

## REGISTRY OF ELECTION FINANCE

The Registry of Election Finance for the State of Tennessee met Tuesday, February 18, 1997, at 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

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

The minutes of the January 21<sup>st</sup> meeting were approved with one amendment to the spelling of Dr. Junior-Spence's name on motion by Junior-Spence, seconded by Harding.

### Reconsideration Hearings:

96-46 - **Nathan Brooks**, for failure to file a 1996 pre-general election campaign financial disclosure report. Mr. Brooks personally appeared before the board to request a reconsideration of the \$1000 civil penalty assessed at the January meeting. On motion by Harding, seconded by Hubbard, the board voted to reconsider this case. Harding made motion to assess a \$100 civil penalty, that motion failed for lack of a second. On motion by Junior-Spence, seconded by Harding, the board voted unanimously to assess a \$500 civil penalty.

96-59 - **Clarence Dodds**, for accepting loan contributions in excess of contribution limits. This case was continued from the January meeting to provide Mr. Dodds the opportunity to return the excess contributions. Mr. Dodds has not returned the entire excess amount, but has a loan repayment schedule. Due to the **UNIQUE** facts of this case, on motion by Harding, seconded by Junior-Spence, the board voted to assess Mr. Dodds a \$100 civil penalty.

96-47 - **Sonnye Dixon**, for accepting contributions in excess of contribution limits during the pre-primary reporting period. Mr. Dixon personally appeared before the Registry board and stated that the contributions were made on a joint account, but the check was signed by himself. The contribution was mistakenly attributed to the name at the top of the check. On motion by Hubbard, seconded by Junior-Spence, the board voted to reconsider this case. On motion by Hubbard, seconded by Junior-Spence, the board voted not to assess any civil penalties.

96-74 - **Upper East TN Central Labor Council**, for failure to file a third quarter report. The PAC requested a personal appearance before the board to request reconsideration of a \$10,000 civil penalty imposed at the January meeting. The new treasurer of the PAC appeared before the board to state that he was unaware of the delinquent filings until he was elected a few weeks ago and received the Registry's civil penalty order. At that time, the report was filed immediately. On motion by Junior-Spence, seconded by Hubbard, the board voted to reconsider this case. On motion by Hubbard, seconded by Junior-Spence, with an amendment to assess a civil penalty of \$100 by Harding, the board voted to rescind the original order and assess the \$100 civil penalty.

96-72 - **Republican Nat'l State Elections Committee**, for failure to file a third quarter campaign financial disclosure report. The PAC requested a reconsideration of a \$10,000 civil penalty imposed at the January meeting. On Motion by Hubbard, seconded by Ashworth, the board voted to reconsider the assessment of civil penalties. Harding voted no on this motion. The treasurer of the PAC filed a sworn statement, including a statement from the person responsible for filing the report. The report has now been filed. A motion was made by Harding, seconded by Junior-Spence to affirm the original order. The motion failed. A second motion was made by Ashworth, seconded by Junior-Spence, to assess a \$5,000 civil penalty. A motion was made to amend the civil penalty amount to \$1,500 by Junior-Spence. The amendment was not accepted. On Motion by Hubbard, seconded by Ashworth, the board voted unanimously to amend the motion and assess a \$2,500 civil penalty.

#### **Show Cause Hearings:**

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 personally appeared before the board. Motion by Harding, seconded by Hubbard, the board voted unanimously to take no action.

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

**Madison County Democratic Executive Committee**, for the failure to timely file a 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$75.00. On motion by Harding, seconded by Junior-Spence, the board voted to take no action.

**Anderson County Democratic Executive Committee**, for the failure to timely file a 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), maximum civil penalty \$250.00. On motion by Ashworth, seconded by Hubbard, the board voted to issue a show cause notice.

**Dan Walter**, for the failure to timely file a 1996 year-end lobbying activities report. Class one (1), maximum civil penalty \$175. On motion by Harding, seconded by Hubbard, the board voted to take no action.

**Larry Hitt**, for the failure to file a pre-election report with the Sumner County Election Commission. Class two (2), maximum civil penalty \$10,000. On motion by Harding, seconded by Junior-Spence, the board voted to take no action.

### **Approval of Civil Penalty Orders:**

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/cashed both checks during the post-primary reporting period.) Rep. DeBerry had indicated that he would personally appear before the board, but was not in attendance. Class two (2), maximum civil penalty \$10,000. Motion by Harding, seconded by Junior-Spence, the board voted to unanimously to assess a \$150 civil penalty.

97-01 - **Tim Joyce**, for failure to report two contributions. Class two (2), maximum civil penalty \$10,000. Mr. Joyce has filed an amended report showing the contributions. On Motion by Junior-Spence, seconded by Harding, the board voted to take no action.

### **Consideration of Sworn Complaint:**

A sworn complaint was filed against Bill Staggs for the 1996 election by Tony McDaniel. At the December meeting, the board voted to have the staff return Mr. Staggs' reports to him for correction. Those reports have not been filed with the Registry office. Ashworth recommended the Registry staff send Mr. Staggs a letter requesting he immediately file the corrected original reports. Mr. Harding will contact Mr. Staggs about filing those reports before the March meeting. The board will then make a final consideration of this case in March.

### **Budget Report:**

The budget statistics for the months of December were presented to the board for approval. Motion by Harding, seconded by Hubbard, the board voted to accept the budget as presented.

### **Annual Report:**

The final draft of the annual report for 1996 was presented to the board. The board requested that Appendix A be given an index, to show candidate names and district numbers alphabetically. On motion by Hubbard, seconded by Junior-Spence, the board voted to approve the annual report.

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

Director Williams updated the board regarding the pursuit of legal action against Tennessee Conservative Union and/or its PACs and principals. Williams reported that the attorney general's office has not contacted Registry staff regarding this matter, but legislation has been presented in the General Assembly. The board requested that an update on this matter be presented at the March meeting.

Williams announced that a Lobbying Rules hearing has been set by the Government Operations Committee for February 24 at 2:00 p.m. in room 12 of Legislative Plaza. The board members are invited to attend.

A meeting was held with board members and the executive director.

**Other Business:**

The next Registry meeting will be held March 11, 1997, beginning at 10:30 a.m. The meeting was adjourned until 1:30 p.m. when the board met for a public hearing on the proposed rules to the Campaign Contribution Limits Act.

The meeting was adjourned at the conclusion of the public hearing.