

September 2, 2014

To: Austin Kaplan

Chairman

**Austin Ethics Review Commission** 

301 W 2nd Street Austin, Texas 78701

Marc Ott City Manager 301 W 2nd Street Austin, Texas 78701

C: Karen Kennard
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301 W 2nd Street
Austin, Texas 78701

C: Peter Einhorn
Vice Chairman
Austin Ethics Review Commission
301 W 2nd Street
Austin, Texas 78701

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# Dear Chairman Kaplan,

This letter includes my sworn Austin City Ethics Review Commission complaint form, with an attached and incorporated Sworn Statement, alleging the respondent, Dr. Fred L. McGhee, a candidate for Austin City Council District 3, has violated City of Austin Ordinance 20080925-79 by printing and mailing a postcard for the purpose of political advertising, without a required disclosure notice. The advertisement includes a sales offer for a book authored by Dr. McGhee whereupon he receives a personal profit from book sales.

Sincerely,

Shaun D. Ireland

# Sworn Complaint to the Austin Ethics Review Commission

### To The Honorable Austin Ethics Review Commission:

Comes now, the complainant, Shaun Ireland, an Austin resident, and files this sworn complaint with the Austin Ethics Review Commission ("Commission"). Complainant Shaun Ireland alleges and avers that Respondent, Dr. Fred L. McGhee, a current candidate for Austin City Council District 3, has violated the City of Austin Code of Ordinances by printing and mailing a postcard for the purpose of political advertising, without a required disclosure notice. The Respondent's advertisement included a campaign logo, campaign social media accounts, and a campaign web address. The Respondent's strategic communication also included, on both sides, an advertisement for a book whereupon McGhee would receive a personal monetary profit from book sales. As a result, Complainant maintains that McGhee has violated both City of Austin Code of Ordinances and state law. Complainant respectfully requests that the Commission investigate, hold preliminary and final hearings, recommend a judgment against the respondent, and/or refer this matter to the Public Integrity Unit of the Travis County Office of District Attorney for further action.

- **I. Jurisdiction.** The Ethics Review Commission has duties and responsibilities established by Austin City Code Chapter 2-2 (Campaign Finance) and Chapter 2-7 (Ethics And Financial Disclosure).
- **A. Relevant Law.** The Austin City Code ("Code") provides that candidates must include a notice on all political advertising to comply with city ordinance and state law. In particular, Section 2-2-14 states:
  - (A) A candidate who signs a campaign contract shall include the following notice in all political advertising: "This campaign has agreed to comply with the contribution and expenditure limits of the Austin Fair Campaign Chapter."
  - (B) Except to the extent prohibited by the Federal Communications Act, a candidate who chooses not to sign a campaign contract shall include the following notice in all political advertising: "This campaign has not agreed to comply with the contribution and expenditure limits of the Austin Fair Campaign Chapter."
  - (C) The disclosures required by this section shall be clear and conspicuous:

- (1) On printed political advertising, the disclosure shall be printed in sufficient type and size to be clearly readable, in two highly contrasting colors such as dark text on a light background, but in no case smaller than eight point font;
- (2) On other forms of political advertising, including internet advertisement, television, and radio, the disclosure shall provide the reader, viewer, or listener with actual notice of the disclosure; and
- (3) A disclaimer is not clear and conspicuous if it is difficult to read or hear, or if the placement is easily overlooked.
- (D) The requirements of subsections (A) through (C) do not apply to bumper stickers, pins, buttons, pens, apparel, and similar small or impractical items upon which the notice cannot be conveniently printed.
- (E) A candidate or other campaign representative who authorizes the publication of political advertising without the notice required by this section commits an offense.

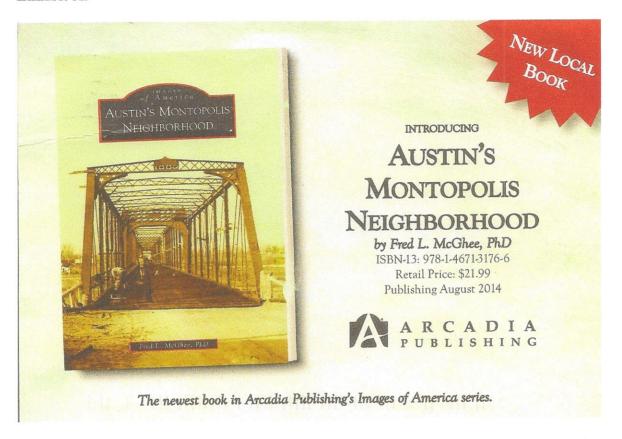
The Commission may find the Respondent has disregarded Austin City Code and state law. Further, the Commission's judgment may include the following penalty as allowed by Chapter 2-2-5 Offenses and Penalty:

