

Texas Ethics Commission P.O. Box 12070 Austin, Texas 78711-2070 (512) 463-6800 1-800-325-8508

# APPOINTMENT OF A CAMPAIGN TREASURER BY A SPECIFIC-PURPOSE COMMITTEE

FORM STA 6381 PG 1

See STA INSTRUCTION GUIDE for detailed instructions.

1 Total pages filed:

2 COMMITTEE NAME

Gateway Library SPAC

OFFICE USE ONLY

Acc. #

3 COMMITTEE ADDRESS

ADDRESS / PO BOX; APT / SUITE #; CITY; STATE; ZIP CODE  
13512 F.M. 812 Del Valle TX 78617

Date Received

4 CAMPAIGN TREASURER NAME

MR / MRS / MR FIRST MI  
Mr. William B.  
NICKNAME LAST SUFFIX  
Hilgers

Receipt #

5 CAMPAIGN TREASURER STREET ADDRESS (Residence or business)

STREET ADDRESS (NO PO BOX PLEASE); APT / SUITE #; CITY; STATE; ZIP CODE  
816 Congress Avenue, Suite 1200 Austin TX 78701

HD/PM

Amount

Date Processed

Date Processed

6 MAILING ADDRESS

ADDRESS / PO BOX; APT / SUITE #; CITY; STATE; ZIP CODE

same as above

7 CAMPAIGN TREASURER PHONE

AREA CODE PHONE NUMBER EXTENSION  
( 512 ) 247-2351

8 PERSON APPOINTING TREASURER

FIRST MI LAST SUFFIX  
Charles Greenwood

9 SIGNATURE

I understand that I have been appointed as the campaign treasurer for this specific-purpose committee and that I am responsible for filing all required reports and that I may be subject to fines for failure to do so. I am aware of the restrictions in title 15 of the Election Code on contributions from corporations and labor organizations.

*William B. Hilgers*

Signature of campaign treasurer

10 ASSISTANT CAMPAIGN TREASURER (see instructions)

FIRST MI LAST SUFFIX

11 ASSISTANT CAMPAIGN TREASURER ADDRESS

ADDRESS / PO BOX; APT / SUITE #; CITY; STATE; ZIP CODE

12 ASSISTANT CAMPAIGN TREASURER PHONE

AREA CODE PHONE NUMBER EXTENSION  
( )

GO TO PAGE 2

FILED FOR RECORD

2006 OCT 18 AM 11:41  
JAMES A. BAUVOIR  
COUNTY CLERK  
TARRANT COUNTY TEXAS

Texas Ethics Commission P.O. Box 12070 Austin, Texas 78711-2070 (512) 463-5800 1-800-325-8506

**SPECIFIC-PURPOSE COMMITTEE:  
PURPOSE AND MODIFIED REPORTING DECLARATION**

**FORM STA  
PG 2**

**13 COMMITTEE NAME**  
Gateway Library SPAC

<b>14 COMMITTEE PURPOSE</b>	<b>OFFICE USE ONLY</b>
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<input type="checkbox"/> SUPPORT CANDIDATE  <input type="checkbox"/> OPPOSE CANDIDATE  <input type="checkbox"/> ASSIST OFFICENOLDER	CANDIDATE / OFFICENOLDER NAME
	OFFICE SOUGHT (candidate) / OFFICE HELD (officenolder)

<input checked="" type="checkbox"/> SUPPORT MEASURE  <input type="checkbox"/> OPPOSE MEASURE	BALLOT IDENTIFICATION OF MEASURE / # Creation of East Travis Gateway Library District Election	ELECTION DATE Month / Day / Year 11 / 07 / 2006
	DESCRIPTION Creation of East Travis Gateway Library District Election	

**15 MODIFIED REPORTING DECLARATION**

**COMPLETE THIS SECTION ONLY IF YOU ARE CHOOSING MODIFIED REPORTING.**

\*\*This declaration must be filed no later than the 30th day before the first election to which the declaration applies. \*\*

\*\*The modified reporting declaration is valid for one election cycle only. \*\*  
(An election cycle includes a primary election, a general election, and any related runoffs.)

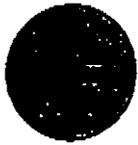
The committee does not intend to accept more than \$500 in political contributions or make more than \$500 in political expenditures (excluding filing fees) in connection with any future election within the election cycle. The committee understands that if either one of those limits is exceeded, the committee's campaign treasurer will be required to file pre-election reports and, if necessary, a runoff report.

