

LONE STAR PROJECT

Fighting Back... with Facts



April 7, 2008

The Honorable Kim Brimer
Texas State Senate
1600 W. 7th St., Suite 650
Fort Worth, Texas 76102

Dear Senator Brimer:

As you know, Texas election law prohibits the use of campaign funds to be used for the purchase of real property, such as a house or condominium. ([Texas Ethics Commission, Section 253.038 of the Election Code](#)) Recently, the Texas Ethics Commission (TEC) ruled that former State Representative Toby Goodman violated this law by disguising mortgage payments made by his campaign as “rent” on an Austin area house that was bought using a loan secured by both Goodman and his wife. As a result of his illegal behavior, Mr. Goodman has been fined \$10,000 by the Texas Ethics Commission. ([Texas Ethics Commission, Sworn Complaint – Final Order 2608184](#))

When Mr. Goodman’s illegal activities were first disclosed in 2006, he indicated to the media that use of campaign funds disguised as rent to cover mortgage payments was a common practice by stating “other members are doing this ...” ([Austin American-Statesman, August 30, 2006](#)) In fact, this practice has been referred to in the press as the “Brimer loophole.” ([Fort Worth Star-Telegram, March 21, 2008](#)) Further, the TEC opinion in the Goodman case specifically references an advisory opinion ([Ethics Advisory Opinion No. 319](#)) issued at your request regarding the propriety of campaign payments for “rent” if a partition agreement is in place making the house or condo the exclusive property of a spouse. In their opinion on Goodman, however, the TEC makes clear that a partition waiver does not extend to cover property purchased with a loan that is all, or in part, secured by Members themselves. ([Texas Ethics Commission, Sworn Complaint – Final Order 2608184, Conclusions of Law, paragraphs 13, 19](#))

The Lone Star Project has conducted an examination of both your campaign filings to the TEC and of real estate transactions involving a luxury condominium located in Austin within the exclusive Westgate Towers. It is clear from official documents and transaction records, that you spent a number of years using campaign funds to further enrich yourself through the purchase and ultimate sale of the Westgate condo.

The Lone Star Project is an activity of the Lone Star Fund. Contributions or gifts to the Lone Star Fund are not tax deductible. All contributions are subject to the prohibitions and limitations of the Federal Election Campaign Act. Federal Law requires us to use best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year.

Paid for by The Lone Star Fund, 6 E St, SE, Washington, DC 20003.
Not authorized by any candidate or candidate's committee.

Monday, April 07, 2008

Page 2

As the attached documents demonstrate, an exclusive Westgate condominium located at 1122 Colorado #1205 in Austin, Texas, was purchased in 1996, with funds from a loan in the amount of \$103,900. While your wife Janna holds the deed to the property, you helped secure the loan by serving as a “co-maker.” ([*Ratification of Agreement in Contemplation of Marriage and Partition of Community Property, Article II*](#)) From 1996 to 2007, monthly payments from your campaign account were made to Janna Brimer Realty in an amount totaling more than \$237,000 and were reported as “rent.” ([*Texas Ethics Commission, Reports 1996-2007*](#)) Documents further show that during all or part of that time you served on the Board of Directors for Janna Brimer Realty. ([*Articles of Incorporation of Janna Brimer Realty, Inc.*](#))

The Westgate luxury condominium was sold in 2007 for an amount you have refused to disclose. Documents from Travis County, however, list the tax appraised value of the property at \$250,180. ([*Travis County Tax Statement, 2007 Property Tax notice*](#)) It is fair to conclude, until you demonstrate otherwise, that the county appraisal represents the minimum value of the property and its minimum sale price. Assuming a sale price at the appraised value of \$250,180, a financial gain of over \$120,000 has been realized. Your own legal counsel, Ed Shack, conceded that you can eventually benefit from this real estate windfall when he “acknowledged that there is nothing to block politicians who leave office from benefiting from what was once separate property.” ([*Fort Worth Star-Telegram, February 22, 2007*](#)) So, the gain from the luxury condo sale combined with the improper campaign payments made to Janna Brimer Realty give you a total benefit of at least \$357,000.

Over the last three months alone, more than 17,258 Dallas-Fort Worth area residents have lost their homes due to foreclosure. ([*Dallas Business Journal, March 13, 2008*](#)) These Texas families were unable to use campaign money to cover their principal mortgage payments, much less to follow your practice and use contributor money to pay the cost of a second “investment” home located in the shadows of the State Capitol. Conversely, your recent personal financial statements indicate that since entering the Legislature in 1989 you have become a millionaire with considerable personal assets, including extensive property and stock holdings. Further, you have a balance of more than \$ 1.1 million in your campaign re-election account.

Given the TEC ruling on Toby Goodman and taking into account that in 2007 the Texas Legislature enacted further restrictions against “rent-to-own” schemes like the one you have engaged in ([*Truitt’s Bill HB 3066 June 15, 2007 and Fort Worth Star-Telegram, March 21, 2008*](#)), we respectfully call on you to surrender from your considerable wealth funds in the amount of at least \$357,000. This is roughly the minimum personal financial gain you realized by disguising the Westgate condo investment as campaign rent payments and then selling the property. We further call on you to contribute the surrendered personal funds to the Tarrant County Housing Partnership or another charitable organization in Tarrant County committed to helping families in need find safe and affordable housing.

Monday, April 07, 2008
Page 3

We look forward to your prompt reply so that we can adequately inform Senate District 10 voters of your intentions.

Sincerely,

A handwritten signature in blue ink that reads "Matt Angle". The signature is written in a cursive, flowing style.

Matt Angle
Lone Star Project Director

Subsection (a).

§ 253.036. Officeholder Contributions Used in Connection with Campaign

An officeholder who lawfully accepts officeholder contributions may use those contributions in connection with the officeholder's campaign for elective office after appointing a campaign treasurer.

§ 253.037. Restrictions on Contribution or Expenditure by General-Purpose Committee

(a) A general-purpose committee may not knowingly make or authorize a political contribution or political expenditure unless the committee has:

- (1) filed its campaign treasurer appointment not later than the 60th day before the date the contribution or expenditure is made; and
- (2) accepted political contributions from at least 10 persons.

(b) A general-purpose committee may not knowingly make a political contribution to another general-purpose committee unless the other committee is listed in the campaign treasurer appointment of the contributor committee.

(c) Subsection (a) does not apply to a political party's county executive committee that is complying with Section 253.031 or to a general-purpose committee that accepts contributions from a multi-candidate political committee (as defined by the Federal Election Campaign Act) that is registered with the Federal Election Commission, provided that the general-purpose committee is in compliance with Section 253.032.

(d) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

§ 253.038. Payments Made to Purchase Real Property Or To Rent Certain Real Property Prohibited

(a) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution to purchase real property or to pay the interest on or principal of a note for the purchase of real property.

(a-1) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution for the rental or purchase of real property from:

- (1) a person related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the candidate or officeholder; or*
- (2) a business in which the candidate or officeholder or a person described by Subdivision (1) has a participating interest of more than 10 percent, holds a position on the governing body, or serves as an officer.*

(b) A person who violates this section commits an offense. An offense under this subsection is a Class A misdemeanor.

(c) This section does not apply to a payment made in connection with real property that was purchased before January 1, 1992.

§ 253.039. Contributions in Certain Public Buildings Prohibited

(a) A person may not knowingly make or authorize a political contribution while in the Capitol to:

(1) a candidate or officeholder;

(2) a political committee; or

(3) a person acting on behalf of a candidate, officeholder, or political committee.

(b) A candidate, officeholder, or political committee or a person acting on behalf of a candidate, officeholder, or political committee may not knowingly accept a political contribution, and shall refuse a political contribution that is received, in the Capitol.

(c) This section does not prohibit contributions made in the Capitol through the United States postal service or a common or contract carrier.

(d) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

§ 253.040 Separate Accounts

(a) Each candidate or officeholder shall keep the person's campaign and officeholder contributions in one or more accounts that are separate from any other account maintained by the person.

(b) A person who violates this section commits an offense. An offense under this section is a Class B misdemeanor.

§ 253.041. Restrictions on Certain Payments

(a) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution if the payment is made for personal services rendered by the candidate or officeholder or by the spouse or dependent child of the candidate or officeholder to:

(1) a business in which the candidate or officeholder has a participating interest of more than 10 percent, holds a position on the governing body of the business, or serves as an officer of the business; or

(2) the candidate or officeholder or the spouse or dependent child of the candidate or officeholder.

