

# TEXAS ETHICS COMMISSION

**IN THE MATTER OF**  
**MELISSA J. BELLAN,**  
**RESPONDENT**

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**BEFORE THE**  
**TEXAS ETHICS COMMISSION**  
**SC-32106143**

## **ORDER and AGREED RESOLUTION**

### **I. Recitals**

The Texas Ethics Commission (Commission) held a preliminary review hearing on February 24, 2022, to consider sworn complaint SC-32106143. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of Section 254.031 of the Election Code, a law administered and enforced by the Commission. To resolve and settle this complaint without further proceedings, the Commission adopted this resolution.

### **II. Allegations**

Sworn complaint SC-32106143 alleges that the respondent: 1) failed to file her January 2020 and January 2021 semiannual campaign finance reports, in violation of Section 254.063 or Section 254.093 of the Election Code; and 2) failed to include in her July 2019 semiannual report her political contributions and political expenditures, the total amount of political contributions accepted and political expenditures made during the reporting period, the loans made to her, the total amount of loans outstanding as of the last day of the reporting period, and the total amount of political contributions maintained, in violation of Section 254.031 of the Election Code.

### **III. Findings of Fact and Conclusions of Law**

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

1. At all times relevant to the complaint, the respondent was the judge for Dallas County Court at Law No. 2.

**Failure to Complete July 2019 Semiannual Report**

2. Sworn complaint SC-32106143 alleges that the respondent failed to include in her July 2019 semiannual campaign finance report her political contributions and political expenditures, the total amount of political contributions accepted and political expenditures made during the reporting period, the loans made to her, the total amount of loans outstanding as of the last day of the reporting period, and the total amount of political contributions maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period.
3. The allegation was based on the respondent filing a July 2019 semiannual report that contained no information about campaign activity during the reporting period and instead indicated that the information would be filed in a subsequent amendment. The respondent did not file the amended report until after the sworn complaint was filed.
4. For contributions accepted in 2019, each campaign finance report filed under Chapter 254 of the Election Code must include the amount of political contributions, other than political contributions that are made electronically, from each person that in the aggregate exceed \$50 and that are accepted during the reporting period, the full name and address of the person making the contributions, and the dates of the contributions. Tex. Elec. Code § 254.031(a)(1).<sup>1</sup> For expenditures made in 2019, each campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 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). Further, 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).
5. For loans made in 2019, each campaign finance report must include the amount of loans that are made during the reporting period for campaign or officeholder purposes to the person or committee required to file the report and that in the aggregate exceed \$50, the dates the loans are made, the interest rate, the maturity date, the type of collateral for the loans, if any, the full name and address of the person or financial institution making the loans, the full name and address, principal occupation, and name of the employer of each guarantor of the loans, the amount of the loans guaranteed by each guarantor, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. *Id.* § 254.031(a)(2).

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<sup>1</sup> The requirement that filers itemize all contributions that are made and accepted electronically was not effective until September 1, 2019. *See* Act of June 14, 2019, 86th Leg., R.S., ch. 1127, § 8, 2019 Tex. Gen. Laws 1127 (codified at Tex. Elec. Code § 254.031(a)(1-a)).

6. For activity in 2019, each campaign finance report must also include any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds \$100. *Id.* § 254.031(a)(9).
7. Each campaign finance report must include 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).
8. On her original July 2019 semiannual report, the respondent disclosed no activity. In the six blank fields provided for total amounts on the second page of the cover sheet, the respondent wrote “TBD.” In the portion of the cover sheet provided for the respondent’s affidavit, she wrote, “I have the flu and am unable to complete [and] file an accurate report today.” The following sentence is partially illegible because it is obscured by the notary’s stamp, but it appears to read, “An amended report will be filed ASAP.”
9. In her response to the sworn complaint, the respondent recalled that she completed a corrected report that included the required information “roughly” one week later. In her testimony at a preliminary review hearing held on February 24, 2022, the respondent swore to her belief that she prepared and filed a corrected report around a week after the report was due, but admitted that her personal records only included preparatory materials from that time, not a copy of the corrected report itself.
10. In response to the complaint, the respondent filed a corrected report on July 15, 2021. In this corrected report, the respondent disclosed \$20,700 in contributions accepted. The corrected report further disclosed \$15,995.49 in itemized political expenditures, \$1,829.21 in unitemized political expenditures, \$266.53 in refunds for items returned to Target, and \$5,837.57 in contributions maintained as of the last day of the reporting period. Because the respondent failed to disclose on her original July 2019 semiannual report these contributions, expenditures, refunds, her total contributions and expenditures during the reporting period, and her contributions maintained as of the last day of the reporting period, there is credible evidence of violations of Sections 254.031(a)(1), -(a)(3), -(a)(6), -(a)(8), and-(a)(9) of the Election Code.