\_\_\_\_\_  
 Year of election(s) or election cycle to which declaration applies

\_\_\_\_\_  
 Signature of campaign treasurer

**ATTACH ADDITIONAL COPIES OF THIS FORM AS NEEDED**

**This appointment is effective on the date it is filed with the appropriate filing authority.**



**Hilgers Bell & Richards<sup>LLP</sup>**  
Attorneys at Law

## MEMORANDUM

**TO:** Texas Ethics Commission  
Office of the General Counsel

**FROM:** William B. Hilgers

**DATE:** October 16, 2006

**RE:** Request for instructions regarding November 7<sup>th</sup> election with respect to the East Travis Gateway Library District

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### STATEMENT OF FACTS

(1) The Elroy Community Library was founded in 1983 and has operated for more than 23 years, providing free library services for people in Travis County, particularly in the Del Valle Independent School District. Its total annual budget has amounted to less than \$5,000 for operational costs. The increased demands for services and the expanding population of the district have required expanded resources for the area.

(2) Title 10, Chapter 326 of the Texas Government Code, adopted in 1997, created a method of establishing Library Districts in Texas which seeks to meet the purpose "to establish, equip and maintain one or more public libraries for the dissemination of general information relating to the arts, sciences and literature." The method of establishing such a district is clearly stated in the statute in Sections 326.021 and following Sections. "Before such a district may be created, the commissioners court of the county in which the proposed district is located must receive a petition signed by at least five percent of the number of voters in the territory of the proposed district who voted in the most recent gubernatorial election." Among the requirements for the petition, it must include "the names of five persons who are willing and qualified to serve as the initial board of trustees of the district if elected at the election to create the district." Section 326.024 provides that "the commissioners court may not order the creation of the district or a confirmation election until the petitioners deposit with the county clerk an amount of money equal to the cost of conducting the election of the proposed district, as computed by the County." All of the provisions requisite to the election were met and were approved and the election ordered by the Commissioner's Court after certification of compliance with all of the requisites of the statute.

(3) The Tocker Foundation is a public foundation created for the purpose of aiding rural libraries in addressing the needs enunciated in Chapter 326. They have supported the Elroy Community Library with grants for books, equipment, furniture and many other needs for more than 15 years. When plans were made to establish a public library district, the Tocker



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Attorneys at Law

Foundation made a grant of \$30,000 to provide interim funding to sustain the continued work of the Elroy Library pending the election to establish the District. It was understood that their primary mission is educational and that the funds provided would be to enhance the potential of the library and to make funds available for the continued operation and for the required filing fee for the election.

(4) Chapter 326 provides in part in Section 326.071, "Repayment of organizational expenses, (a) The district may: (1) pay all costs and expenses necessarily incurred in the creation and organization of the district; and (2) reimburse any entity or person for money advanced for the costs and expenses described by Subdivision (1); (b) Payments under this section may be made from money obtained from taxes or other revenues of the district." Section 326.072 provides "gifts, grants and donations." A district may accept and administer a gift, grant or donation from any source to carry out the purposes of this chapter."

(5) The designated individuals named in the petition are not candidates in a contested election. The voters may choose their own write-in candidate or they may vote "no" on any candidate. The persons named are qualified and willing to serve if elected.

#### REQUEST FOR INSTRUCTIONS

(1) Is the payment of the filing fee by the Elroy Community Library through the Tocker Foundation grant a Special Matter contribution for compliance with the ethics code?

(2) Are other expenditures for the conduct of this election which are necessary expenses eligible payments by a non-profit entity, including the Elroy Community Library or other foundations or non-profits?

(3) Is a SPAC the appropriate entity for reporting expenditures for the election upon appointment of a treasurer?

# TEXAS ETHICS COMMISSION

P.O. Box 12070, Capitol Station  
Austin, Texas 78711-2070

**Colleen R. Loney**  
Chair

**Raymond R. "Tripp" Davenport, III**  
Vice Chair

**David A. Roteman**  
Executive Director



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**David Montagne**  
**Nicholas C. Taylor**

October 17, 2006

**Mr. William B. Hilgers**  
**Hilgers Bell & Richards LLP**  
**816 Congress Avenue, Suite 1200**  
**Austin, Texas 78701-2672**

*By fax: 512-476-1513*

Dear Mr. Hilgers:

This is in response to your letter dated October 16, 2006, in which you request that I acknowledge a telephone conversation we had regarding the East Travis Gateway Library District.

