

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
JAMES RINEFIERD,	§	
CAMPAIGN TREASURER,	§	TEXAS ETHICS COMMISSION
HUMAN RIGHTS CAMPAIGN	§	
TEXAS FAMILIES PAC,	§	
	§	
RESPONDENT	§	SC-2909210

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (the commission) met on October 21, 2010, to consider sworn complaint SC-2909210. A quorum of the commission was present. The commission determined that there is credible evidence of violations of sections 254.031 and 254.151 of the Election Code, laws administered and enforced by the commission. To resolve and settle this complaint without further proceedings, the commission proposed this resolution to the respondent.

II. Allegations

The complaint alleged that the respondent, as campaign treasurer for Human Rights Campaign Texas Families PAC: 1) failed to disclose in the committee's 8-day pre-election report for the November 2008 election the identity and date of the election for which the report was filed, and 2) failed to include in the committee's pre-election reports filed in October of 2008, as well as in the committee's January 2009 semiannual report, the name of each identified candidate supported or opposed by the committee and the name of each identified officeholder assisted by the committee.

III. Facts Supported by Credible Evidence

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

1. The respondent is the campaign treasurer of Human Rights Campaign Texas Families PAC (HRCTFP), a general-purpose political committee.
2. On October 6, 2008, the respondent filed HRCTFP's 30-day pre-election report for the November 2008 Election that disclosed:

- \$22,439 in total political contributions,
 - \$50,594 in total political expenditures, and
 - \$71,845 in total political contributions maintained as of the last day of the reporting period.
3. The respondent left blank the “Committee Activity” section of the report’s cover page (used, in pertinent part, for identifying by name or party the candidates supported or opposed by the committee and the officeholders assisted by the committee). The report did not disclose any corporate political contributions. Schedule F (used for disclosing political expenditures) disclosed seven political expenditures totaling approximately \$35,540 to support candidates or officeholders.
4. On October 20, 2009, the respondent filed a corrected 30-day pre-election report for the November 2008 election that disclosed in the “Committee Activity” section of the report’s cover page that the committee supported eight identified candidates during the reporting period. Although not alleged in the sworn complaint, the corrected report also:
- Corrected a political expenditure from \$8,144 to \$8,144.04,
 - Added a political expenditure of \$75,
 - Added to Schedule C-2 (used for disclosing political contributions from corporations or labor organizations for administration/solicitation) four political contributions totaling approximately \$1,730,
 - Corrected the total amount of political contributions to \$24,165.27,
 - Corrected the total amount of political expenditures to \$50,669.04, and
 - Corrected the total amount of political contributions maintained as of the last day of the reporting period to \$109,120.96.
5. On October 27, 2008, the respondent filed HRCTFP’s 8-day pre-election report for the November 2008 election that disclosed:
- \$3,550 in total political contributions,
 - \$51,011.68 in total political expenditures, and
 - \$24,383.32 in total political contributions maintained as of the last day of the reporting period.
6. The respondent left blank the “Committee Activity” section of the report’s cover page, as well as the section of the report’s cover page used for disclosing election type and election date. The report did not disclose any corporate political contributions. Schedule F disclosed 17 political expenditures totaling approximately \$51,010 to support 13 candidates or officeholders.

7. On October 20, 2009, the respondent filed a corrected 8-day pre-election report for the November 2008 election that disclosed in the “Committee Activity” section of the report’s cover page that the committee supported 12 identified candidates during the reporting period. The corrected report also disclosed that the report was filed for the November 4, 2008, general election. Although not alleged in the sworn complaint, the corrected report also:
 - Added to Schedule C-2 two political contributions totaling approximately \$470,
 - Removed two political expenditures totaling approximately \$50 which the respondent swears were correctly reported on the committee’s 30-day pre-election report,
 - Added two political expenditures totaling approximately \$2,820,
 - Corrected the total amount of political contributions to \$4,015.49,
 - Corrected the total amount of political expenditures to \$53,783.11, and
 - Corrected the total amount of political contributions maintained as of the last day of the reporting period to \$22,514.53.
8. On January 15, 2009, the respondent filed HRCTFP’s January 2009 semiannual report that disclosed:
 - \$0 in total political contributions,
 - \$16,503.91 in total political expenditures, and
 - \$7,879.41 in total political contributions maintained as of the last day of the reporting period.
9. The respondent left blank the “Committee Activity” section of the report’s cover page. The report did not disclose any corporate political contributions. Schedule F disclosed nine political expenditures totaling approximately \$16,500 to support candidates or officeholders.
10. On October 20, 2009, the respondent filed a corrected January 2009 semiannual report that disclosed in the “Committee Activity” section of the report’s cover page that the committee supported five identified candidates during the reporting period. Although not alleged in the sworn complaint, the corrected report also:
 - Added to Schedule C-2 two political contributions totaling approximately \$250,
 - Corrected the total amount of political contributions to \$253.74, and
 - Corrected the total amount of political contributions maintained as of the last day of the reporting period to \$3,416.46.
11. In response to the sworn complaint, the respondent submitted an affidavit in which he admitted the complaint allegations and swore that the omissions were oversights.