(b) A payment that is made from a political contribution to a business described by Subsection (a) and that is not prohibited by that subsection may not exceed the amount necessary to reimburse the

[Back to Top](#)

TEXAS ETHICS COMMISSION

IN THE MATTER OF	§	BEFORE THE
	§	
TOBY GOODMAN,	§	TEXAS ETHICS COMMISSION
	§	
RESPONDENT	§	SC-2608184

FINAL ORDER

I. Findings of Fact

1. The complaint was filed on August 31, 2006.
2. The complaint alleges that the respondent made or authorized payments from political contributions to purchase real property or to pay the interest on or principal of a note for the purchase of real property, and converted political contributions to personal use.
3. The commission held a preliminary review hearing on October 25, 2007, and determined that there was credible evidence of violations of sections 253.035 and 253.038 of the Election Code, laws administered and enforced by the commission. The respondent waived the right to further proceedings before the commission and requested that the commission issue a final order. The commission met on February 12, 2008, and adopted this final order.
4. At the time the complaint was filed, the respondent was a state representative for District 93 in Tarrant County, who served in that capacity from 1991 until 2007, following a defeat in the 2006 general election. During the time relevant to the complaint, the respondent did not ordinarily reside in Travis County.
5. On December 2, 1998, the respondent and his wife purchased a condominium in Travis County. The respondent and his wife borrowed \$123,200 from a lender by jointly executing a promissory note. The lender retained a vendor's lien on the condominium. According to the deed of trust that secured the lender's interest in the note and the condominium, the covenants and agreements of the respondent and his wife were "joint and several." A clause in the deed stated that if any part of the property or any interest in the property is sold or transferred without the lender's prior written consent, the lender may require immediate payment in full of all sums required by the deed. An attachment to the warranty deed indicates that the respondent and his wife were also required to pay condominium association fees and that, if paid by the lender, such fees would become debt of the borrowers.
6. On February 19, 1999, the respondent transferred his interest in the condominium to his wife by a special warranty deed and a partition agreement. According to the terms of the deed and agreement, the respondent gave his interest to his wife as his wife's separate property and the wife agreed to assume all unpaid debt and interest on the mortgage and indemnify the

- respondent for the unpaid debt on the note. There is no evidence that the lender or the lender's successors or assigns were a party to the special warranty deed or partition agreement or otherwise agreed to the transfer. The partition agreement did not provide that income from the property would be the separate property of the respondent's wife.
7. On October 31, 2003, the respondent's wife sold the condominium to a third party for an undisclosed amount. On November 21, 2003, the owner of the beneficial interest under the original deed of trust, Cendant Mortgage Corp., issued a "Release of Lien" to the respondent and his wife that released them from their obligations on the note executed to purchase the condominium and the deed of trust.
 8. The respondent's campaign finance reports disclosed political expenditures totaling approximately \$69,200 to his wife for rent between January 2000 and September 2003. The payment amounts generally increased over time and ranged from \$1,327.38 in January 2000 to \$1,969.64 in March 2003. The reports also disclosed political expenditures totaling approximately \$8,700 to the respondent's wife for condominium fees, which generally increased over time from \$154 in January 2000 to \$191 in September 2003. The expenditures were made from political contributions and were in connection with the condominium.
 9. The respondent's campaign finance reports disclosed a political expenditure of \$1,327.38 from political contributions in July 1999 to "Mortgage Service Center" for the purpose of "Rent for Austin residence" and a political expenditure of \$1,077.38 from political contributions in August 1999 to "Mortgage Service Center" for the purpose of "Rent on Austin residence." The respondent's campaign finance reports also disclosed three separate political expenditures of \$1,327.38 to "Cendant Mortgage" in 1999 for the purpose of "Rent for Austin residence." The respondent's campaign finance reports also disclosed political expenditures from political contributions of \$154 per month to the condominium complex for condominium association dues.
 10. On March 26, 2004, the respondent and his wife purchased a house in Cedar Park, Williamson County, by jointly executing a promissory note to borrow \$209,700. The lender retained a vendor's lien on the house. According to the deed of trust that secured the lender's interest in the note and the house, the obligations and liability of the respondent and his wife were "joint and several."
 11. On March 27, 2004, the respondent transferred his interest in the house to his wife by a special warranty deed and a partition agreement. According to the terms of the deed and agreement, the respondent gave his interest to his wife as his wife's separate property and the wife agreed to assume all unpaid debt and interest on the mortgage and indemnify the respondent for the unpaid debt on the note. A clause in the deed of trust stated that the respondent and wife, who were the "Borrower" under the deed, "shall not be released from Borrower's obligations and liability under this [deed] unless Lender agrees to such release in writing." There is no evidence that the lender or the lender's successors or assigns agreed to

the transfer or released either the respondent or his wife from any obligations or liabilities under the note or deed of trust. The partition agreement did not provide that income from the property would be separate property of the respondent's wife.

12. The house is located in a residential subdivision in the City of Cedar Park in Williamson County. The house has 2,293 square feet of living space and was appraised by the Williamson County Tax Appraisal District (WCTAD) in 2007 at a value of \$238,631. According to the 2007 tax appraisal by WCTAD, the respondent's spouse owns 100% of the property.
13. The respondent's campaign finance reports disclosed five payments of \$1,800 for rent in connection with the house, beginning in May 2004 and ending in September 2004. The reports disclosed twelve payments of \$2,000 for rent in connection with the house from October 2004 until September 30, 2005. The reports disclosed political expenditures totaling approximately \$7,580 for utilities from April 2004 to May 2006. The expenditures were made from political contributions and were made in connection with the house.
14. In response to the complaint, the respondent swears, "I used political contributions to pay 'reasonable housing or household expenses,' i.e., rent, for the use of my spouse's separate property." He also swears that at different times, and with respect to two properties, he "paid rent from [his] campaign/officeholder account to [his] spouse for the use of her separate property." He also swears that he relied on Ethics Advisory Opinion No. 319 (EAO 319), which addressed a legislator's use of political contributions to pay a spouse for the rent of the spouse's separate property.
15. The respondent states that "[section 253.035 of the Election Code] does not state that I may not use political contributions to rent a residence that is located a few feet outside Travis County." The respondent also states that the exception to the personal use prohibition simply provides examples of what is not a personal use and "is not intended to be an all-inclusive list."
16. As of June 14, 2007, numerous properties in Cedar Park were available for rent, including: (1) an unfurnished house with 2 bedrooms, 2 bathrooms, 1,012 square feet at \$715 per month; (2) an unfurnished house with 4 bedrooms, 2 bathrooms, 1,854 square feet at \$1,250 per month; and (3) an unfurnished house with 4 bedrooms, 3 bathrooms, 1,988 square feet at \$1,295 per month.
17. The respondent's personal financial statements did not disclose an interest in the house or condominium, a financial liability on the note executed to borrow funds to purchase the house or condominium, or income received from renting the house or condominium.

II. Conclusions of Law

1. Disposition of this case is within the jurisdiction of the Texas Ethics Commission. GOV'T CODE § 571.061.
2. A candidate or officeholder may not knowingly make or authorize a payment from a political contribution to purchase real property or to pay the interest on or principal of a note for the purchase of real property. ELEC. CODE § 253.038(a).
3. Ethics Commission rules prohibit the commission from considering an allegation barred from criminal prosecution by operation of the applicable statute of limitations. Ethics Commission Rules § 12.5(a). The criminal offense for a violation of section 253.038 of the Election Code is a Class A misdemeanor. ELEC. CODE § 253.038(b). The statute of limitations for a Class A misdemeanor is two years from the date of the commission of the offense. Code of Criminal Procedure, Article 12.02. All of the rental payments made in connection with the condominium and four rental payments totaling approximately \$7,200 made in connection with the house occurred more than two years before the complaint was filed (August 31, 2006). Therefore, the allegations that the respondent violated section 253.038 of the Election Code by making these payments are not within the commission's sworn complaint jurisdiction. The allegations regarding the remaining approximate \$25,800 in payments made for rent in connection with the house are within the commission's sworn complaint jurisdiction.
4. It is a defense to prosecution or to imposition of a civil penalty that the person reasonably relied on a written advisory opinion of the commission relating to the provision of the law the person is alleged to have violated or relating to a fact situation that is substantially similar to the fact situation in which the person is involved. GOV'T CODE § 571.097.
5. In EAO 319, the commission addressed whether a legislator may use political contributions to pay rent and maintenance fees for a condominium in Travis County that the legislator's spouse owns as separate property. Ethics Advisory Opinion No. 319 (1996). In the opinion, the commission concluded:

[A] legislator's use of political contributions to make a rental payment to his spouse for the use of her separate rental property does not constitute a payment to purchase real property and does not violate section 253.038 of the Election Code.