### **Failure to Timely File Semiannual Reports**

11. Sworn complaint SC-32106143 alleges that the respondent failed to timely file her January 2020 and January 2021 semiannual campaign finance reports.

12. The respondent had a campaign treasurer appointment on file during the January 2020 and January 2021 semiannual reporting periods. Therefore, the respondent was required to file the January 2020 and January 2021 semiannual reports.
13. The respondent's January 2020 semiannual report was due by January 15, 2020. The respondent's January 2021 semiannual report was due by January 15, 2021. At the time the sworn complaint was filed on June 9, 2021, neither report was posted on the Dallas County Elections Administrator's website, and the sworn complaint included a copy of a letter from the Dallas County Clerk to the respondent informing her that she had not filed the reports. In response to the sworn complaint, however, the respondent provided an unsworn declaration in which she claimed under penalty of perjury that she timely filed the January 2020 and January 2021 semiannual reports. The respondent claimed to have filed the January 15, 2020 semiannual report by mailing it to the Dallas County Elections Department on January 15, 2020. The respondent further claimed that she mailed the January 2021 semiannual report to the Elections Department on January 15, 2021, and also had the report stamped by the clerk's office within the George Allen Courts Building, in which the respondent works. The respondent enclosed a copy of her January 2021 semiannual report, which bears a January 15, 2021 file stamp by the county clerk's office, and her January 2020 semiannual report, which bears no file stamp by any local filing authority. The respondent contended in her response that the established practice in Dallas County was for candidates and officeholders to file their reports with the Elections Department, which subsequently forwarded the reports to the County Clerk's office. The county's Elections Department confirmed to Commission staff that this is how Dallas County processes campaign finance filings.
14. As provided by the Election Code, a candidate shall file two reports for each year. The first report shall be filed not later than July 15. The report covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through June 30. The second report shall be filed not later than January 15. The report covers the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed, as applicable, and continuing through December 31. Tex. Elec. Code § 254.063.
15. A semiannual report is considered filed on the day it is placed in the mail when: (1) it is properly addressed with postage or handling charges prepaid; and (2) it bears a post office cancellation mark or a receipt mark of a common or contract carrier indicating a time within the period or before the deadline, or if the person required to take the action furnishes satisfactory proof that it was deposited in the mail or with a common or contract carrier within the period or before the deadline. *See id.* § 251.007.

16. Because the respondent swears that she timely filed her January 2020 and January 2021 semiannual reports, and offers a plausible account of how the reports were not properly processed and posted due to administrative error by the filing authority, there is no credible evidence of a violation of Section 254.063 of the Election Code for failure to file the semiannual reports.

#### **IV. 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 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 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 filed under Chapter 254 of the Election Code must include: 1) the amount of political contributions from each person that in the aggregate exceed the applicable itemized reporting threshold and that are accepted during the reporting period, the full name and address of the person making the contributions, and the dates of the contributions; 2) the amount of political expenditures that in the aggregate exceed the applicable itemized reporting threshold 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; 3) the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period; 4) 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; and 5) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds the applicable itemized reporting threshold.
4. The respondent agrees to fully and strictly comply with the above requirements of law.

**V. 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.

**VI. Sanction**

After considering the nature, circumstances, and consequences of the violations described under Section III, and after considering the sanction necessary to deter future violations, the Commission imposes a \$1,250 civil penalty.

**VII. 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-32106143.

AGREED to by the respondent on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Melissa J. Bellan, Respondent

EXECUTED by the Commission on: \_\_\_\_\_.

Texas Ethics Commission

By: \_\_\_\_\_  
Anne Temple Peters, Executive Director