

TEXAS ETHICS COMMISSION

IN THE MATTER OF
ROBERT PETRIE,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-260234

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on November 28, 2006, to consider sworn complaint SC-260234. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 255.006 and 254.031 of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposes this resolution to the respondent.

II. Allegations

The complaint alleges that the respondent's political advertising signs represented that he held a public office that he did not hold at the time the representation was made. The complaint also alleges that the respondent failed to properly report political expenditures, loans, and contributions maintained on campaign finance reports.

III. Facts Supported by Credible Evidence

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

1. The respondent was a candidate for Justice of the Peace in the March 7, 2006, primary election.
2. The respondent was not the incumbent for the office of Justice of the Peace.
3. The respondent placed several large 4' x 8' signs and yard signs that identified the office that he sought but that did not include the word "for" to clarify that he did not hold that office.
4. The allegations regarding reporting errors are based on the January 2006 semiannual campaign finance report and on the 30-day pre-election report filed on February 2, 2006.

5. The respondent's sworn statement admits that he did not file correctly, and attributes the errors to his lack of expertise.
6. The respondent submitted corrected reports in response to the complaint.
7. From the face of the original report and the corrections submitted by the respondent, it is clear that the respondent's 30-day pre-election report failed to disclose the detailed information required on six expenditures totaling over \$3,000, and failed to properly report the total political expenditures.
8. The respondent's original 30-day pre-election report disclosed a \$4,500 loan made on December 28, 2005. The loan was actually for \$3,000 and made on January 30, 2006. Based on the differences between the original and corrected reports, the respondent failed to properly report loans on his campaign finance report.
9. The respondent's original 30-day pre-election report disclosed total political contributions maintained as \$4,500. The correct amount was \$0.

IV. Findings and Conclusions of Law

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

1. A person may not knowingly enter into an agreement to print political advertising with the intent to represent that a candidate holds a public office that the candidate does not hold at the time the agreement is made.
2. Such representation is made if the candidate does not hold the office that the candidate seeks, and the political advertising states the public office sought but does not include the word "for" to clarify that the candidate does not hold that office. ELEC. CODE § 255.006.
3. The respondent's political advertising signs did not include the word "for" to clarify that the respondent did not hold the office of Justice of the Peace.
4. Therefore, there is credible evidence of a violation of section 255.006 of the Election Code.
5. Each campaign finance report filed by a candidate is required to include the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the person to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).

6. Each report is also required to include the total amount of all political expenditures made during the reporting period. ELEC. CODE § 254.031(a)(6).
7. The respondent's original 30-day pre-election report did not properly disclose political expenditures. Therefore, there is credible evidence of a violation of sections 254.031(a)(3) and (a)(6) of the Election Code.
8. Each campaign finance report filed by a candidate is required to include the amount of loans that in the aggregate exceed \$50 made during the reporting period to the candidate, the dates the loans are made, the interest rate, maturity date, collateral, full name and address of the lender, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. ELEC. CODE § 254.031(a)(2).
9. The respondent's original 30-day pre-election report did not properly disclose the amount and date of a loan. Therefore, there is credible evidence of a violation of section 254.031(a)(2) of the Election Code.
10. Each campaign finance report filed by a candidate is required to include the total amount of political contributions maintained as of the last day of the reporting period. ELEC. CODE § 254.031(a)(8).
11. The respondent's original 30-day pre-election report did not properly disclose total political contributions maintained. Therefore, there is credible evidence of a violation of section 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 this sworn complaint.
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 a person violates section 255.006 of the Election Code if the person knowingly enters into a contract or other agreement to print, publish, or broadcast political advertising with the intent to represent to an ordinary and prudent person that a candidate holds a public office that the candidate does not hold at the time the agreement is made. The respondent further acknowledges that a person violates this section if the person

knowingly represents in a campaign communication that a candidate holds a public office that the candidate does not hold at the time the representation is made. The respondent further acknowledges that a person represents that a candidate holds a public office that the candidate does not hold if the candidate does not hold the office that the candidate seeks, and the political advertising or campaign communication states the public office sought but does not include the word "for" in a type size that is at least one-half the type size used for the name of the office to clarify that the candidate does not hold that office. The respondent further acknowledges that each campaign finance report filed by a candidate is required to include the amount of political expenditures that in the aggregate exceed \$50 and that are made during the reporting period, the full name and address of the person to whom the expenditures are made, and the dates and purposes of the expenditures. The respondent also acknowledges that each campaign finance report filed by a candidate is required to include the total amount of all political expenditures made during the reporting period. The respondent also acknowledges that each campaign finance report is required to include the amount of loans that in the aggregate exceed \$50 made during the reporting period to the candidate, the dates the loans are made, the interest rate, maturity date, collateral, full name and address of the lender, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. The respondent also acknowledges that each campaign finance report is required to include the total amount of political contributions maintained 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 seriousness of the violations described under Sections III and IV, including the nature, circumstances, and consequences of the violations, and after considering the sanction necessary to deter future violations, the commission imposes a \$500 civil penalty for the violations described under Sections III and IV.

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-260234.

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

Robert Petrie, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director