Id.
6. All property, both real and personal, of a spouse owned or claimed before marriage, and that acquired afterward by gift, devise or descent, shall be the separate property of that spouse. TEX. CONST. art. XVI, § 15. A spouse's separate property consists of, in pertinent part: (1) the property owned or claimed by the spouse before marriage; and (2) the property acquired

- by the spouse during marriage by gift, devise, or descent. FAM. CODE § 3.001. Community property consists of the property, other than separate property, acquired by either spouse during marriage. *Id.* § 3.002.
7. Property possessed by either spouse during marriage is presumed to be community property. *Id.* § 3.003(a). The degree of proof necessary to establish that property is separate property is clear and convincing evidence. *Id.* § (b).
 8. Spouses also may from time to time, by written instrument, agree between themselves that the income or property from all or part of the separate property then owned or which thereafter might be acquired by only one of them, shall be the separate property of that spouse. TEX. CONST. art. XVI, § 15. At any time, spouses may partition or exchange between themselves all or part of their community property, then existing or to be acquired, as the spouses may desire. FAM. CODE § 4.102. Property or a property interest transferred to a spouse by a partition or exchange agreement becomes that spouse's separate property. *Id.* The partition or exchange of property may also provide that future earnings and income arising from the transferred property shall be the separate property of the owning spouse. *Id.*
 9. Under Texas law, whether property is separate or community is determined by its character at inception, or when a party first has a right of claim to a property, i.e., when title is finally vested. *McClary v. Thompson*, 65 S.W.3d 829, 834 (Tex.App.—Fort Worth 2002).
 10. The evidence shows that the respondent and his wife executed a promissory note and deed of trust on March 26, 2004, and were assigned rights, title, interest, and claims in the house, subject to a vendor's lien, on that same date. The respondent and his wife were spouses on that date, and, thus, the house is presumed to be their community property because it was acquired during marriage.
 11. The evidence shows that on March 27, 2004, the respondent conveyed his interest in the house to his wife by special warranty deed and partition agreement. Thus, the house became his wife's separate property on that date in accordance with their partition agreement under section 4.102 of the Family Code. Therefore, the house was separate property of the respondent's wife at the time the respondent used political contributions to pay his wife for rent of the house. The partition agreement did not, however, provide that income (rent) from the property would be the separate property of the respondent's wife.
 12. The evidence shows that the respondent remained liable under the note executed to borrow funds to purchase the home, and the deed of trust that secured the lender's interest in the home, since they were executed on March 26, 2004, and that all of the rental payments the respondent made to his wife with political contributions occurred during that time.
 13. A legislator's use of political contributions to rent real property owned by a spouse at a time when the legislator remains liable on the outstanding unpaid debt and interest that were incurred to purchase the real property was not a fact raised or addressed in EAO 319, the

opinion upon which the respondent placed his reliance. Thus, the respondent could not have reasonably relied upon EAO 319 because the fact situation in EAO 319 is not substantially similar to the fact situation in which the respondent was involved.

14. The respondent used political contributions to pay approximately \$25,800 to his spouse to rent the house at a time when he remained liable on principal and interest on the note executed to purchase the same property. Thus, there is credible evidence that the payments were made to purchase real property or to pay the interest on or principal of a note for the purchase of real property. Therefore, there is credible evidence that the respondent violated section 253.038 of the Election Code in connection with the payments made to rent the house.
15. A person who accepts a political contribution as a candidate or officeholder may not convert the contribution to personal use. ELEC. CODE § 253.035(a).
16. Ethics Commission rules prohibit the commission from considering an allegation if the alleged violation is not also a criminal offense and if the allegation is based on facts that occurred more than three years before the date the complaint is filed. Ethics Commission Rules § 12.5(a). There is no criminal offense for a violation of section 253.035 of the Election Code. ELEC. CODE § 253.035. Therefore, the allegations that the respondent converted political contributions to personal use regarding payments for rent, condominium fees, and utilities that occurred more than three years before the complaint was filed (August 31, 2006) are not within the commission's sworn complaint jurisdiction. Of the payments for rent and condominium fees made in connection with the condominium, only one payment of \$1,169.64 for rent and one payment of \$191 for condominium fees were made on or after August 31, 2003. Therefore, of the payments in connection with the condominium, only the \$1,169.64 payment for rent and the \$191 payment for condominium fees are within the commission's sworn complaint jurisdiction. Regarding the payments for rent and utilities made in connection with the house, all were made after August 31, 2003, and are within the commission's sworn complaint jurisdiction.
17. "Personal use" means a use that primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office. *Id.* § 253.035(d). The term does not include: payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a public officeholder, including payment of rent, utility, and other reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not ordinarily reside in Travis County, but excluding payments prohibited under section 253.038 of the Election Code. *Id.* § 253.035(d)(1).
18. The evidence shows that the respondent and his wife executed a promissory note to borrow the funds to purchase the condominium during marriage. The evidence also shows that on February 19, 1999, the respondent conveyed his interest in the condominium to his wife by

special warranty deed and partition agreement. Thus, the condominium became his wife's separate property on that date in accordance with their partition agreement under section 4.102 of the Family Code. Therefore, the condominium was separate property of the respondent's wife at the time the respondent used political contributions to pay his wife for rent of the condominium. The partition agreement did not provide, however, that the income (rent) from the property would be the respondent's wife's separate property.

19. The evidence shows that the respondent was not released of his obligations on the note executed to borrow the funds to purchase the condominium, or the deed of trust that secured the lender's interest in the condominium, until he and his wife were released of their obligations by a release of lien on November 21, 2003. Thus, the respondent remained liable under the note and the deed of trust from the time they were executed on December 2, 1998, and all of the payments the respondent made to his wife with political contributions for the condominium occurred during that time.
20. The commission stated in EAO 319 that a legislator may use political contributions to reimburse himself for the use of personal assets for campaign or officeholder purposes. The opinion also stated that it is also permissible for a candidate or officeholder to use political contributions "to pay a family member for the use of the family member's assets for campaign or officeholder purposes." Ethics Advisory Opinion No. 319 (1996). Any reimbursement "should be based on fair market value of the use of an asset," and a conversion to personal use would occur if a legislator paid his spouse more than fair market value for the use of her real property for officeholder purposes. *Id.*
21. A legislator's use of political contributions to rent real property owned by a spouse at a time when the legislator remains liable on the outstanding unpaid debt and interest that were incurred to purchase the real property was not raised or addressed in EAO 319, the opinion upon which the respondent placed his reliance. EAO 319 also states that a payment for the use of the spouse's property would constitute a conversion to personal use if the payment exceeds the fair market value of the use of the property. EAO 319 also did not address property located outside Travis County. Thus, the respondent could not have reasonably relied upon EAO 319 in using political contributions to rent either the house or the condominium because the fact situation in EAO 319 is not substantially similar to either of the fact situations in which the respondent was involved regarding the house or the condominium.
22. The respondent used political contributions to pay approximately \$33,000 to his spouse to rent the house at a time when he remained liable on the debt incurred to purchase the property. Thus, the rental payments primarily furthered individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office because they were made to discharge the respondent's liability on the debt incurred to purchase the house. In addition, there is evidence that the payments exceeded the fair market value of the use of the house. Thus, there is credible evidence that the payments constituted a conversion of political contributions to personal use.

23. The respondent used political contributions to pay approximately \$1,360 to his spouse to rent a condominium at a time when he remained liable on the debt incurred to purchase the property. Thus, the rental payments primarily furthered individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office because they were made to discharge the respondent's liability on the debt incurred to purchase the condominium. Thus, there is credible evidence that the payments constituted a conversion of political contributions to personal use.
24. Therefore, there is credible evidence that the respondent violated section 253.035 of the Election Code in connection with the payments made to rent the house and the condominium.
25. The evidence shows that the respondent used political contributions to pay utilities for a house that was not located in Travis County. There is insufficient evidence that the respondent violated section 253.035 of the Election Code in connection with the payments made for utilities.

III. Confidentiality

This final order describes violations that the commission has determined are neither technical nor *de minimis*. Accordingly, this final order is not confidential under section 571.140 of the Government Code and may be disclosed by members and staff of the commission.

IV. Sanction

The commission imposes a \$10,000 civil penalty against the respondent. The commission orders that the respondent pay the penalty within 30 days of the date of this order.

