

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance for the State of Tennessee met Tuesday, January 21, 1997, at 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending were: Herman Reviere, Gail Vaughn Ashworth, Carole Bucy, George Harding, and Semella Junior-Spence.

The minutes of the December 17th meeting were approved on motion by Harding, seconded by Ashworth.

Administrative Appeal:

Docket No. 20.00-56-0941J, **In the Matter of Nigel M. Reid, Sr.**, on appeal of the administrative law judge's initial order affirming the Registry's assessment of a \$500 class two (2) civil penalty against Mr. Reid for failure to file a 1994 statement of interests. (He was a candidate for state representative in district 10 in the 1994 elections.)

Mr. Reid appeared before the board to present an oral argument but did not submit a written legal brief for the Registry's consideration. Janet Kleinfelter, Assistant State Attorney General, submitted a brief and also presented an oral argument on behalf of the state.

Motion by Ashworth, seconded by Junior-Spence, the board voted unanimously by roll call vote to adopt the judge's findings of fact and conclusions of law set forth in the initial order.

Show Cause Hearings:

96-63 - **John DeBerry**, for failure to timely file a 1996 post-primary campaign financial disclosure report. Class one (1), maximum civil penalty \$350. Motion by Ashworth, seconded by Bucy, the board voted to consolidate with Case No. 96-81.

96-81 - **John DeBerry**, for failure to timely file a 1996 post-primary campaign financial disclosure report. Rep. DeBerry requested a personal appearance before the board, but did not appear until after the case was heard. Class one (1), maximum civil penalty \$625. Motion by Ashworth, seconded by Junior-Spence, the board voted unanimously to assess a \$625 civil penalty.

96-82 - **John DeBerry**, for failure to timely file a 1996 pre-general campaign financial disclosure report. Class one (1), maximum civil penalty \$275. Rep. DeBerry requested a personal appearance before the board, but did not appear until after the case was heard. Motion by Harding, seconded by Ashworth, the board voted unanimously to assess a \$275 civil penalty.

96-76 - **John DeBerry**, for failure to disclose campaign contributions from TPACE for \$1,000 and MPACE for \$500. (The staff obtained copies of the canceled checks from the PACs showing that Rep. DeBerry deposited both checks during the post-primary reporting period.) Class two (2), maximum civil penalty \$10,000. Motion by Bucy, seconded by Ashworth, the board voted to continue this case to February to give Rep. DeBerry an opportunity to determine why the contributions were not reported.

96-46 - **Nathan Brooks**, for failure to file a 1996 pre-general election campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. Mr. Brooks appeared before the Registry to offer an explanation for the non-filing of the report. His report has still not been filed with the board. Motion by Bucy, seconded by Ashworth, the board voted unanimously to assess a \$1,000 civil penalty.

96-53 - **Nathan Brooks**, for failure to file a 1996 post-general election campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. Mr. Brooks appeared before the Registry and requested a continuance in this case. Motion by Ashworth, seconded by Harding, the board voted a final continuance to the February meeting to allow Mr. Brooks an opportunity to file both his pre-general and post-general campaign disclosure reports.

96-84 - **Jim Fuller**, for failure to file a 1996 supplemental annual campaign financial disclosure report. He was a candidate for state representative in 1992 for district 47. Class two (2), maximum civil penalty \$10,000. Mr. Fuller made a personal appearance before the board and also filed his report. On Motion by Harding, seconded by Junior-Spence, the board voted to take no action.

96-61 - **Rick Williams**, for failure to file a 1996 post-primary campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. Mr. Williams made a personal appearance before the board, but the report has not been filed. Motion by Bucy, seconded by Junior-Spence, the board voted four to one to assess a \$1,000 civil penalty.

Approval of Civil Penalty Orders:

96-73 - **Int'l Brotherhood of Electrical Workers**, for failure to timely file a 3rd quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$600. The PAC paid the penalty upon receipt of the show cause notice. Motion by Ashworth, seconded by Junior-Spence, the board voted unanimously to issue an order assessing a \$600 civil penalty.

96-72 - **Republican Nat'l State Elections Committee**, for failure to file a 3rd quarter campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. The PAC did not respond to the show cause notice. Motion by Bucy, seconded by Junior-Spence, the board voted unanimously to assess a \$10,000 civil penalty.

96-75 - **TN Conservative Union Campaign Fund**, for failure to file a 3rd quarter campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. The PAC

did not respond to the show cause notice. Motion by Ashworth, seconded by Junior-Spence, the board voted unanimously to assess a \$10,000 civil penalty.

96-74 - **Upper East TN Central Labor Council**, for failure to file a 3rd quarter campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. The PAC did not respond to the show cause notice. Motion by Bucy, seconded by Ashworth, the board voted unanimously to assess a \$10,000 civil penalty.

96-77 - **Rep. Joe Towns**, for failure to file a 1996 pre-general campaign financial disclosure report. Class two (2), maximum civil penalty \$10,000. Rep. Towns did not respond to the show cause notice. Motion by Ashworth, seconded by Bucy, the board voted unanimously to assess a \$10,000 civil penalty.

96-79 - **Clarence Taylor**, for failure to file a corrected 1996 pre-primary report. Class two (2), maximum civil penalty \$10,000. Mr. Taylor did not respond to the show cause notice. Motion by Bucy, seconded by Ashworth, the board voted unanimously to assess a \$1,000 civil penalty.