First and foremost, please note that the Texas Ethics Commission does not have jurisdiction of Chapter 326 of the Government Code. Therefore, I cannot address whether a non-profit may make expenditures and seek reimbursements under that law.

As I explained during our telephone conversation, the Texas Ethics Commission has jurisdiction of title 15 of the Election Code. Under that law, a corporation is generally prohibited from making a political contribution or other political expenditures unless specifically authorized. Section 253.094, Election Code.

As we discussed, section 253.096 of the Election Code states that a corporation may make campaign contributions from its own property in connection with an election on a measure only to a political committee for supporting or opposing measures exclusively. Title 15 of the Election Code also allows a corporation not acting in concert with another person to make one or more direct campaign expenditures from its own property in connection with an election on a measure if the corporation makes the expenditures in accordance with section 253.061 or 253.062 of the Election Code as if the corporation were an individual. Election Code section 253.097.

Again, just to reiterate, I did not address whether contributions or expenditures by the corporation are permissible under Chapter 326 of the Government Code or any other law other than title 15 of the Election Code. I caution, however, that other laws may regulate the political activity of a non-profit corporation.

The appropriate filing authority for a political committee that supports or opposes a measure depends on who will vote on the measure. I confirm that the county clerk (or the elections

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Mr. Hilgers  
October 17, 2006  
Page 2 of 2

administrator or the tax assessor-collector, as applicable) is the appropriate filing authority if the measure concerns a political subdivision other than the county, the governing body for the political subdivision has not been formed, and the political subdivision is situated within one county.

Sincerely,



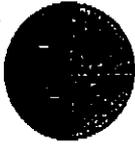
Robert Mannas  
Assistant General Counsel

RM:mc

c: Natalia Luna Ashley, General Counsel

Ref: ID #23211

S:bobbyHilgers



**Hilgers Bell & Richards**  
Attorneys at Law

816 Congress, Suite 1200  
Austin, Texas 78701  
Phone (512) 476-0005  
Fax (512) 476-1513  
www.hbrfirm.com

**DATE: October 18, 2006**

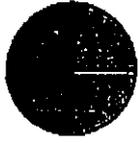
To:	Dana DeBeauvoir	Fax:	854-9075
	Attn: Gail Fisher		
<hr/>			
From:	William B. Hilgers	Pages:	8
<hr/>			
File #:	998.007	File Name:	Elroy Library
<hr/>			
Re:		Operator:	sn
<hr/>			

Urgent     For Review     Please Comment     Please Reply     Please Recycle

● Comments:

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**Hilgers Bell & Richards<sup>LLP</sup>**  
Attorneys at Law

## MEMORANDUM

**TO:** Honorable Dana DeBeauvoir, Travis County Clerk  
Ms. Gail Fisher, Elections Division

**FROM:** William B. Hilgers, Legal Counsel and Treasurer, Gateway Library SPAC

**DATE:** October 18, 2006

**RE:** East Travis Gateway Library District – Compliance with Texas Ethics Commission rules and filing

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Form STA confirming my appointment as treasurer of the Gateway Library SPAC is attached. At this date, the total funds contributed to the SPAC amount to \$500, but substantial additional contributions will be made to conduct the campaign advocating a favorable vote on creation of the East Travis Gateway Library District.

Prior to any collection of funds, the attached letter of inquiry was addressed to the Texas Ethics Commission, which was followed by their written confirmation of the answers to my questions (also attached). Since the Elroy Community Library is a non-profit corporation, it is the opinion of the General Counsel for the Texas Ethics Commission that payments made by the corporation may be made exclusively for advocating the adoption of the specific measure creating the East Travis Gateway Library District and not for the campaigns of the individual nominees as Trustees.

It is my intention to include the following legend on each check issued by the Elroy Community Library or any other corporation to the SPAC, as well as any check issued by the SPAC to a payee for campaign purpose:

*Payee acknowledges that the proceeds of this check are to be used solely for the use of supporting the creation of the East Travis Gateway Library District and not for promoting the election of individual candidates.*

We expect to report on Friday some contributions to the SPAC and possibly some campaign expenditures which I understand should be made within 48 hours after receipt.

Please advise me as soon as possible about any question concerning this protocol. Thank you very much.