Date: _____

FOR THE COMMISSION

David A. Reisman
Executive Director
Texas Ethics Commission

14 of 32 DOCUMENTS

Austin American-Statesman (Texas)

August 30, 2006 Wednesday
Final Edition

Lawmaker's renter status questioned

BYLINE: Laylan Copelin AMERICAN-STATESMAN STAFF**SECTION:** NEWS; Pg. A01**LENGTH:** 742 words

An Arlington lawmaker and his wife buy Austin-area homes, then he gives his portion to her and pays rent to her with campaign donations.

Though state law prohibits legislators from buying real estate with political contributions, Rep. **Toby Goodman**, a Republican, said his arrangement is not only legal but a common practice among state lawmakers that's sanctioned by the Texas Ethics Commission.

However, supporters of Goodman's Democratic opponent, Paula Hightower Pierson, have filed a complaint with the Ethics Commission, claiming Goodman's spending of \$106,000 in political donations on rent for two different residences - first an Austin condo and now a Cedar Park house - violates state law on several levels.

They argue that Goodman is using political donations for personal use - repayment of a debt he and his wife took on to buy the home. They also say the law allowing out-of-town legislators to pay local housing expenses with campaign money is limited to Travis County. His Cedar Park house is a half-mile inside Williamson County.

Goodman, a lawyer, denies he's breaking a law he helped write.

He did not name other legislators who pay rent to a spouse with campaign dollars, but he **said that "other members are doing this; maybe we're all wrong."**

"If the Ethics Commission says I'm doing something wrong, I'll stop doing it and pay whatever fine there is."

Goodman dismissed the criticism as campaign-year politics.

Russell Langley is with the Texas Values in Action Coalition, a Democratic group that filed the complaint.

"Yesterday Goodman used the 'everyone else is doing it' defense," Langley said Tuesday. "Today he is blaming the messenger. Goodman can try to change the subject, but eventually he has to take responsibility for his actions."

The provision prohibiting the purchase of real estate with campaign money dates to 1991, the year Goodman began serving in the Texas House. It was in reaction to news stories that then-state Sen. John Montford, D-Lubbock, used campaign contributions to pay the mortgage interest, property taxes and insurance on a

[Back to Top](#)

\$190,000 house in Northwest Hills.

Five years later, the Ethics Commission wrote an opinion allowing a lawmaker to rent a spouse's separate property.

In 1998, Goodman and his wife, Gloria, bought a condo on Capital of Texas Highway, taking out a \$123,200 loan in both of their names. He immediately gave his wife, who serves as his campaign treasurer, his portion of the equity, putting the property in her name. He said she did not pay for his equity.

The Goodman campaign paid his wife \$64,000 - \$1,300 a month on average - and another \$9,700 in condo association dues, according to the complaint.

The Goodmans sold the condo in 2003 and bought the Cedar Park house the same way. That loan is for \$209,700.

Goodman's campaign paid his wife \$1,800 to \$2,000 a month in rent sporadically until a few months ago.

He said he stopped paying rent - no, his wife didn't evict him - because he found a greater need: running a re-election campaign.

Tim Sorrells, an Ethics Commission spokesman, said the agency in the past has not addressed all of the questions raised in the complaint. As for paying rent to a spouse with campaign money, Sorrells said, "If it's truly separate property, which is a fact question, we've said it's OK."

But he added: "We can't make a call whether it's actually separate or community property. If there was a real issue raised, a trier of fact would decide."

Craig McDonald of Texans for Public Justice, a group that monitors campaign finance laws, said Goodman's transactions are not arm-length deals and violate the law.

"We're in a deep ethical quagmire when special interests are allowed to pay for houses and condos," McDonald said. "It sounds like a ruse to beat the intent of the law."

lcpelin@statesman.com; 445-3617

(Box)

Texas Election Code

Section 253.035 prohibits converting campaign contributions into personal use, defined as primarily furthering individual or family purposes not connected with the performance of duties or activities as a candidate or office-holder.

Section 253.038 forbids a candidate or office-holder from knowingly using a political contribution to purchase real property or pay interest on a loan for the purchase of real property.

Ethics Advisory Opinion 319: A legislator's use of political contributions to make a rental payment to his spouse for the use of her separate property does not constitute a payment to purchase real property.

LOAD-DATE: August 30, 2006

LANGUAGE: ENGLISH

[Back to Top](#)

2 of 5 DOCUMENTS

Fort Worth Star-Telegram (Texas)

Distributed by McClatchy-Tribune Business News

March 21, 2008 Friday

Former lawmaker fined \$10,000 CAMPAIGN FINANCE

BYLINE: Jay Root, Fort Worth Star-Telegram, Texas

SECTION: STATE AND REGIONAL NEWS

LENGTH: 588 words

Mar. 21--AUSTIN --Former state Rep. Toby Goodman, R-Arlington, has been fined \$10,000 for allegedly violating laws designed to prevent politicians from using campaign money to buy second homes.

Goodman said Thursday that he did nothing wrong and that he plans to appeal the ruling, which was issued by the Texas Ethics Commission last week in response to a formal complaint filed by Democrats in 2006. The order carries a civil penalty and does not allege criminal wrongdoing.

"They're just wrong," said Goodman, who predicted that the courts will vindicate him.

Goodman is one of four Tarrant County legislators who used campaign funds to rent residences in Austin from their spouses. Critics said that amounted to using campaign money to buy property.

The Legislature tightened the law last year to make such arrangements illegal, but the Ethics Commission has the power to take action on past behavior, officials said.

"At a time when most Texans are struggling to pay their own mortgages, it is an outrage that some Republican members of the Legislature were using their offices and campaign dollars to pay for a second home," said Ed Ishmael, co-founder of the Texas Values in Action Coalition, the Democratic group that filed the complaint against Goodman.

It has long been illegal for state lawmakers to buy real estate with money they raise from donors. But for years it was legal for them to rent property from their spouses as long as the spouses were the sole owners. State Sen. Kim Brimer, R-Fort Worth; state Sen. Jane Nelson, R-Lewisville; and state Rep. Vicki Truitt, R-Keller, also rented spousal property.

Phone and e-mail messages to the three lawmakers were not returned Thursday. All have said that they did nothing wrong.

Truitt, who quit making payments to live in a condo her husband owned after the arrangement became an issue in the 2006 elections, sponsored the legislation that toughened the law. It makes it clear that politicians can't use campaign funds to make rent payments on property owned by close relatives.

[Back to Top](#)

Former lawmaker fined \$10,000 CAMPAIGN FINANCE Fort Worth Star-Telegram (Texas)
March 21, 2008 Friday

At issue in the Goodman case was whether the property his wife owned was truly separate. A 1996 Ethics Commission opinion prompted by a query from Brimer -- and later known around the Capitol as the "Brimer loophole" -- held that lawmakers could use campaign money for "separate rental property" owned by their spouses.

In Goodman's case, the Ethics Commission essentially found that he was still on the hook in the event of a foreclosure and that he retained a communal interest in the rent payments he was making to his wife. The former Arlington lawmaker told the Star-Telegram that the commission misinterpreted the law, and he said in particular that rent payments made for his wife's separate property should have been considered her separate income.

The coalition, a political action committee that supports North Texas Democrats, filed the complaint against Goodman and may take further action, spokesman Russell Langley said.

"In light of the Ethics Commission opinion, we are going to look at filing complaints against Sen. Brimer and Sen. Nelson," Langley said.

To see more of the Fort Worth Star-Telegram, or to subscribe to the newspaper, go to <http://www.dfw.com>. Copyright (c) 2008, Fort Worth Star-Telegram, Texas Distributed by McClatchy-Tribune Information Services. For reprints, email tmsreprints@permissionsgroup.com, call 800-374-7985 or 847-635-6550, send a fax to 847-635-6968, or write to The Permissions Group Inc., 1247 Milwaukee Ave., Suite 303, Glenview, IL 60025, USA.