IV. Findings and Conclusions of Law

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

Election Date and Election Type

1. Each report by a campaign treasurer of a general-purpose committee must include the identity and date of the election for which the report is filed, if applicable. ELEC. CODE § 254.151(3).
2. The respondent filed HRCTFP's 8-day pre-election report for the November 4, 2008, election but failed to disclose the election date and election type for which the report was filed. Although the respondent filed a corrected report to disclose the election date and election type, the information was not included when the report was originally due. Therefore, there is credible evidence of a violation of section 254.151(3) of the Election Code.

Names of Candidates Supported or Opposed and Officeholders Assisted

3. Each report by a campaign treasurer of a general-purpose committee must include the name of each identified candidate or measure or classification by party of candidates supported or opposed by the committee, indicating whether the committee supports or opposes each listed candidate, measure, or classification by party of candidates, and the name of each identified officeholder or classification by party of officeholders assisted by the committee. *Id.* §§ 254.151(4), 254.151(5).
4. HRCTFP's 30-day and 8-day pre-election reports for the November 4, 2008, election and January 2009 semiannual report disclosed that the committee made political expenditures to support identified candidates or officeholders. The respondent left blank the "Committee Activity" section of the reports' cover pages. Although HRCTFP's original reports disclosed on Schedule F the names of all but two of the candidates or officeholders supported, the information was required to be included on the reports' cover pages. The respondent filed corrected reports to add the names of the candidates supported to the "Committee Activity" section of the reports' cover pages. Therefore, there is credible evidence of violations of sections 254.151(4) and 254.151(5) of the Election Code.

Disclosure of Corporate Political Contributions

5. Each report by a campaign treasurer of a general-purpose committee must include, on a separate page or pages of the report, the identification of the name of the donor, the amount, and the date of any expenditure made by a corporation or labor organization to establish or administer the political committee. *Id.* § 254.151(9)(A).

6. HRCTFP's 30-day and 8-day pre-election reports for the November 4, 2008, general election and January 2009 semiannual report did not disclose that the committee accepted any corporate political contributions. Although not alleged in the sworn complaint, after receiving notice of the sworn complaint allegations, the respondent filed corrections to the reports at issue to disclose that the committee accepted approximately \$2,450 in corporate political contributions for administration of the committee. Therefore, there is credible evidence of violations of section 254.151(9)(A) of the Election Code.

Political Contributions and Political Expenditures

7. Each campaign finance report must 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 persons to whom the expenditures are made, and the dates and purposes of the expenditures. *Id.* § 254.031(a)(3).
8. 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. *Id.* § 254.031(a)(6).
9. 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. *Id.* § 254.031(a)(8).
10. Although certain reporting issues were not alleged in the sworn complaint, the respondent corrected the reports at issue after receiving notice of the sworn complaint allegations. The corrected 30-day pre-election report changed the amount of a political expenditure by four cents, added a political expenditure of \$75, increased the total amount of political contributions by approximately \$1,730, increased the total amount of political expenditures by approximately \$80, and increased the total amount of political contributions maintained by approximately \$37,280. The corrected 8-day pre-election report removed two political expenditures totaling approximately \$50 that were disclosed on a previous report, added two political expenditures totaling approximately \$2,820, increased the total amount of political contributions by approximately \$470, increased the total amount of political expenditures by approximately \$2,770, and decreased the total amount of political contributions maintained as of the last day of the reporting period by approximately \$1,870. The corrected January 2009 semiannual report increased the total amount of political contributions by approximately \$250 and decreased the total amount of political contributions maintained as of the last day of the reporting period by approximately \$4,460. Therefore, there is credible evidence of violations of sections 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 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 each campaign finance report must 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 persons to whom the expenditures are made, and the dates and purposes of the expenditures. The respondent acknowledges that 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. The respondent acknowledges that 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 acknowledges that each report by a campaign treasurer of a general-purpose committee must include the identity and date of the election for which the report is filed, if applicable. The respondent acknowledges that each report by a campaign treasurer of a general-purpose committee must include the name of each identified candidate or measure or classification by party of candidates supported or opposed by the committee, indicating whether the committee supports or opposes each listed candidate, measure, or classification by party of candidates. The respondent acknowledges that each report by a campaign treasurer of a general-purpose committee must include, on a separate page or pages of the report, the identification of the name of the donor, the amount, and the date of any expenditure made by a corporation or labor organization to establish or administer the political committee. 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 an \$800 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-2909210.

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

James Rinefield, Respondent

EXECUTED ORIGINAL received by the commission on: _____.

Texas Ethics Commission

By: _____
David A. Reisman, Executive Director