

**3. Gregory A. Meyers (00062124)  
Candidate, State Representative**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$1,800

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

**4. Rosemarie Selman (00016070)  
Treasurer, San Antonio Apartment Assn. PAC**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$1,300

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

**5. Hubert Vo (00054795)  
State Representative**

Report: 8-day pre-election report due October 27, 2008

Penalty: \$4,100

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

Motion by Commissioner Taylor to adopt staff's recommendations on Agenda Item 7, numbers 1 through 5; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 7, numbers 1 through 5.**

**6. Mark D. Davidson (00019801)  
District Judge**

Report: special pre-election report due October 30, 2008

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

**7. Ateja N. Dukes (00025855)  
Treasurer, Dawnna Dukes Campaign**

Report: semiannual report due January 18, 2005

Penalty: \$10,000

Staff recommendation: waiver of the late-filing penalty

**9. Martha H. Jamison (00027107)  
District Judge**

Report: special pre-election report due October 30, 2008

Penalty: \$500

Staff recommendation: waiver of the late-filing penalty

- 10. O. Maurice Osborn (00034656)**  
**Treasurer, 'TXIPAC' Texas Industries, Inc. PAC**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$1,100  
Staff recommendation: waiver of the late-filing penalty
- 11. Britt Plunk (00020589)**  
**District Judge**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$600  
Staff recommendation: waiver of the late-filing penalty
- 12. Jim Sharp (00054854)**  
**Court of Appeals Justice**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$2,700  
Staff recommendation: waiver of the late-filing penalty
- 13. Michael Q. Sullivan (00061927)**  
**Treasurer, Empower Texans PAC**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$1,000  
Staff recommendation: waiver of the late-filing penalty

Motion by Commissioner Graham to adopt staff's recommendations on Agenda Item 7, numbers 6, 7, and 9 through 13; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 7, numbers 6, 7, and 9 through 13.**

- 16. Jesus 'Jesse' Contreras (00062099)**  
**District Judge**
- Report: 8-day pre-election report due October 27, 2008  
Penalty: \$2,200  
Staff recommendation: no waiver of the late-filing penalty
- 17. Boyd Richie (00015831)**  
**Treasurer, Texas Democratic Party**
- Report: special pre-election report of direct expenditures due October 29, 2008  
Penalty: \$500  
Staff recommendation: no waiver of the late-filing penalty

Shelley L. Smith spoke before the Commission on this matter.

Motion by Commissioner Mendoza to adopt staff's recommendations on Agenda Item 7, numbers 16 and 17; second by Commissioner Harrison. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 7, numbers 16 and 17.**

**19. Jean Bosworth-Weatherly (00054745)  
Treasurer, 'RWHC' Republican Women of Houston County**

Report: 8-day pre-election report due October 27, 2008 (original filed late)  
Penalty: \$700  
Staff recommendation: reduction of the late-filing penalty to \$500

**20. Joe G. Farias (00058360)  
State Representative**

Report: 8-day pre-election report due October 27, 2008 (original filed late)  
Penalty: \$2,500  
Staff recommendation: reduction of the late-filing penalty to \$500

**21. Eduardo R. 'Eddie' Rodriguez (00041097)  
State Representative**

Report: 8-day pre-election report due October 27, 2008  
Penalty: \$4,000  
Staff recommendation: reduction of the late-filing penalty to \$500

Motion by Commissioner Mendoza to adopt staff's recommendations on Agenda Item 7, numbers 19 through 21; second by Commissioner Delco. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 7, numbers 19 through 21.**

**Agenda Item 8. Discussion and possible action regarding the termination of a campaign treasurer appointment of an inactive candidate and inactive political committees.**

Natalia Luna Ashley, General Counsel, briefed the Commission on this agenda item. Motion by Commissioner Taylor to adopt staff's recommendations on Agenda Item 8; second by Commissioner Mendoza. Motion passed by a vote of seven ayes. **Staff's recommendations are adopted on Agenda Item 8.**

**Agenda Item 9: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rule § 22.7 (Contribution from Out-of-State Committee), relating to documentation that a candidate, officeholder, or political committee must obtain from an out-of-state political committee before accepting a political contribution from the out-of-state political committee.**

Natalia L. Ashley, General Counsel, briefed the Commission on this agenda item. Motion by Commissioner Delco to publish Agenda Item 9 for public comment in the Texas Register; second by Commissioner Graham. Motion passed by a vote of seven ayes. **Amendment to Ethics Commission Rule § 22.7 to be published in the Texas Register for comment.**

**Agenda Item 10: Public discussion and possible action on the proposal and publication in the Texas Register of Ethics Commission Rule § 34.22 (Valuation of a Ticket with a Face Value) and § 34.23 (Valuation of a Ticket to a Suite), relating to the standard for determining the value of a ticket to an entertainment event or to a sporting event under Chapter 305 of the Government Code (the lobby law).**

Natalia L. Ashley, General Counsel, briefed the Commission on this agenda item. Jack Gullahorn, President, Professional Advocacy Association of Texas, spoke before the Commission. Motion by Commissioner Harrison to publish Agenda Item 10 for public comment in the Texas Register; second by Commissioner Montagne. Motion passed by a vote of seven ayes. A work group session will meet in March to discuss the rules. **Proposed Ethics Commission Rules §§ 34.22 and 34.23 to be published in the Texas Register for comment.**

**The next Ethics Commission meeting is tentatively scheduled for April 16 and 17, 2009.**

**Agenda Item 18: Adjourn.**

Commission meeting adjourned by unanimous consent.