LOAD-DATE: March 21, 2008

LANGUAGE: ENGLISH

ACC-NO: 20080321-FT-Former-lawmaker-fined-10,000-CAMPAIGN-FINANCE-0321

PUBLICATION-TYPE: Newspaper

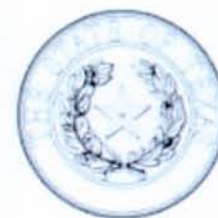
JOURNAL-CODE: FT

Copyright 2008 Fort Worth Star-Telegram

[Back to Top](#)



TEXAS ETHICS COMMISSION



**** Overruled, Modified, Clarified, or Superseded ****

ETHICS ADVISORY OPINION NO. 319

April 19, 1996

Whether a legislator may use political contributions to pay rent and maintenance fees for a condominium in Travis County that the legislator's wife owns as separate property. (AOR-350)

The Texas Ethics Commission has been asked whether a legislator may use political contributions to pay rent and maintenance fees for a condominium in Travis County that the legislator's wife owns as separate property. There are two issues presented by that question: whether such payments constitute a conversion of political contributions to personal use in violation of section 253.035 of the Election Code and whether such payments constitute a use of political contributions to purchase real estate in violation of section 253.038 of the Election Code.

Although a legislator may not convert political contributions to personal use, a legislator who does not ordinarily reside in Travis County may use political contributions to pay "reasonable housing or household expenses incurred in maintaining a residence in Travis County." Elec. Code § 253.035(a), (d) (1). Such payments are reportable officeholder expenditures. *See id.* §§ 251.001(9), 254.031(3), (6). The question here is whether such payments are permissible even if made to a legislator's spouse.

The Ethics Commission has stated that a candidate or officeholder may use political contributions to reimburse himself for the use of personal assets for campaign or officeholder purposes. [Ethics Advisory Opinions Nos. 129, 116](#) (1993). Similarly, it is permissible for a candidate or officeholder to use political contributions to pay a family member for the use of the family member's assets for campaign or officeholder purposes. Any such reimbursement should be based on the fair market value of the use of an asset. A conversion of political contributions to personal use would occur if a legislator paid his spouse more than fair market value for the use of her real property for officeholder purposes.

Although the personal-use restriction in section 253.035 of the Election Code does not prohibit a legislator from using political contributions to pay his spouse fair market value for the use of the spouse's assets for officeholder purposes, it has been suggested that the payments at issue here are prohibited under section 253.038 of the Election Code, which prohibits the use of political contributions to *purchase* real property or to pay the interest on or principal of a note for the *purchase* of real estate.¹

The real property in question here is the separate property of the legislator's spouse. In Texas a married person has the sole management, disposition, and control over his or her separate property. Tex. Const. art. XVI, § 15; Fam. Code § 5.21. A man who pays rent to his spouse for the use of real property does not thereby acquire or "purchase" an interest in that property. Consequently, a legislator's use of

[Back to Top](#)

political contributions to make a rental payment to his spouse for the use of her separate rental property does not constitute a payment to purchase real property and does not violate section 253.038 of the Election Code.

SUMMARY

A legislator's use of political contributions to make a rental payment to his spouse for the use of her separate property does not constitute a payment to purchase real property and does not violate section 253.038 of the Election Code. Nor is such a payment a conversion to personal use as long as the payment does not exceed the fair market value of the use of the property.

¹ The prohibition on the use of political contributions to purchase real property or to make payments on a note for the purchase of real property does not apply to a payment made in connection with real property purchased before January 1, 1992. ² In the absence of an agreement to the contrary, income from separate property is community property. Tex. Const. Art. XVI, § 15. Although in this case the legislator may have a community interest in the rent payments, the legislator does not acquire an interest in the real property by virtue of those payments.

FILM CODE
00005790720

25-
109

**RATIFICATION OF AGREEMENT IN CONTEMPLATION OF
MARRIAGE AND PARTITION OF COMMUNITY PROPERTY**

This Ratification of the prior Agreement in Contemplation of Marriage and also in Partition of Community Property is made by and between Kenneth K. Brimer, Jr., (hereafter "Husband"), and Janna Kay Patton Brimer, (hereafter "Wife"), in consideration of the stipulations, covenants and agreements contained in this Agreement and, further, to embody the desires of the parties in clarifying and settling their respective property rights in an effort to keep separate the properties and assets of each and to eliminate the pressure of any uncertainty about such rights and the intent of all of which is expressed in such Agreement in Contemplation of Marriage. (Both parties hereto are herein sometimes called "Parties").

The Parties stipulate and agree as follows:

**ARTICLE I
STIPULATIONS**

1.01 **RELATIONSHIP BETWEEN PARTIES.** Prior to marriage, Husband and Wife made and entered into an Agreement in Contemplation of Marriage dated October 22, 1987 ("Marriage Agreement"). The Marriage Agreement is by reference specifically made a part hereof for all pertinent purposes the same as if written herein word for word.

1.02 **MARRIAGE OF PARTIES.** Husband and Wife were married on the 8th day of November, 1987, at Las Vegas, Nevada. They currently reside together at No. 617 Averett, Kennedale, Tarrant County, Texas.

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

13259 0318

sp/brim-agl.496
04/29/96

1.03. Subsequent to the execution of the Marriage Agreement and the marriage of Husband and Wife, the Marriage Agreement has in all respects remained in force and effect, and the parties thereto have fully and totally complied with the specific of the Marriage Agreement and have followed all the intent therein expressed.

1.04. To the best of their abilities both Parties hereto have, prior to execution of Marriage Agreement and subsequent to this date, made to each other full and complete disclosure of the nature, extent and probable value of all the separate estates of each.

1.05. Wife now desires to purchase as her separate property and estate certain real property located in Austin, Travis County, Texas, which is commonly known as Condominium Unit 1205, Building A, of Westgate Condominiums (hereafter "Condo Property") in the City of Austin, Travis County, Texas. A copy of such contract and the legal description of Condo Property is attached as Exhibit "A" and made a part hereof for all pertinent purposes. The total purchase price for said Condo Property is \$129,900.00 of which an amount of \$103,900.00 will be borrowed from Central Bank & Trust and the remainder of the purchase price will be paid in cash from the bank account of Wife maintained in the name of "Jenna Brimer" Index Account, Bank One, Arlington South, Cooper Branch, Arlington, Texas. Both Husband and Wife agree and it is their express intention by this Agreement that the Condo Property shall be the separate property of Wife. Husband maintains a bank account in his name in the Central Bank and Trust in Kennedale, Texas.

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

sp/brim-02.405
04/20/95

13259 0319

2

[Back to Top](#)

**ARTICLE II
AGREEMENTS**

2.01. Pursuant to the provisions of the Family Code of the State of Texas, Husband and Wife do hereby expressly ratify, confirm, approve and adopt the Marriage Agreement. The Parties further agree and stipulate that all actions taken by the Parties under the Marriage Agreement have been in strict compliance with its terms and provisions.

2.02 In order for Wife to obtain financing of the Condo Property, it is required that Husband sign the purchase money note as co-maker. In order to induce Husband to sign as co-maker, Wife has agreed, and does hereby agree, that all of such note obligations shall be paid by Wife from her separate estate and that she will and does hereby agree to forever hold harmless Husband, his separate estate, his heirs and assigns, of and from any liability of any type or character by reason of his signing such note as co-maker.

Husband agrees to sign such note and further agrees that such Condo Property will be and at all times remain the separate property of Wife. It is further agreed by both Husband and Wife that all income produced of or from the Condo Property and all increase in value therein, if any, shall be and remain the separate property of Wife and Husband shall never have an interest therein. In the event that Husband is ever called upon to make any payment upon said note, the same shall not in any manner alter, impair or modify the status that such property as the separate property of Wife, and Husband does hereby waive any right to ever assert any claim of right, title, lien or interest of any type or character against in or to such Condo Property.

sp/br/ep-epL 406
04/29/96

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

3

13259 0320

2.03. Pursuant to Section 5.52 of the Family Code of the State of Texas, Husband hereby partitions and conveys to Wife, her heirs and assigns, all his right, title and interest (if any) in and to the said bank account in the name of Janne Brimer, Index Account, Bank One, Arlington South, Cooper Branch, Arlington, Texas, which Husband may have by reason of being married to Wife and agrees that said bank account and all right thereto shall be and become in all respects the total separate property of Wife.

Pursuant to Art. 5.52 of the Family Code of the State of Texas, Wife hereby partitions and conveys to Husband, his heirs and assigns, all his right, title and interest (if any) in and to the said bank account in Central Bank and Trust, Kennedale, Texas, in the name of Kenneth K. Brimer, Jr. which Wife may have by reason of being married to Husband and agrees that the said bank account and all rights thereto shall be and become in all respects the total separate property of Husband.

2.04. All provisions herein contained shall be in all respects cumulative of the Marriage Agreement and the provisions therein contained and herein contained shall be construed together so as to give full and complete effect to the intent and desires of the Parties.

