

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance for the State of Tennessee met Monday, December 8, 1997, at 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending were: Herman Reviere, Alan Hubbard, Gail Vaughn Ashworth, Karen Dunavant, George Harding and Samella Junior-Spence.

Harding moved that the minutes of the November 17th meeting be amended by deleting the first two paragraphs under "Other Business" relating to a request from Phil Schoggen of Common Cause that the Registry obtain an Attorney General's opinion concerning the constitutionality of the inspection notification provision of the campaign finance law. Motion failed. Motion by Harding to delete the sentence in second paragraph indicating that the board would consider the same request at a later date, seconded by Junior-Spence. The board voted to accept this amendment to the minutes. Minutes were approved as amended, motion by Harding, seconded by Junior-Spence.

Show Cause Hearings:

97-43 - **House Senate Democratic Caucus**, for failure to timely file third quarter 1997 campaign financial disclosure report. Class one (1), maximum civil penalty \$100.00. Rep. Matt Kisber and Bob Cooper appeared before the board on behalf of the Caucus. Drew Rawlins, financial disclosure auditor for the Registry, explained that the Registry was at fault in this case. Rep. Kisber had provided to the Registry office the original report showing an October 13 date stamped on the report by the Registry office. On motion by Hubbard, seconded by Junior-Spence, the board voted to take no action.

97-42 - **Baker, Donelson, Bearman and Caldwell**, for failure to timely file third quarter 1997 campaign financial disclosure report. Class one (1), maximum civil penalty \$475.00. Jennifer Ford and Lynn Baker appeared on the behalf of Baker, Donelson and apologized for the late filing. They informed the board that the treasurer had left the firm before the report was due and they were not aware the report had not been filed. On motion by Hubbard, seconded by Harding, the board voted unanimously by roll call to issue a \$25 civil penalty.

97-44 - **GTE Cellular One PAC of TN**, for failure to timely file third quarter 1997 campaign financial disclosure report. Class one (1), maximum civil penalty \$250.00. Amanda Young appeared on the behalf of GTE Cellular One. She explained that the director in charge of preparing the financial disclosure report was transferred to another unit. In the interim, GTE was unaware that the report had not been filed. An acting director has now been appointed, and the board was assured that future reports would be timely. On motion by Hubbard, seconded by Junior-Spence, the board voted to take no action.

Sworn Statement:

97-29 - **Lynn Cobb**, for failure to file 1996 post-election report with the Shelby County Election Commission. Mr. Cobb, along with his treasurer, submitted affidavits explaining that the report had been executed on April 29, 1996 (the date the report was due) and was assumed to have been filed by a courier from Mr. Cobb's law firm where he had been employed. The post-election report containing the proper signatures and notarized on April 29, 1996 has now been filed in Shelby County. On motion by Hubbard, seconded by Junior-Spence the board voted to take no action.

Reconsideration:

97-30 – **Jerry Johnson**, for failure to file 1997 mid-year lobbying activities report. Maximum penalty \$750.00. Mr. Johnson submitted a copy of his activities report and a sworn statement for the board's reconsideration of this case. In his statement, Mr. Johnson explained difficulties that he has had in receiving his mail. Motion by Harding to deny request for reconsideration failed due to lack of second. Motion by Ashworth to reconsider civil penalty assessment was seconded by Junior-Spence. Roll call vote was taken with Harding voting "no" and all other board members voting "yes". On motion by Ashworth, seconded by Dunavant, the board voted to vacate previous order and to issue an order assessing a \$100 civil penalty.

Issuance of Show Cause Notices:

Americans for Tenable Sentences and Court Support, for failure to timely file third quarter 1997 campaign financial disclosure report. Class one (1) maximum civil penalty \$400.00. On motion by Harding, seconded by Junior-Spence, the board voted to issue a show cause notice.

Tennessee NARAL PAC, for failure to timely file third quarter 1997 campaign financial disclosure report. Class one (1) maximum civil penalty \$450.00. On motion by Ashworth, seconded by Junior-Spence, the board voted to issue a show cause notice.

Century Telephone Enterprises PAC, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Ashworth, seconded by Harding, the board voted to issue a show cause notice.

Fraternal Order of Police Lodge #2, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Hubbard, seconded by Ashworth, the board voted to issue a show cause notice.

Republican National State Elections Committee, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Hubbard, seconded by Ashworth, the board voted to issue a show cause notice.

Tennessee Campaign for the Family, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Ashworth, seconded by Harding, the board voted to issue a show cause notice.

Tennessee Sierra Club PAC, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$1,000.00. On motion by Ashworth, seconded by Harding, the board voted to issue a show cause notice.

United Cities Gas, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Hubbard, seconded by Harding, the board voted to issue a show cause notice.

Tennesseans for Good Government, for failure to file third quarter 1997 campaign financial disclosure report. Class two (2) maximum civil penalty \$10,000.00. On motion by Harding, seconded by Junior-Spence, the board voted to issue a show cause notice.

Approval of Civil Penalty Order:

97-41 - Marcus Murrell, for failure to file 1996 annual supplemental campaign financial disclosure report with Shelby County. Class two (2), maximum civil penalty \$10,000. Mr. Murrell did not respond to the board's show cause notice. On motion by Harding, seconded by Hubbard, the board voted unanimously by roll call vote to issue a \$250 civil penalty.

~~M.S. Carriers, for failure to timely file second quarter 1997 financial disclosure report. Class one (1), maximum civil penalty \$50.00. On motion by Ashworth, seconded by Harding, the board voted to take no action.~~

Budget Report:

Drew Rawlins, Financial Disclosure Auditor, presented the budget statistics for July 1 through the end of October 1997. On motion by Harding, seconded by Junior-Spence, the board voted to accept the budget as presented.

Executive Director's Report:

Director Williams and Drew Rawlins conducted a seminar in Knoxville Saturday, December 6, 1997 for 1998 candidates and their treasurers. Approximately sixty attendees were present. Director Williams passed around a sample copy of the notebook used in the seminars for the boards' information. Future seminars are scheduled in January for Johnson City, Chattanooga, Nashville and Memphis.

Director Williams presented a memorandum from Secretary of State Riley Darnell relating to information concerning the procedures and costs for allowing fees to be paid to an agency through the use of credit cards. Secretary Darnell's memo to the Registry was as a result of requests by lobbyists to be able to use credit cards to pay registration fees. On motion by Harding, seconded by Junior-Spence, the board voted not to accept credit card payment of fees, due to the expense to the agency.

Director Williams and Drew Rawlins will be conducting a seminar for the Middle Tennessee election officials on Tuesday, December 9, 1997.

The Board was introduced to Mason Ball, who is the legislative auditor for the State Comptroller's Office. Mr. Ball will be conducting a performance audit of the Registry over the next 1-2 months to comply with the Sunset Review Law. The Registry is due to sunset on June 30, 1999 unless the General Assembly votes to continue the agency.

Oswald Schrag with Common Cause appeared before the Registry to inquire once again about obtaining an Attorney General's opinion concerning the constitutionality of the notification provision of the campaign finance law when candidates' files are inspected or copied. Mr. Schrag was told that the Registry had already considered this request at its last meeting.

Other Business:

The 1998 election for the positions of Chairperson and Secretary were held. On motion by Harding, seconded by Ashworth, the board voted unanimously to elect Alan Hubbard as Chairperson. On motion by Dunavant, seconded by Ashworth, the board voted unanimously to elect Samella Junior-Spence as secretary for 1998.

The next regularly scheduled board meeting will be Monday, January 12, 1997. ▲

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