Texas Ethics Commission Statement Issued After Executive Session March 17, 2014

On February 26, 2014, Respondents in Sworn Complaints SC-3120485, SC-3120486, SC-3120487, and SC-3120488 filed a lawsuit against the Texas Ethics Commission in Austin federal court.

The Texas Ethics Commission welcomes the federal court's review of the Texas statutes governing political committees and lobbyists. The Texas Ethics Commission intends to vigorously defend the federal lawsuit and intends to continue to investigate sworn complaints. Texans have the right to know who is funding political campaigns and who is being paid to lobby the legislature. The laws requiring transparency in the political process have been upheld as constitutional by the courts for decades.

In its response, the Commission will ask the court to deny the constitutional challenge to its ability to seek testimony and documents to investigate a sworn complaint. Specifically, the Commission seeks confirmation of its lawful authority to investigate whether a group must report as a political committee. Generally, a political committee is:

- 1. A group;
- 2. With a principal purpose to participate in political activity by accepting political contributions or making political expenditures.

The Commission also seeks confirmation of its authority to seek testimony and documents necessary to investigate whether an individual must register and report as a lobbyist. Generally, a person is required to register as a lobbyist when that person:

- 1. Directly communicates with members of the legislature to influence legislation; and
- 2. Is compensated for such activity; or
- 3. Makes expenditures for that purpose.

Should the federal court deem it proper to exercise its jurisdiction in the federal lawsuit, the Commission will stay the formal hearing process, including any pending response deadlines, for Sworn Complaints SC-3120485, SC-3120486, SC-3120487, and SC-3120488 until the federal lawsuit is fully decided by the federal court. The Commission has made this decision out of deference to the federal court and in the interests of judicial economy. If the federal court does not exercise its jurisdiction, the Commission will move forward on the formal hearing set for April 3, 2014.