ARTICLE III ENFORCEMENT AND RECORDATION

3.01 The Parties represent each to the other that each such party executed this Agreement voluntarily, that as between parties hereto there was provided each to the other a fair and reasonable disclosure of the Condo Property or financial obligations of the other party, and that the provisions hereof were in all respects fair to both Parties hereto.

rybrim-01-774
04/20/96

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

4

13259 0321

3.02 This Agreement shall be recorded by the Parties in both Travis and Tarrant Counties after execution.

Executed this the 30th day of April, 1998 in triplicate originals, each of which shall have full force and dignity as an original.

Janna Brimer
Janna Brimer

Kenneth K. Brimer, Jr.
Kenneth K. Brimer, Jr.

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 30th day of April, 1998, by Janna Brimer.

Seal



Dana D. Gunn
Notary Public in and for
the State of Texas

My Commission Expires on:
9-6-98

sp/brm-egt.076
04/28/98

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

13259 0322

LONE STAR PROJECT

Fighting Back... with Facts



Amount	Date	Payee's Name	Filer's Name	Description
\$1,350.00	5/29/1996	Janna Brimer Realty	Brimer, Kenneth	First and last months rent for Austin condo
\$1,350.00	5/29/1996	Janna Brimer Realty	Brimer, Kenneth	First and last months rent for Austin condo
\$1,350.00	7/12/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	8/5/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	9/4/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	10/6/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	10/30/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	12/9/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	12/27/1996	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin condo
\$1,350.00	1/27/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	2/27/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	4/4/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	4/28/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	5/28/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	7/2/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	7/30/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	8/29/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	9/23/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	10/27/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	11/24/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	12/22/1997	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	1/30/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,350.00	3/2/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	3/24/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters

\$1,500.00	4/27/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	5/29/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	6/26/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	7/29/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	9/4/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$1,500.00	9/25/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters
\$3,000.00	11/20/1998	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin Quarters Oct. and Nov.
\$1,500.00	8/4/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	9/1/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	10/8/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	10/27/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	12/6/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	12/29/1999	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and Utilities and laundry
\$1,500.00	2/1/2000	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and utilities
\$1,500.00	3/3/2000	Janna Brimer Realty	Brimer, Kenneth	Rent for Austin quarters and utilities
\$1,500.00	4/1/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Condo
\$1,500.00	5/3/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Condo
\$1,500.00	5/30/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Condo
\$1,500.00	6/27/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Condo
\$1,500.00	7/31/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Austin Condo
\$1,642.89	9/1/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent And Utilities- Austin Condo
\$1,500.00	9/27/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Austin Condo
\$1,669.00	11/28/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent & Utilities
\$1,500.00	12/27/2000	Janna Brimer Realty,	Brimer, Kenneth	Rent- Condo
\$1,500.00	1/26/2001	Janna Brimer Realty,	Brimer, Kenneth	Rent- Austin Condo
\$1,500.00	2/27/2001	Janna Brimer Realty,	Brimer, Kenneth	Rent- Austin Condo
\$1,782.68	3/28/2001	Janna Brimer Realty,	Brimer, Kenneth	Rent And Utilities
\$1,783.40	4/26/2001	Janna Brimer Realty,	Brimer, Kenneth	Rent And Utilities- Austin Condo
\$1,794.49	6/1/2001	Janna Brimer Realty,	Brimer, Kenneth	Rent And Utilities- Austin Condo
\$1,756.93	7/10/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses
\$1,654.00	8/1/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Expenses
\$2,004.81	8/28/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses
\$2,019.54	10/2/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses

\$1,983.31	11/1/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses
\$2,006.31	12/2/2001	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses
\$1,989.31	1/2/2002	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Expenses
\$1,948.16	2/25/2002	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expense
\$1,960.73	3/5/2002	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expenses
\$1,965.39	4/3/2002	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expense
\$2,000.00	5/2/2002	J B Realty,	Brimer, Kenneth	Reimbursement For Austin Housing Expense
\$1,960.73	8/1/2002	J B Realty,	Brimer, Kenneth	Rent Expense
\$1,960.73	9/1/2002	J B Realty,	Brimer, Kenneth	Rent Expense
\$1,960.73	10/1/2002	J B Realty,	Brimer, Kenneth	Rent Expense
\$2,775.00	1/13/2003	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	2/4/2003	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	2/24/2003	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	3/28/2003	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	6/27/2003	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	7/28/2003	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	8/28/2003	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	10/30/2003	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	12/1/2003	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	1/1/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	1/29/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	2/16/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	3/30/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	4/27/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	5/28/2004	Jkb Realty,	Brimer, Kenneth	Condo Rental
\$2,750.00	7/1/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	7/28/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	8/27/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	9/28/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	11/1/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,750.00	11/29/2004	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,950.00	1/28/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	2/25/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent

[Back to Top](#)

\$2,975.00	3/29/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	4/27/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	5/24/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	6/28/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	7/27/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	8/28/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	9/27/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	10/27/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	11/28/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	12/22/2005	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	1/26/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	3/27/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	4/26/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	5/26/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	6/27/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent
\$2,975.00	7/26/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For July 06
\$2,975.00	8/28/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For August 06
\$2,975.00	9/28/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For Sept. 06
\$2,975.00	10/26/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For Oct 06
\$2,795.00	11/20/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For Nov. 06
\$2,975.00	12/27/2006	Jkb Realty,	Brimer, Kenneth	Condo Rent For Dec. 06
\$2,975.00	1/26/2007	Jkb Realty,	Brimer, Kenneth	Condo Rent For Jan 07
\$2,975.00	2/26/2007	Jkb Realty,	Brimer, Kenneth	Condo Rent For Feb 07
\$237,838.14	Total	Janna Brimer Realty,	Brimer, Kenneth	

JUL 17 2006

Corporations Section

ARTICLES OF INCORPORATION
OF
JANNA BRIMER REALTY, INC.

The undersigned natural person of the age of eighteen years or more acting as incorporator of a corporation under the Business Organizations Act, hereby adopts the following Articles of Incorporation for the corporation:

ARTICLE ONE

The name of the corporation is JANNA BRIMER REALTY, INC..

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose for which the corporation is organized is to engage in any business which may be conducted by a corporation in the State of Texas.

ARTICLE FOUR

The aggregate number of shares that the corporation shall have authority to issue is 10,000 shares of the par value of One and No/Dollar (\$1.00) each.

ARTICLE FIVE

The street address of its initial registered office is 500 Throckmorton Street, Suite 3212, Fort Worth, Texas 76102 and the name of its registered agent at that address is Janna K. Brimer.

ARTICLE SIX

The number of Directors constituting the initial Board of Directors is three, and the names and addresses of the persons who are to serve as Directors until the first annual meeting of the shareholders or until their successors are elected and qualified are:

Janna K. Brimer
500 Throckmorton Street, Suite 3212
Fort Worth, Texas 76102

Kenneth K. Brimer
500 Throckmorton Street, Suite 3212
Fort Worth, Texas 76102

Janna Lynn Sheppard
500 Throckmorton Street, Suite 3212
Fort Worth, Texas 76102

ARTICLE EIGHT

The name and address of the incorporator is:

George Gault
P. O. Box 817
Mineral Wells, Texas 76068

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation on this 14th day of July, 2006.



George Gault

c:\articles of incorporation brimer/corporation

Nelda Wells Spears
P. O. Box 149328
Austin, TX 78714-9328
(512) 854-9473 voice
(512) 854-9235 fax



Travis County Tax Office
Tax Assessor - Collector
5501 Airport Blvd.
Austin, TX 78751-1410

TRAVIS COUNTY TAX STATEMENT

SI USTED NECESITA AYUDA EN ESPAÑOL, LLAMENOS AL (512) 854-9473

State law AUTOMATICALLY places a tax lien on property on January 1 of each year to insure that taxes are paid in full. The lien remains on the property until the tax, penalties, and other charges are PAID IN FULL. (Sec. 32.01 of the Texas Property Tax Code.)

Failure to receive the tax bill required by this section does not affect the validity of the tax, penalty, or interest, the due date, the existence of a tax lien, or any procedure instituted to collect a tax. (Sec. 31.01(g) of the Texas Property Tax Code.)

