

TEXAS ETHICS COMMISSION

IN THE MATTER OF
TROUT TIRE CENTER, INC.,
RESPONDENT

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BEFORE THE
TEXAS ETHICS COMMISSION
SC-31809324

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (Commission) met on December 13, 2018, to consider sworn complaint SC-31809324. A quorum of the Commission was present. The Commission determined that there is credible evidence of a violation of sections 253.003 and 253.094 of the Election Code, laws administered and enforced by the Commission. To resolve and settle this complaint without further proceedings, the Commission adopted this resolution.

II. Allegation

The complaint alleged that the respondent made a prohibited in-kind corporate political contribution to a candidate/officeholder valued at \$150.

III. Facts Supported by Credible Evidence

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

1. Texas Secretary of State records show that the respondent is a domestic for-profit corporation based in Porter, Texas. The complaint alleged that the respondent made a prohibited corporate in-kind political contribution to a candidate or officeholder.
2. The in-kind contribution at issue was disclosed in a candidate/officeholder's 8-day pre-election report for the March 6, 2018, primary election from "Trout Tire" for "2-Ball trailer Hitch" valued at \$150, and was accepted by the candidate/officeholder on February 23, 2018.
3. Credible evidence indicates that the respondent donated a trailer hitch to be used in connection with a silent auction at the candidate/officeholder's campaign fundraiser.

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 make a political contribution in violation of Chapter 253, Election Code. ELEC. CODE § 253.003(a).
2. A corporation may not make a political contribution or political expenditure that is not authorized by subchapter D, Chapter 253, Election Code. *Id.* § 253.094(a). Subchapter D does not authorize a corporation to make a political contribution to a candidate or officeholder.
3. The prohibition applies to corporations that are organized under the Texas Business Corporation Act, the Texas For-Profit Corporation Law, the Texas Non-Profit Corporation Act, the Texas Nonprofit Corporation Law, federal law, or law of another state or nation. *Id.* § 253.091.
4. "Political contribution" means a campaign contribution or an officeholder contribution. *Id.* § 251.001(5).
5. "Campaign contribution" means a contribution to a candidate or political committee that is offered or given with the intent that it be used in connection with a campaign for elective office or on a measure. Whether a contribution is made before, during, or after an election does not affect its status as a campaign contribution. *Id.* § 251.001(3).
6. Credible evidence indicates that the respondent knowingly made a political contribution to a candidate or officeholder. Therefore, there is credible evidence of a violation of sections 253.003 and 253.094 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: 1) a person may not knowingly make a political contribution in violation of Chapter 253, Election Code; and 2) a corporation may not make a

political contribution or political expenditure that is not authorized by subchapter D, Chapter 253, Election Code. Subchapter D does not authorize a corporation to make a political contribution to a candidate or officeholder.

The respondent agrees to comply with these requirements of the law.

VI. Confidentiality

This order and agreed resolution describes a violation that the Commission has determined is 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 violation described under Sections III and IV, and after considering the sanction necessary to deter future violations, the Commission imposes a \$150 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-31809324.

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

Trout Tire Center, Inc., Respondent

EXECUTED by the Commission on: _____.

Texas Ethics Commission

By: _____
Seana Willing, Executive Director