



## TEXAS ETHICS COMMISSION MEETING MINUTES

### Public Meeting

July 11, 2017, 11:01 a.m.  
Capitol Extension, Room E1.014  
Austin, Texas 78701



**COMMISSIONERS PRESENT:** Steven D. Wolens, Chair, Hugh C. Akin, Vice Chair, Jim Clancy, Chad M. Craycraft, Chris Flood, Mary K. “Katie” Kennedy, Tom Ramsay, and Chase Untermeyer.

**COMMISSIONERS NOT PRESENT:** None.

**STAFF PRESENT:** Amy Barden, Ron Bennett, Margie Castellanos, Nick Espinosa, Betty Gallegos, Jessie Haug, Cristina Hernandez, Becky Levy, Patti Shannon, Ian Steusloff, and Seana Willing.

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## 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 Wolens. Seana Willing, Executive Director, called the roll. All Commissioners were present.

### **Agenda Item 2: Comments by the Commissioners.**

Commissioner Clancy addressed the Commission. Chair Wolens, Vice Chair Akin, Commissioners Flood, Kennedy, Ramsay and Untermeyer, Seana Willing, Executive Director, Ian Steusloff, General Counsel, and Jessie Haug, Director of Computer Services, responded with questions and comments. No action was taken.

### **Agenda Item 3: Comments by the Executive Director.**

Seana Willing, Executive Director, addressed the Commission. Ms. Willing introduced Angela Goodwin, newly hired Director of Enforcement; Ms. Goodwin will begin work at the Commission on August 1<sup>st</sup>. Most of the Commission’s attorneys are attending training this week. Ms. Willing discussed several performance measures, as requested by Commissioners. Ms. Willing commended the Commission’s legal staff for their customer service. Ms. Willing updated the Commission on the outside counsel funding. Commission staff will monitor the legislative special session. Chair Wolens and Commissioners Clancy and Ramsay responded with questions and comments. No action was taken.

**Agenda Item 4: Approve minutes for the following meetings:**

- Executive Session – May 17, 2017;
- Public Meeting – May 17, 2017;
- Pre-Hearing Conference – May 17, 2017; and
- Executive Session – June 22, 2017.

Motion by Commissioner Clancy to approve the meeting minutes listed under Agenda Item 4; second by Commissioner Ramsay. **Motion passed by a vote of eight ayes.**

**Agenda Item 5: Briefing and discussion of ethics legislation in the 2017 legislative session, including status of Ethics Commission legislative recommendations.**

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioners Kennedy, Ramsay and Untermeyer, Mr. Steusloff and Jessie Haug, Director of Computer Services, responded with questions and comments. No action was taken.

**Agenda Item 6: Discussion regarding surveys to determine level of local filer compliance.**

This agenda item was discussed briefly during Agenda Item 2.

**Agenda Item 7: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of rules regarding the disclosure of political expenditures to vendors and others, including an amendment to Ethics Commission Rules § 20.1 (Definitions) and § 20.61 (Purpose of Expenditure), and new Ethics Commission Rules § 20.56 (Expenditures to Vendors).**

Commissioner Craycraft briefed the Commission on this agenda item; an amended draft of the proposed rules was handed out to Commissioners. Donna García Davidson addressed the Commission. Chair Wolens, and Commissioners Clancy, Craycraft, Flood, Kennedy and Untermeyer, responded with questions and comments. Motion by Commissioner Craycraft to republish new Ethics Commission Rule § 20.56 and amendments to Ethics Commission Rules §§ 20.1 and 20.61 in the Texas Register for public comment, with changes; second by Commissioner Kennedy. **Motion passed by a vote of eight ayes.**

**Agenda Item 8: Public discussion and possible action on the adoption or proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 12.81 (Technical, Clerical, or De Minimis Violations), relating to the procedures for investigating and resolving technical and clerical violations of laws within the Commission's jurisdiction as provided by section 571.0631 of the Government Code.**