For the current year taxes, YOU HAVE from the time the tax bill is mailed UNTIL JANUARY 31 TO PAY your taxes without penalty or interest. ***If you don't make your FULL tax payment by January 31, you will be charged penalty and interest starting February 1 and run a high risk of being sued or having your property seized after that time.*** PENALTY is imposed at the statutory rate of 6% on the 1st day of the month of delinquency and will increase 1% each month thereafter, reaching the maximum of 12% by July 1. INTEREST is imposed at the statutory rate of 1% on the 1st day of the month of delinquency and will increase 1% each month. The Tax Collector DOES NOT HAVE LEGAL AUTHORITY TO FORGIVE OR WAIVE any penalty or interest charge on a delinquent tax.

IF YOU ARE 65 YEARS OF AGE OR OLDER OR ARE DISABLED AND THE PROPERTY DESCRIBED IN THIS DOCUMENT IS YOUR RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE APPRAISAL DISTRICT REGARDING ANY ENTITLEMENT YOU MAY HAVE TO A POSTPONEMENT IN THE PAYMENT OF THESE TAXES. (Sec. 33.045(a) of the Texas Property Tax Code.)

You may pay property taxes (current, delinquent and partial payments) online at www.traviscountytax.org with an American Express, Visa, MasterCard, or Discover credit or debit card, or by electronic check from your bank account. You may also make a credit card payment via telephone at (512) 854-9473 or in person. All payments made with credit or debit cards, electronic checks, whether by phone, internet or in person, will include an **additional fee**. Mailed credit card payments are not accepted.

CONTINUED ON BACK
EXEMPTION CODES:

Exemption/Freeze Code:

THIS IS YOUR 2007 PROPERTY TAX NOTICE. THE APPRAISED VALUE IS: \$250,180.00

1 TAXES DUE TAXING UNIT	2 EXEMPTION AMOUNTS	3 NET TAXABLE VALUE	4 TAX RATE PER \$100	5 TAX AMOUNT	6 EXEMPTIONS
AUSTIN ISD		\$250,180.00	1.163000	\$2,909.59	
CITY OF AUSTIN (TRAV)		\$250,180.00	0.403400	\$1,009.23	
TRAVIS COUNTY		\$250,180.00	0.421600	\$1,054.76	7 BILLING NO.
TRAVIS COUNTY HEALTHCARE ACC (TRAVIS)		\$250,180.00	0.069300	\$173.37	306025
		\$250,180.00	0.095800	\$239.67	
					8 PROPERTY
					REAL PERS.
					X
9 PROPERTY DESCRIPTION					
1122 COLORADO ST					
UNT 1205 BLD A WESTGATE CONDOMINIUM THE AME					
INTEREST IN COMMON AREA					
					10 PARCEL NUMBER (Ref ID 2)
					02080119060019
		11 DUE DATE	12 TOTAL DUE		
		1/31/2008	\$5,386.62		

BRIMER JANNA K
1600 W 7TH ST STE 650
FORT WORTH TX 76102-2508

[Back to Top](#)

3 of 3 DOCUMENTS

Fort Worth Star-Telegram (Texas)

Distributed by McClatchy-Tribune Business News

February 22, 2007 Thursday

Why are some legislators paying rent to spouses?

BYLINE: Jay Root, Fort Worth Star-Telegram, Texas

SECTION: STATE AND REGIONAL NEWS

LENGTH: 2062 words

Feb. 22--AUSTIN -- It's illegal for Texas lawmakers to use campaign funds to buy real estate or enrich themselves, but several legislators have used a loophole to maintain second homes in Austin while continuing to receive \$139 a day for living expenses when called to duty in the state capital.

One of them, state Sen. Jane Nelson, R-Lewisville, has paid rent of more than \$140,000 since 2000 for a condo registered in her husband's name.

The Star-Telegram reviewed the Austin lodging arrangements of all 181 Texas legislators and Lt. Gov. David Dewhurst, focusing in particular on housing payments.

The controversial practice contributed to the defeat of two senior House Republicans last year, including former state Rep. Toby Goodman of Arlington. State Rep. Vicki Truitt, R-Keller, also announced last week that she would, at least temporarily, quit paying rent to her husband for an Austin condo listed in his name.

Nelson and state Sen. Kim Brimer, R-Fort Worth, now appear to be the only two legislators continuing to make such payments. The details of Brimer's housing arrangement are no secret in Austin. He helped pioneer the practice, and other lawmakers have cited the Ethics Commission decision in his case.

But the discreet nature of Nelson's transactions, and the absence of any Travis County real estate on financial disclosure reports provided by the Texas Ethics Commission, have kept them from public view.

Records show Nelson has paid \$147,500 since 2000 to lease a condominium registered in her husband's name in the exclusive Westgate Building, which several Austin lobbyists and power brokers, including Lt. Gov. David Dewhurst, call home.

Nelson declined several requests for an interview about the lease, but she issued a statement saying the payments are both legal and ethical.

Payments to a spouse

Critics say making rent payments to a spouse, who can then use the money to defray the costs of buying the home, runs counter to the ban on using campaign contributions for personal use or to buy real estate.

[Back to Top](#)

"This practice, whether it's legal or not, is undermining the purpose of the law, which is not allowing people to profit off their campaign contributions and not to be able to buy a permanent residence -- a home," said Fred Lewis, an Austin-based ethics reform advocate.

Incumbent legislators often build up large, year-round campaign war chests. Brimer, who was not on the ballot in 2006, had \$1,036,014.07 in campaign funds at the end of the year. The Nelson campaign began 2007 with \$979,595.77 in the bank, while Truitt's campaign had \$213,531.20, cash-on-hand figures show. Nelson and Truitt cruised to re-election last year.

In 1991, the Legislature banned lawmakers from buying real estate with campaign funds after it was disclosed that state Sen. John Montford, D-Lubbock, was making payments to buy a house with money donated by lobbyists and wealthy contributors.

But Brimer, at the time a House member, found a loophole in 1996: "separate" spousal property.

Records show Brimer rents a condo his spouse owns at the Westgate Building. He has paid her at least \$169,455.95 since 2000, when electronic records became available.

Other legislators have used the "separate" property argument to justify spousal rent payments. But their lodging arrangements have not always been identical to Brimer's, nor free of controversy.

For example, Goodman, the veteran Arlington lawmaker, lost a close election after rent payments made to his wife became a campaign issue last year.

It is that same Brimer loophole, contained in Ethics Opinion 319, that Nelson cites in justifying her condo deal.

It says lawmakers who don't live near the capital can pay rent to a husband or wife, but only if the spouse's Austin-area property is "separate," which is different from shared or community property that a couple owns jointly.

"This expenditure has been vetted by attorneys and follows to the letter guidelines set forth by Ethics Opinion No. 319," Nelson's campaign said in a statement sent by e-mail to the Star-Telegram. "Senator Nelson goes above and beyond to ensure that every dime she spends meets not only legal guidelines but ethical ones."

'The next step'

Ethics reform advocates say any argument over legal technicalities obscures the larger picture because family members still receive a benefit, even if the property is truly separate.

"We need to take the next step," said former state Rep. Steve Wolens, D-Dallas, who helped craft the real estate ban and wrote much of the ethics law on the books today. "Generally, it should be prohibited to spouses, siblings and parents."

When lawmakers outlawed the purchase of real estate with campaign funds in the early 1990s, they authorized taxpayer-funded "per diem" payments to defray living costs, such as lodging and meals, incurred during sessions.

Over time, lawmakers have used money they get from campaign contributors to pay for lodging while the \$139 per-diem payments -- which this year adds up to \$19,460

[Back to Top](#)

for each legislator -- often just increases their take-home pay. Legislators are paid a \$7,200 annual salary.

Suzy Woodford, spokeswoman for Common Cause of Texas, fought for the per-diem payments years ago as a way to reduce special interest influence and to ensure lawmakers can "afford to be in Austin and pay their rent and feed themselves without having to depend on the lobbyists."

Using campaign dollars either to buy or finance real estate, or using the funds for "personal use" are considered Class A misdemeanors, punishable by a fine of up to \$4,000 and one year in jail. Civil penalties could also apply.

In the eyes of the law, however, the circumstances of each individual housing arrangement matter tremendously.

Brimer appears to be in a unique situation: He made special property separation arrangements in a pre-nuptial agreement with his wife, Janna Brimer. They publicly disclosed a 1996 "partition" agreement making the Westgate condo and any future proceeds from it her exclusive property.

Brimer's lawyer, Ed Shack, acknowledged that there is nothing to block politicians who leave office from benefiting from what was once separate property. But he noted in a letter to Brimer last week that the law gives legislators special legal protection when they use Ethics Commission opinions as guidance in transactions.

