U.S. Supreme Court declines to hear GOP activist's lawsuit challenging Texas Ethics Commission's lobbying fine

Former Empower Texans leader Michael Quinn Sullivan has challenged a \$10,000 fine from the Texas Ethics Commission for failure to register as a lobbyist for more than 10 years at nearly every level of the state court system.

BY KATE MCGEE JUNE 2, 2025 10 AM CENTRAL

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The U.S. Supreme Court has <u>declined</u> to consider a lawsuit from conservative Texas activist Michael Quinn Sullivan against the Texas Ethics Commission, serving another blow to his more than decade-long challenge against the state agency that implements and enforces Texas' campaign finance and lobbying laws.

Since 2014, Sullivan, who used to lead a powerful conservative advocacy group called Empower Texans, has challenged an ethics commission decision to fine him \$10,000 for failing to register as a lobbyist in 2010 and 2011, repeatedly appealing his case before petitioning the nation's highest court earlier this year to consider it. Last year, the Texas Supreme Court declined his request to overrule two state appeals' court decisions refusing to toss out the fines.

Sullivan argued in a brief to the U.S. Supreme Court that Texas' ethics laws violate the First Amendment rights of "ordinary citizens," who are looking to speak to their elected representatives, with burdensome registrations and fees.

"States in some parts of the country are able to curtail the freedoms of speech, petition, and assembly by branding ordinary citizens 'lobbyists' and threatening them with severe financial penalties," Sullivan's lawyers wrote. "This Court's review is sorely needed to clarify the circumstances under which the government may require citizens to pay a fee and obtain a license to communicate with their government representatives. Unless and until this Court does so, States can continue—as Texas has done here—to use such requirements to

harass or silence those whose speech is disfavored."

The Ethics Commission responded that Sullivan's actions went far beyond an "average citizen who happened to visit with a lawmaker or who spent a day or two at the Texas Capitol during a legislative session."

The Ethics Commission declined to comment.

In a statement, Sullivan's lawyer Tony McDonald said they were grateful for those who urged the Supreme Court to take the case, including Attorney General Ken Paxton and Texas Senators John Cornyn and Ted Cruz.

"More and more Texans are waking up to the threat posed by the Texas Ethics Commission to the fundamental freedoms enshrined in our constitution," McDonald said. "No Texans should ever be dragged behind closed doors to be investigated over their political speech."

The court's decision means the appeals court decision siding with the ethics commission stands. Sullivan will go back to a district court for a jury trial to determine how much he has to pay.

The ethics commission started investigating Sullivan after two former state lawmakers filed a complaint against him asserting that he had acted as an unregistered lobbyist. Sullivan has long contended that his activities with the now-defunct Empower Texans constituted journalism, not lobbying. But the ethics commission rejected that argument. In their 2014 ruling, they pointed to dozens of communications that he routinely sent to Republican lawmakers to discuss legislation and amendments, and encouraged them to vote in alignment with his organization's values.

Sullivan also published a Fiscal Responsibility Index ranking lawmakers' conservative bonafides based on their voting record each session. The commission found Sullivan used that scorecard to influence members' votes as part of his job for Empower Texans, another example of lobbying.

In court, Sullivan repeatedly tried to argue the ethics commission didn't have the constitutional authority to enforce the state's ethics laws. Initially, Sullivan was able to get the case tried in a Denton County district court instead of Travis County, claiming he moved there.

A judge there ruled in Sullivan's favor, but the ruling didn't stick because the case got sent back to Travis County after an appeals court ruled Sullivan didn't actually meet the

residency requirements to have the case heard in Denton County from the start. The Travis County judge sided with the TEC, which Sullivan appealed and lost again. Meanwhile, Sullivan filed multiple other cases against the commission, all of which have been denied or dismissed in federal or state district court.

In recent months, Sullivan's bid to the nation's high court has drawn support from multiple high profile conservative officials and groups who wrote briefs in support of the activist, including the Cato Institute, the Manhattan Institute and Paxton. Cornyn and Cruz wrote a joint brief.

Paxton declined to have his office represent the ethics commission in the case, forcing the agency to hire outside counsel. Since 2014, the commission has put more than \$1 million in taxpayer dollars toward outside legal help. In his brief, Paxton backed Sullivan's argument that Texas' lobby laws violate his first amendment rights.

"It is antithetical to the First Amendment that a private citizen working for a nonprofit organization dedicated to fiscal responsibility that does not provide gifts to lawmakers nonetheless must register with the government, make disclosures to the government, and even pay a fee to the government to simply email elected officials about matters of significant public concern," Paxton wrote.

Cruz and Cornyn did not take a position on the fines imposed on Sullivan, but instead argued that the courts have not set a solid precedent about how courts should review lobbying statutes against free speech concerns.

"Applying the appropriate tier of scrutiny when evaluating lobbyist disclosure requirements is crucial to ensuring protected political speech is not unlawfully restricted or silenced," they wrote.

In their response to the petition, the ethics commission said many of the authors of these friend-of-the-court briefs, including ones written by Paxton, and Cruz and Cornyn, "appear to assume, without any real analysis of the record — that Sullivan did nothing more than write a newsletter and work on a website that 'rated' legislators. Such characterizations belie the actual record that led to a Texas court granting summary judgements in the Commission's favor on the merits of the claims that Sullivan violated Texas law."

The court's decision is the latest loss for Sullivan, who up until a few years ago was one of the top conservative political activists in the capitol. Empower Texans, the group he used to run, was one of the first major groups to receive the financial backing of West Texas oil billionaires Tim Dunn and Farris Wilks. The group supported candidates and lawmakers in

an effort to push the Texas Legislature further to the right.

In 2019, Sullivan's influence reached its apex when he secretly recorded a conversation with former House Speaker Dennis Bonnen where Bonnen offered Empower Texans media credentials in exchange for Sullivan's assistance to go after some House Republicans in the next election cycle. Bonnen ultimately did not seek reelection.

Empower Texans disbanded in 2020. Sullivan's public profile has waned in the years since, though he is still involved in Texas politics as the publisher of Texas Scorecard, a conservative blog and nonprofit also associated with Dunn. His lawyer, McDonald, is the general counsel for Texas Scorecard, which has published many posts critical of the ethics commission.

Sullivan and his conservative political associates have long waged a war against the ethics commission's enforcement on campaign finance and lobbying infractions in the name of free speech. Last year, the Republican Party of Texas, which also receives large amounts of funding from Dunn, passed a resolution calling on lawmakers to "rein in the abuses" of the ethics commission as lawmakers conducted a periodic review of the state agency and proposed legislation to improve the agency's processes based on the review recommendations.

Lawmakers filed an ethics commission review bill this session, which would place more guardrails on the TEC's ability to prosecute such violations. But that piece of legislation and dozens of others ethics related bills appear to be dead on the last day of the legislative session.

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