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioners Craycraft and Flood, and Mr. Steusloff responded with questions and comments. Motion by Commissioner Untermeyer to adopt an amendment to Ethics Commission Rules § 12.81; second by Commissioner Flood. **Motion passed by a vote of eight ayes.**

**Agenda Item 9: Public discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rules § 20.61 (Purpose of Expenditure), regarding the disclosure of political expenditures made in the form of in-kind contributions to candidates, officeholders, and political committees.**

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Gardner Pate addressed the Commission. Chair Wolens, Commissioners Flood, Kennedy, Ramsay and Untermeyer, and Mr. Steusloff responded with questions and comments. Motion by Commissioner Untermeyer to postpone consideration of an amendment to Ethics Commission Rules § 20.61; second by Commissioner Flood. **Motion passed by a vote of eight ayes.**

**The Commission took a lunch break from 12:25 p.m. until 1:13 p.m.**

**Agenda Item 10: Discussion of Advisory Opinion Request No. SP-13: Whether the inspector general for the Department of Health and Human Services is a “state officer” required to file a personal financial statement under Chapter 572 of the Government Code.**

Ian Steusloff, General Counsel, briefed the Commission on this agenda item. Chair Wolens, Commissioner Clancy and Mr. Steusloff responded with questions and comments. Motion by Vice Chair Akin to adopt Advisory Opinion Request No. SP-13 without changes; second by Commissioner Untermeyer. Motion passed by a vote of eight ayes. **SP-13 is adopted.**

**Agenda Item 11: Discussion of Advisory Opinion Request No. AOR-622: Whether the revolving door law in section 572.069 of the Government Code would prohibit a former employee of a state agency from providing certain services.**

Ian Steusloff, General Counsel, briefed the Commission on this agenda item, and distributed an updated draft to the Commission. Chair Wolens, Vice Chair Akin, Commissioners Clancy, Flood and Kennedy, and Mr. Steusloff responded with questions and comments. Motion by Commissioner Clancy to postpone consideration of Advisory Opinion Request No. 622; second by Vice Chair Akin. **Motion to postpone consideration of Advisory Opinion Request No. 622 passed by a vote of eight ayes.**

**Agenda Item 12: Briefing, discussion, and possible action on appeal of fines increased by the Commission, and on appeals of determinations made under Ethics Commission Rules §§ 18.24(g) relating to administrative waiver or reduction of a fine, for the following individuals and political committee:**

**1. Robin Chandler (70814)  
Lobbyist**

Report: annual lobby activities report due January 11, 2016  
Penalty: \$1,000 (increased at the February 2017 meeting)  
Recommendation: Waiver (based on new information)  
Appeal Received: May 12, 2017

**2. Geoffrey M. Gay (53659)  
Lobbyist**

Report: annual lobby activities report due January 11, 2016  
Penalty: \$1,000 (increased at the February 2017 meeting)  
Recommendation: Waiver (based on new information)  
Appeal Received: March 27, 2017

Amy Barden, Senior Legal Assistant, briefed the Commission on these agenda items. Chair Wolens, Commissioner Kennedy, and Ms. Barden responded with questions and comments. Motion by Commissioner Untermeyer to waive the penalties on Agenda Item 12, numbers 1 and 2; second by Commissioner Ramsay. **Motion to waive the penalties on Agenda Item 12, numbers 1 and 2, passed by a vote of eight ayes.**

**3. Marina Hench (68852)  
Lobbyist**

Report: monthly lobby activities report due February 10, 2017  
Penalty: \$500 – reduction to \$300  
Recommendation: None.  
Appeal Received: April 20, 2017

Amy Barden, Senior Legal Assistant, briefed the Commission on this agenda item. Chair Wolens, Vice Chair Akins, Commissioners Flood and Kennedy, and Ms. Barden responded with questions and comments. Motion by Commissioner Kennedy to waive the penalty on Agenda Item 12, number 3; second by Commissioner Flood. **Motion to waive the penalty on Agenda Item 12, number 3, passed by a vote of eight ayes.**