96-80 - **Clarence Taylor**, for failure to file a 1996 post-primary report. Class two (2), maximum civil penalty \$10,000. Mr. Taylor did not respond to the show cause notice. Motion by Bucy, seconded by Ashworth, the board voted unanimously to assess a \$10,000 civil penalty.

96-78 - **Donald Hollingsworth**, for failure to file a 1996 pre-general report. Class two (2), maximum civil penalty \$10,000. Mr. Hollingsworth submitted a sworn statement for the board's consideration and the report has been filed. On motion by Ashworth, seconded by Bucy, the board voted to take no action.

96-85 - **Richard Manson**, for failure to timely file a 1996 supplemental annual campaign financial disclosure report. He was a 1994 candidate for state senate for district 17. Class one (1), maximum civil penalty \$575. Mr. Manson did not respond to the show cause notice, but the report has been filed. On motion by Harding, seconded by Junior-Spence, the board voted to take no action.

96-86 - **Berland Boyd**, for failure to file a 1996 post-election report with the Shelby County Election Commission. Class two (2), maximum civil penalty \$10,000. Mr. Boyd submitted a sworn statement for the board's consideration and the report has been filed with the Registry. Motion by Ashworth, seconded by Bucy, the board voted to take no action and requested that the staff forward the report to Shelby County.

96-87 - **Berland Boyd**, for failure to file a statement of interests with the Shelby County Election Commission. Class two (2), maximum civil penalty \$10,000. Mr. Boyd did not respond to the show cause notice in this case, and the report has not been filed. Motion by Bucy, seconded by Harding, the board voted to assess a \$250 civil penalty.

96-66 - **Dyral Withers**, for failure to timely file a post-primary campaign financial disclosure report. Class one (1), maximum civil penalty \$300. Mr. Withers submitted a sworn statement for the board's consideration. Motion by Harding, seconded by Ashworth, the board voted to take no action.

Reconsideration Hearing:

96-49 - **Clarence Dodds**, for accepting a loan in excess of individual contribution limits. Mr. Dodds was assessed a civil penalty of \$12,800 at the December meeting. He personally appeared before the board to request reconsideration of the assessment. Motion by Junior-Spence, seconded by Bucy, the board voted to defer reconsideration to the February meeting in order to allow Mr. Dodds the opportunity to return the excess loan contributions and correct his reports.

Issuance of Show Cause Notices:

Pam Combs, for failure to disclose a campaign contribution from Friends of Bill Morris. Class two (2), maximum civil penalty \$10,000. Ms. Combs has filed an amended campaign financial disclosure statement disclosing the contribution. Motion by Harding, seconded by Ashworth, the board voted not to issue a show cause notice.

Lincoln Davis, for failure to disclose a campaign contribution from Brushy Mtn. Prison Employees. Class two (2), maximum civil penalty \$10,000. Sen. Davis has filed an amended campaign financial disclosure statement disclosing the contribution. Motion by Harding, seconded by Junior-Spence, the board voted not to issue a show cause notice.

Lois DeBerry, for failure to disclose a campaign contribution from Federal Express. Class two (2), maximum civil penalty \$10,000. Rep. DeBerry has filed an amended campaign financial disclosure statement disclosing the contribution. Motion by Harding, seconded by Junior-Spence, the board voted not to issue a show cause notice.

Jimmy Naifeh, for failure to disclose a campaign contribution from TPACE. Class two (2), maximum civil penalty \$10,000. Rep. Naifeh has filed an amended campaign financial disclosure statement disclosing the contribution. Motion by Harding, seconded by Junior-Spence, the board voted not to issue a show cause notice.

Tim Joyce, for failure to report three campaign contributions. Class two (2), maximum civil penalty \$10,000. Motion by Harding, seconded by Junior-Spence, the board voted to issue a show cause notice.

Courtney Pearre, for failure to timely file a lobbyist registration within 5 days of beginning lobbying activities in 1997. Maximum civil penalty \$100. Mr. Pearre, who was appointed legal counsel to the Governor, filed a lobbyist registration for A.E. Staley

Manufacturing Co. on January 16, along with a letter explaining why the registration was filed late. Motion by Ashworth, seconded by Bucy, the board voted not to issue a show cause notice.

Budget Report:

The budget statistics for the months of October and November were presented to the board for approval. Motion by Harding, seconded by Bucy, the board voted to accept the budget as presented.

Executive Director's Report:

Director Catalano updated the board regarding the pursuit of legal action against Tennessee Conservative Union and/or its PACs and principals. Catalano reports that the Attorney General's office has notified her that they are still "actively pursuing the request." The board requested that an update on this matter be presented at the February meeting.

Catalano reminded the board of the public hearing regarding the proposed Campaign Contribution Limits Act Rules. The hearing is scheduled for February 18, 1997, at 1:30 p.m. in the Senate Chamber. Public comments regarding the rules will be presented to the board at that time.

Catalano presented a rough draft of the 1996 annual report for the board's consideration. The report will be completed after complete statistics for the past election cycle are available. The board voted to have the chairperson draft a letter to Speaker Naifeh and Lieutenant Governor Wilder regarding the Registry's recommendations for legislation to improve the board's administration of the disclosure laws.

Other Business:

The next Registry meeting will be held February 18, 1997, beginning at 10:30 a.m. The meeting was adjourned.