

## REGISTRY OF ELECTION FINANCE

The Registry of Election Finance for the State of Tennessee met Tuesday, May 14, at 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending were: Gail Vaughn Ashworth, George Harding, Alan Hubbard and Herman Reviere.

The minutes of the April 9<sup>th</sup> meeting were approved, as were amended minutes from the March 12<sup>th</sup> meeting.

### **Reconsideration Hearing:**

96-13 - **Charles Scoville**, for failure to file a 1995 year-end lobbying activities report. Maximum civil penalty, \$750. Mr. Scoville personally appeared before the board and stated that he ignored the Registry's first notification because he had not lobbied after the spring of 1995 and thought the report was unnecessary. He also stated that he received the Registry's certified assessment letter when he was leaving town for a conference and that he forgot to follow-up on the matter when he returned. Motion by Reviere, seconded by Hubbard, the board voted to reconsider the assessment of a civil penalty. Motion by Reviere to assess a civil penalty of \$100; motion failed for lack of a second. Motion by Harding, seconded by Hubbard to rescind the previous assessment order. The order was unanimously rescinded.

### **Show Cause Hearings:**

96-19 - **Kenneth Meyer**, for failure to file a 1995 supplemental annual campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. Mr. Meyer submitted a sworn statement and also made a personal appearance before the board. Mr. Meyer stated that the Registry's certified assessment letter was received by a family member while he was out of town without his knowledge. Motion by Hubbard, seconded by Reviere, the board voted unanimously to take no action.

### **Issuance of Show Cause Notices:**

**United Mine Workers of America Coal Miners PAC**, for failure to file a new Appointment of Political Treasurer Statement. Class two (2), maximum civil penalty \$10,000. Motion by Reviere, seconded by Hubbard, the board voted to issue a show cause notice.

**James Ford**, for failure to file an annual Statement of Interests with the Shelby County Election Commission. Mr. Ford is a county commissioner for Shelby County. Class two (2), maximum civil penalty \$10,000. Motion by Reviere, seconded by Hubbard, the board voted to issue a show cause notice.

**Corporate PAC**, for failure to timely file a 1996 first quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$50. Motion by Reviere, seconded by Hubbard, the board voted to take no action.

**I.C. Thomasson PAC**, for failure to timely file a 1996 first quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$225. Motion by Reviere, seconded by Harding, the board voted to take no action.

**United Neighbors of S.E. Shelby County**, for failure to timely file a 1996 first quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$25. Motion by Reviere, seconded by Hubbard, the board voted to take no action.

### **Budget Report:**

Drew Rawlins presented the budget statistics for the month of March and reported that the budget is on schedule as far as expenses are concerned for the 1995-96 fiscal year. Excess funds at the end of the fiscal year will be used to pay back monies loaned from the Capitol Resources Fund to the Registry for computers and software.

### **Executive Director's Report:**

Catalano reported on legislation passed by the General Assembly defining constituent services account monies as campaign contributions reportable under the campaign finance law. That same legislation also makes a candidate who fails to file a required disclosure report ineligible to qualify as a candidate in upcoming elections until the report is filed.

Catalano also reminded the board members of the public hearing on the proposed lobbying rules at 1:30 p.m. on June 18, in room 16 of the Legislative Plaza, immediately following the board's regular morning meeting on that date. The board decided to place a 10 minute limitation on each speaker at the hearing, with an opportunity to speak again after all others have had their opportunity to speak. A memo will be disseminated to lobbyists and legislators informing them of the hearing.

The Attorney General's office has suggested in a memo, that the Registry agree to dismiss two cases pending from 1992, since that office has been unable to obtain service of process on the individuals who are apparently residing out of state. (Wanda Sue Burke, Case No. 92-9 and Terri Lee, Case No. 92-59) Gail Ashworth requested that the staff obtain quotes from the Attorney General's office as to the cost to obtain service of process in these two cases.

### **Old Business:**

Bob Cooper and Raymond Thomasson made a second appearance before the board and requested an opinion as to whether the Tennessee Soft Drink Employees Non-Partisan PAC could place vending machines on the premises of soft drink bottling companies that are members

of the Tennessee Soft Drink Association. The proceeds from the vending machines would be used by the PAC to make campaign contributions to state and local candidates and to pay for the PAC's ordinary and necessary expenses. On motion from Harding, seconded by Reviere, the board voted to issue a letter from the board, signed by the chairperson, that states that the Registry does not sanction the proposal, but also has no objection. The Registry members voiced concerns during the discussion of this matter that the proposal does not provide a mechanism for the PAC to maintain a listing of the total contributions to the PAC by an individual utilizing the vending machines. (The campaign finance law requires itemized disclosure of total contributions exceeding \$100 from a single source during a reporting period.)

The next Registry meeting will be held on June 18, 1996, beginning at 10:30 a.m. The meeting was adjourned.