**4. Joy Dawson-Thomas (80496)  
Candidate, State Representative**

Report: 30-day pre-election report due October 11, 2016  
Penalty: \$500 – reduction to \$150; reverted to \$500 due to no response  
Recommendation: reduction back to \$150 (based on additional information)  
Appeal Received: May 1, 2017

Amy Barden, Senior Legal Assistant, briefed the Commission on this agenda item. Chair Wolens, Vice Chair Akins, Commissioner Flood, and Ms. Barden responded with questions and comments. Motion by Commissioner Flood to reduce the penalty to \$150, which reverts to \$500 if not paid within 30 days, on Agenda Item 12, number 4; second by Vice Chair Akin. **Motion to reduce the penalty to \$150, which reverts to \$500 if not paid within 30 days, on Agenda Item 12, number 4, passed by a vote of eight ayes.**

**5. J.M. 'Chuy' Alvarez (51932)  
Candidate, District Attorney**

Report: 8-day pre-election report due February 22, 2016  
 Penalty: \$4,200 – no waiver  
 Recommendation: None.  
 Appeal Received: May 12, 2017

Amy Barden, Senior Legal Assistant, briefed the Commission on this agenda item. Chair Wolens, Vice Chair Akins, Commissioners Clancy, Craycraft, Flood, Kennedy, and Ramsay, Ian Steusloff, General Counsel, Jessie Haug, Director of Computer Systems, and Ms. Barden responded with questions and comments. Motion by Vice Chair Akin to leave the penalty at \$4,200, with no waiver, on Agenda Item 12, number 5; second by Commissioner Flood. **Motion to leave the penalty at \$4,200, with no waiver, on Agenda Item 12, number 5, passed by a vote of eight ayes.**

**Agenda Item 13: Briefing, discussion, and possible action to waive or reduce the late-filing penalty in connection with a corrected report or to determine whether the corrected report as originally filed substantially complied with the applicable law for the following individuals and political committees:**

**1. Eric L. Johnson (65751)  
State Representative**

Report: 8-day pre-election report due October 31, 2016  
 Penalty: \$10,000  
 Recommendation Based on Commission Guidelines: substantial compliance

**2. Frank J. Castro (80420)  
Criminal District Court Judge**

Report: 8-day pre-election report due October 31, 2016  
 Penalty: \$10,000  
 Recommendation Based on Commission Guidelines: substantial compliance

**3. Micheline Hutson (58757)  
Treasurer, 'CFRW' Cy-Fair Republican Women PAC**

Report: 8-day pre-election report due April 28, 2017  
Penalty: \$1,100  
Recommendation Based on Commission Guidelines: substantial compliance

**4. David A. Henderson (68625)  
Treasurer, 'CP Fire PAC' Cedar Park Fire PAC**

Report: 8-day pre-election report due April 28, 2017  
Penalty: \$1,600  
Recommendation Based on Commission Guidelines: substantial compliance

**5. Merry K. 'Katherine' McDaniel (80130)  
Candidate, Criminal District Court Judge**

Report: 8-day pre-election report due October 31, 2016  
Penalty: \$7,000  
Recommendation Based on Commission Guidelines: waiver

Amy Barden, Senior Legal Assistant, briefed the Commission on these agenda items. Motion by Commissioner Untermeyer to accept staff recommendations on Agenda Item 13, numbers 1 through 5; second by Commissioner Flood. **Motion to accept staff recommendations on Agenda Item 13, numbers 1 through 5 passed by a vote of eight ayes.**

**The Commission recessed the Public Meeting at 1:59 p.m., and returned at 3:47 p.m.**

**Agenda Item 14: Communication to the Commission from the public.**

None.

**Agenda Item 15: Adjourn.**

Motion by Commissioner Clancy to adjourn; second by Commissioner Flood. **Commission meeting adjourned by unanimous consent.**

Meeting adjourned at 3:48 p.m.