



TEXAS ETHICS COMMISSION MEETING MINUTES

Morning Meeting Minutes

December 3, 2013, 9:30 a.m.

Capitol Extension, Room E1.010

Austin, Texas 78701



COMMISSIONERS PRESENT: Jim Clancy, Chair; Paul W. Hobby, Vice Chair; Hugh C. Akin, Tom Harrison, Bob Long, Tom Ramsay, and Chase Untermeyer.

COMMISSIONERS NOT PRESENT: Paula M. Mendoza resigned as of October 31, 2013.

STAFF PRESENT: Natalie Adelaja, Natalia L. Ashley, Amy Barden, Lauren Bellomy, Margie Castellanos, Homer Diaz, Robbie Douglas, Sue Edwards, Nick Espinosa, Jessie Haug, Cristina Hernandez, Becky Levy, Bobby Mannas, Mike McElhaney, Melissa Ramos, David A. Reisman, Ian Steusloff, and Patty Williams.

MINUTES

This meeting was 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 recordings on file at the Commission's office.

Agenda Item 1: Call to order; roll call.

The meeting was called to order by Chair Clancy. David A. Reisman, Executive Director, called the roll. All Commissioners were present, except for Commissioner Mendoza.

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

None.

Agenda Item 3: Approve minutes for the following meetings: Executive session (Empower Texans, Inc., et al v. Texas Ethics Commission) – October 30, 2013; Executive session (Texans for Free Enterprise v. Texas Ethics Commission) – October 30, 2013; Executive session (personnel matters) – October 30, 2013; AM public meeting – October 30, 2013; and PM public meeting – October 30, 2013.

Motion by Commissioner Ramsay to approve the meeting minutes listed under agenda item 3; second by Commissioner Akin. **Motion passed by a vote of seven ayes.**

Agenda Item 4: Discussion of electronic filing software project.

David A. Reisman, Executive Director, briefed the Commission on this agenda item. As Chair of this subcommittee, Vice Chair Hobby commented on this agenda item, and stated he's impressed with the process to date and looks forward to the updates in the future. Chair Clancy commented on this agenda item, and expressed his enthusiasm for the launch of the new electronic filing software on January 1, 2015.

Agenda Item 5: Discussion on staff compensation.

Chair Clancy introduced this agenda item to the Commission. Vice Chair Hobby commented on this agenda item, and recognized staff for their hard work.

Agenda Item 6: Discussion of restrictions on acceptance of gifts to elected officials and state employees.

Chair Clancy briefed the Commission on this agenda item. Natalia Luna Ashley, Special Counsel, spoke on this agenda item. Ms. Ashley introduced a guide staff created regarding this agenda item called "Can I Take It." Jack Gullahorn, on behalf of himself and the Professional Advocacy Association of Texas (PAAT), spoke before the Commission on this agenda item. Mr. Gullahorn raised awareness regarding § 36.02 of the Penal Code.

Agenda Item 7: Discussion of resolution regarding use of information regarding pending sworn complaints in campaign advertising.

Chair Clancy briefed the Commission on this agenda item. Vice Chair Hobby mentioned at some point he would like to advance the Resolution into the rulemaking process. Commissioner Untermeyer suggested stronger language for the Resolution. Motion by Commissioner Untermeyer to adopt the Resolution with amendments; second by Commissioner Long. **Motion passed by a vote of seven ayes.**

For Agenda Items 8 through 15, the following represents the actions taken by the Commission in the order they occurred during the meeting.

Agenda Item 8: Discussion of resolution regarding acceptance of per diem.

Chair Clancy briefed the Commission on this agenda item. Commissioner Untermeyer addressed this agenda item. Chair Clancy directed staff to prepare a guide for the acceptance of per diem set by the Commission.

Chair Clancy moved to Agenda Item 10.

Agenda Item 10: Public discussion and possible action on proposal and publication of a rule requiring the separate reporting of officeholder expenses for living in Austin, Texas.

Chair Clancy briefed the Commission on this agenda item. The Commissioners agreed on Option #2. Vice Chair Hobby suggested amendments for Option #2. Motion by Commissioner Harrison to post Option #2 as amended; second by Commissioner Long. **Motion passed by a vote of seven ayes.**

Chair Clancy returned to Agenda Item 9.

Agenda Item 9: Discussion of schedule for future training events and access to training materials for those who cannot attend.

David A. Reisman, Executive Director, briefed the Commission on this agenda item. Mr. Reisman discussed the resources it took to make the El Paso training symposium successful. He mentioned the next training symposium will be held in the Dallas area. A resolution was not determined for those who cannot attend future training events.

Chair Clancy moved to Agenda Item 15.