Other findings

In reviewing the reports from all lawmakers, the Star-Telegram also found:

Sen. Nelson's Austin lease money is paid to "Twin Star," at P.O. Box 603 in Lewisville. That's the address of Mayday Manufacturing, the Nelson family's aerospace tool company. The Star-Telegram could find no official business relationship between the company and any entity called Twin Star. But deed records in Mike Nelson's name call the Austin condo a "second home."

Unlike Brimer and Truitt, Nelson did not disclose in recent filings at the Ethics Commission the ownership, or spousal ownership, of any property in Travis County. Nor did she or her husband report any lease agreements or income related to the transaction. Nelson and her husband declined to be interviewed or provide additional detail beyond saying the arrangements were legal.

State Rep. Rob Eissler, R-The Woodlands, is the only current legislator vowing to refund rent payments paid to a spouse for family-owned real estate. Records show he made more than \$20,000 in rent payments to his wife and \$2,000 or so more in condo fees. Records show Eissler, not his wife, as the owner of the condo. He did not list the property in recent personal financial statements. Eissler said he plans to refund his campaign account for the rent payments, which an opponent has already complained about.

"I stopped as soon as they pointed out that that might not be the right thing to do," Eissler said. "I wasn't trying to buy my condo with campaign money." Eissler said he halted the payments late last summer.

Rep. Truitt has paid \$92,247 in rent to her husband, James Truitt, since 2001, records show. Some of the payments went for use of a recreational vehicle that James Truitt owned, aides said. Truitt consultant Bryan Eppstein said the money to buy both the RV and the house came from James Truitt's own funds and constitute separate property. He said the arrangement is perfectly legal; Truitt declined to

[Back to Top](#)

provide any additional records.

Eppstein said Truitt has ceased making rent payments to her husband to "wait and see" whether the Legislature changes the law. In the meantime, she has no plans to refund any of the money because that is not required, Eppstein said.

State Rep. Fred Brown, R-College Station, used more than \$43,000 in campaign money to reimburse himself for payments made to buy an RV, a 40-foot Country Coach motor home. He spent nearly \$7,000 more in RV lot rent, utilities, fuel and maintenance costs since 2003, records show. Brown said he didn't profit from the expenditures because he bought the RV for \$245,000 and sold it recently for \$154,000.

Brown acknowledged that he did not disclose the RV loan on his personal financial statement.

In the fall elections, Democrats made the issue of campaign-paid housing a partisan political issue.

The Star-Telegram's own review of housing payments, conducted over the last few weeks, did not turn up any current Democratic officeholders who are paying rent for Austin lodging owned by family members. However, the review found that both Democrats and Republicans are failing to report numerous real estate holdings on their personal financial disclosure statements.

Several legislators from Tarrant County alone, for example, did not disclose their own homes as required by state law.

State Rep. Anna Mowery, R-Fort Worth, left that and another piece of property off her financial statement and is now preparing to submit a corrected report. State Rep. Marc Veasey, D-Fort Worth, also plans to amend his report to add his Fort Worth house.

Both called the omissions honest mistakes.

POLITICAL REAL ESTATE: RENTING FROM A SPOUSE

State Sen. Kim Brimer, R-Fort Worth

What: Condo, 903 sq. ft.

Where: Westgate Building

Rent Paid: \$169,456 since 2000

2000 home value: \$126,385

2006 home value: \$258,216

STATE SEN. JANE NELSON, R-LEWISVILLE

What: Condo, 635 sq. ft.

Where: Westgate Building

Rent Paid: \$147,500 since 2000

2000 home value: \$94,653

[Back to Top](#)

2006 home value: \$184,898

STATE REP. VICKI TRUITT, R-KELLER

What: Condo, 1,218 sq. ft.

Where: West Avenue Condos

Rent Paid: \$92,247 since 2001*

2000 home value: \$179,000*

2006 home value: \$199,364

* Initial home value for Truitt from 2004; Truitt rent includes earlier payments for RV

SOURCES: Texas Ethics Commission; Travis Central Appraisal District

LAWMAKERS, LODGING AND THE LAW

The Texas Election Code allows state lawmakers who live outside the Austin area to use campaign money to pay "rent, utility, and other reasonable housing or household expenses" to maintain a residence in Travis County.

The law bans the conversion of campaign dollars into "personal use" and prohibits expenditures "to purchase real property or to pay the interest on or principal of a note for the purchase of real property." A violation is a Class A misdemeanor.

A 1996 opinion issued by the Texas Ethics Commission says a legislator can pay rent, at fair market rates, to a spouse for the use "of her separate property."

SOURCES: Texas Legislature Online, Texas Ethics Commission

THE STAR-TELEGRAM'S REVIEW

The Star-Telegram reviewed the disclosure records on lodging for every member of the Texas Legislature. Here is how:

The newspaper reviewed online campaign expenditure records from 2000-06 of every member of the Legislature and Lt. Gov. David Dewhurst to identify any Austin-area rent or lease transactions involving themselves, a spouse or a questionable entity.

Any questionable expenditures were compared against personal financial statements on file with the Texas Ethics Commission and, in some cases, property records maintained by the Travis Central Appraisal District.

The Star-Telegram sought additional information and clarification from the legislators and their aides.

Jay Root, 512-476-4294 jroot@star-telegram.com

Copyright (c) 2007, Fort Worth Star-Telegram, Texas Distributed by McClatchy-Tribune Business News. For reprints, email tmsreprints@permissionsgroup.com, call 800-374-7985 or 847-635-6550, send a fax to 847-635-6968, or write to The

[Back to Top](#)

Permissions Group Inc., 1247 Milwaukee Ave., Suite 303, Glenview, IL 60025, USA.

LOAD-DATE: February 22, 2007

LANGUAGE: ENGLISH

ACC-NO: 20070222-FT-0222-Why-are-some-legislators-paying-rent-to-spouses

PUBLICATION-TYPE: Newspaper

JOURNAL-CODE: FT

Copyright 2007 Fort Worth Star-Telegram

[Back to Top](#)

1 of 1 DOCUMENT

Dallas Business Journal

Dallas Business Journal

March 13, 2008 Thursday

North Texas home foreclosures on the rise

LENGTH: 219 words

Home foreclosure postings filed for April jumped 19 percent in the **Dallas-Fort Worth area**, with Denton County's figure up 40 percent from a year ago.

Eight out of 10 North Texas counties saw double-digit increases of homes listed for foreclosure auctions to be held April 1, according to Foreclosure Listing Service Inc. Denton County had the steepest increase, with 465 homes posted compared with 333 a year ago.

Homes facing foreclosure in Dallas County increased 14 percent to 1,814 homes from 1,597 last April, while the figure in Tarrant County rose 21 percent to 1,288 homes from 1,066. Collin County postings grew 17 percent to 542 homes from 465 last year.

The second highest increase was in Grayson County, with a 23 percent jump to 48 homes from 39, while Ellis County had 91 homes listed, up 20 percent from 76 last April.

The only two counties that saw declines were Parker and Kaufman counties. Parker County postings fell 15 percent to 39 homes from 46 homes, while postings for Kaufman County slipped 3 percent to 76 homes from 78.

Year-to-date foreclosures surged 21 percent for the Dallas-Forth Worth area to 17,258 homes, up from 14,308 in the same period last year. The number rose 15 percent in Dallas County to 7,714 homes and was up 27 percent in Tarrant County to 5,591.

Web site: www.FLSonline.com

LOAD-DATE: March 13, 2008**LANGUAGE:** ENGLISH**PUBLICATION-TYPE:** Newspaper

Copyright 2008 American City Business Journals, Inc.
All Rights Reserved

[Back to Top](#)

AN ACT

relating to the use of political contributions to make payments in connection with the rental or purchase of certain real property; providing a criminal penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 253.038, Election Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution for the rental or purchase of real property from:

(1) a person related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the candidate or officeholder; or

(2) a business in which the candidate or officeholder or a person described by Subdivision (1) has a participating interest of more than 10 percent, holds a position on the governing body, or serves as an officer.

SECTION 2. The heading to Section 253.038, Election Code, is amended to read as follows:

Sec. 253.038. PAYMENTS MADE TO PURCHASE REAL PROPERTY OR
TO RENT CERTAIN REAL PROPERTY PROHIBITED.

SECTION 3. Section 253.038(a-1), Election Code, as added by this Act, applies to a payment made from political contributions on or after September 1, 2007, without regard to whether the payment was made under a lease or other agreement entered into before that date. A payment made from political contributions before September 1, 2007, is governed by the law in effect on the date the payment was made, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2007.