- (A) Except as provided in Subsection (B), a person who knowingly violates this chapter or a provision of City Charter Article III, Section 8 (Limits on Campaign Contributions and Expenditures) commits a Class C misdemeanor punishable in accordance with Section 1-1-99 (Offenses; General Penalty) by a fine not to exceed \$500. Each expenditure, contribution, or other action in violation of this chapter constitutes a separate offense.
- (B) This section does not apply to Article 2 (Voluntary Limitations on Contributions and Expenditures), except as otherwise specifically provided in that article.
- (C) The remedies authorized under this chapter are cumulative of other remedies available under state and federal law.
- 1. Definition of Political Advertising. State law defines "Political Advertising" as a "means a communication supporting or opposing a candidate for nomination or election to a public office or office of a political party, a public officer, or a measure that...", as per the Title 15 § 251.001 of the Texas Elections Code
- **2. Definition of Strategic Communication.** The Code defines "strategic communication" as meaning a communication regarding advertising, campaign strategies, and voter groups between the candidate, candidate's campaign committee, or their agents or employees and any of the persons, agents, or employees of the entity making expenditures.

#### B. Evidence.

The Respondent's political campaign mailed a postcard for the use of political advertising and strategic communication to voters in District 3. The Commission may review the following two exhibits for evidentiary purposes:

#### Exhibit A.



As seen on Exhibit I., the political advertising for depicts the Respondent's book titled, "Austin's Montopolis Neighborhood", author's name, ISBN identifier, retail price, date of publishing, and identification of the books publisher.

Further, Exhibit II. does not include the required political disclosure notice as required by Code and state law.

#### Exhibit II.



As seen on Exhibit II., the political advertising includes a postmark date of August 19, 2014, the Respondent's campaign logo, campaign slogan, campaign web address, campaign Facebook account, campaign Twitter account, book sales information, a written acknowledgement from McGhee including his signature.

Further, Exhibit II. does not include the required political disclosure notice as required by Code and state law.

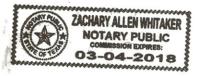
III. Conclusion and Prayer. Complainant Shaun Ireland requests that the Commission review this sworn complaint matter as expeditiously as possible. A city council candidate that is mailing postcards for the dual purpose of political advertising and personal profit is both unethical and unlawful.

Respectfully submitted,

Shaun Ireland, Affiant Austin, Texas

STATE OF TEXAS
COUNTY OF TRAVIS

appeared Sham Dan Freden , known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.



My Commission Expires

Signature of Notary

ZECHARY ALLEW TAKER

Printed Name of Notary

-2-14

Date

### AUSTIN ETHICS REVIEW COMMISSION CHAPTER 2-7 CITY CODE

#### COMPLAINT

NAME OF PERSON(S) FILING COMPLAINT: Shaun Ireland

ADDRESS: P.O. Box 41064, Austin, Texas 78704

PHONE NUMBER: 512-569-9282

[PLEASE FILE A SEPARATE COMPLAINT FOR EACH PERSON COMPLAINED AGAINST]

NAME OF PERSON COMPLAINED AGAINST: Dr. Fred L. McGhee

CITY OFFICE, DEPARTMENT, COMMISSION: Candidate for Austin City Council District 3

ADDRESS: 2316 Thrasher Lane, Austin, Texas 78741

PHONE NUMBER [IF KNOWN]:

[PLEASE LIST EACH VIOLATION SEPARATELY]

I.

SECTION OF ETHICS CODE VIOLATED: City of Austin Code, Campaign Finance §2-2-14

DATE OF ALLEGED VIOLATION: August 19, 2014

ALLEGATIONS ALLEGED TO BE A VIOLATION: McGhee mailed political advertising without disclosure notice.

WITNESSES OR EVIDENCE THAT WOULD BE PRESENTED: See sworn statement with Exhibit I. and II.

II.

ALL THE STATEMENTS AND INFORMATION IN THIS COMPLAINT ARE TRUE AND FACTUAL TO THE BEST OF

MY KNOWLEDGE.

DATE: 4/2/2014

**COMPLAINANTS SIGNATURE** 

Shavn Ireland

PRINT NAME

STATE OF TEXAS COUNTY OF TRAVIS

This instrument was acknowledged, sworn to and subscribed before me by Shaun Dylan Freland on the day of Spine, 201, to certify which witness my hand and official seal.

2-264 6

ZACHARY ALLEN WHITAKEN

Notary Public in and for the State of Texas

Typed or Printed Name of Notary