Agenda Item 15: Discussion of Opinion Requests AOR-581 and AOR-582: Questions regarding the reporting requirements for a registered lobbyist under section 305.005(m) of the Government Code.

Natalia Luna Ashley, Special Counsel, briefed the Commission on this agenda item. Jack Gullahorn, on behalf of the Professional Advocacy Association of Texas (PAAT), spoke before the Commission on this agenda item. Guidance was given to staff by Commissioners regarding the drafting of AOR-581 and AOR-582.

Chair Clancy returned to Agenda Item 11.

Agenda Item 11: Public discussion and possible action on the adoption of the repeal of Texas Ethics Commission Rule § 20.56 relating to reporting a pledge of a contribution.

Chair Clancy briefed the Commission on this agenda item. Motion by Vice Chair Hobby to adopt the repeal of Texas Ethics Commission Rule § 20.56; second by Commissioner Harrison. **Motion passed by a vote of seven ayes.**

Agenda Item 12: Public discussion and possible action on the adoption or proposal of revised campaign finance disclosure forms.

Chair Clancy briefed the Commission on this agenda item. Natalia Luna Ashley, Special Counsel, explained the exhibits to the Commissioners. Motion by Commissioner Untermeyer to adopt the schedules in exhibit A and subtotals in exhibit D; second by Commissioner Long. **Motion passed by a vote of seven ayes.**

Agenda Item 13: Public discussion and possible action on the proposal in the Texas Register of Texas Ethics Commission Rule § 22.5 regarding contributions to direct campaign expenditure only committees and a form to implement the rule.

Natalia Luna Ashley, Special Counsel, briefed the Commission on this agenda item. Ed Shack, attorney, spoke before the Commission on this agenda item. Mr. Shack requested clarity of subsection (e) of the proposed rule. Motion by Commissioner Untermeyer to publish for public comment proposed Texas Ethics Commission Rule § 22.5; second by Commissioner Harrison. **Motion passed by a vote of seven ayes.**

Agenda Item 14: Public discussion and possible action on a petition for rulemaking relating to the issuance of a subpoena under § 571.137 of the Government Code.

Chair Clancy briefed the Commission on this agenda item. Ross Fischer, attorney for State Representative Jim Keffer, spoke before the Commission. Motion by Vice Chair Hobby to deny the petition for rulemaking; second by Commissioner Akin. Commissioner Ramsay voted no. **Motion passed by a vote of 6 ayes.**

Agenda Item 16: Consideration of Draft Opinion AOR-583: Applicable reporting in a situation where an individual candidate files the campaign treasurer appointment required of candidates and also files form STA to create a specific-purpose committee to support the individual's candidacy.

Natalia Luna Ashley, Special Counsel, briefed the Commission on this agenda item. Ed Shack, attorney, spoke before the Commission on this agenda item. He stated he is opposed to this opinion. Motion by Commissioner Untemeyer to table this agenda item; second by Commissioner Long. **Motion passed by a vote of seven ayes.**

Agenda Item 17: Comments by the Executive Director.

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

1. Mr. Reisman mentioned the departure of Brad Johnson, an attorney in the Legal Division;
2. Mr. Reisman announced the departure of Lily Lopez, a legal assistant in the Legal Division; and
3. Mr. Reisman announced his departure as Executive Director effective December 13, 2013. He expressed his appreciation for and the importance of staff. Mr. Reisman thanked the Commission and staff for his time with the Texas Ethics Commission.

Agenda Item 18: Comments by the Commissioners.

Commissioner Ramsay acknowledged his reappointment as Commissioner. Mr. Ramsay expressed his appreciation and well wishes for Mr. Reisman.

Commissioner Harrison expressed his appreciation and well wishes for Mr. Reisman.

Commissioner Akin expressed his appreciation and well wishes for Mr. Reisman. Mr. Akin also mentioned his confidence in Mr. Reisman in his new endeavors.

Vice Chair Hobby saluted Mr. Reisman for his high performance of standards while at the Commission.

Commissioner Untermeyer expressed his appreciation and gratitude for Mr. Reisman.

Commissioner Long commented on Mr. Reisman's leadership at the Commission.

Chair Clancy commented on Mr. Reisman's leadership and high performance of standards with the Commission. Chair Clancy also mentioned his appreciation for reappointment as Commissioner.

Agenda Item 19: Report of the Nominating Committee and Election of Chair and Vice Chair.

Motion by Commissioner Ramsay recommending Commissioner Clancy remain as Chair, and Commissioner Hobby remain as Vice Chair of the Commission; second by Vice Chair Hobby. **Motion passed by a vote of seven ayes.**

Agenda Item 20: Adjourn.

Motion by Commissioner Long to adjourn; second by Commissioner Harrison. **Motion passed by unanimous consent.**