

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, January 10, 2001, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members Karen Dunavant, Michael McCroskey, George Harding, and Alan Hubbard participating via conference call.

On motion by McCroskey, seconded by Harding, the minutes from the December, 2000 meeting were approved unanimously.

## *Request for Reconsideration*

**00-43 Brenda Woods**, for failure to file and appointment of political treasurer. Class two (2), maximum ten thousand (\$10,000) civil penalty. Ms. Woods has been before the Registry on two different occasions.

The board voted at its October 11 meeting to assess Ms. Woods a \$3,000 civil penalty after she had failed to file the original appointment of political treasurer and did not respond to the show cause notice. Ms. Woods appeared before the Registry to request a reconsideration of the assessment.

Director Rawlins informed the board that the Registry had received an appointment of political treasurer form from Ms. Woods on January 3, 2001. However, the treasurer form was returned to Ms. Woods because the form was not completed in its entirety.

Ms. Woods explained to the board that she has not been receiving some of her mail because she has both a residential address and a post office box. Ms. Woods claimed that the post office does not want to deliver mail to her residence because postal policy is to deliver to a post office box instead of a residence. Ms. Woods informed the Hardeman County Election Commission of the need to use the post office box instead of her residential address to ensure that she received her mail.

In addition, Ms. Woods stated that she was late filing her appointment of treasurer form because she did not receive notice in time. Ms. Woods stated that she never received the Registry's August 1 certified letter, informing her of her need to file an appointment of political treasurer, that was signed for by her daughter on August 4.

Ms. Woods explained that the first mail that she has received was the civil penalty order assessing the \$3,000 penalty on October 21, 2000. Ms. Woods then stated that she faxed her appointment of treasurer form to the Registry (she had actually faxed an allocation report). The board advised Ms. Woods to complete and file the appointment of treasurer form and the allocation report with the Registry before she left. Both reports were filed with the Registry.

On motion by McCroskey, seconded by Hubbard, the board voted unanimously to reconsider the \$3,000 assessment against Ms. Woods. A second motion was made by McCroskey, seconded by Hubbard, to reduce the original civil penalty from \$3,000 to

\$100. The motion failed 3 to 1 with Harding voting “no.” Harding then made a motion to assess Ms. Woods a \$1,000 civil penalty, seconded by McCroskey for discussion purposes. McCroskey stated that because he feels that there was no intent to commit fraud and because Ms. Woods is lacking only the appointment of political treasurer form he will vote “no” on the motion. A friendly amendment was made by McCroskey, denied by Harding, to assess Ms. Woods a \$175 civil penalty.

Harding then amended his original motion, seconded by McCroskey, to assess Ms. Woods \$500. The motion failed 1 to 3, with Dunavant, Hubbard, and McCroskey voting “no.” A motion was then made by McCroskey, seconded by Hubbard, to hold the reconsideration over until the next scheduled meeting.

**00-53 Yusaf Hakeem**, for failure to timely file a 2000 mid-year lobbying activities report. Mr. Hakeem registered as a lobbyist for the city of Chattanooga. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Hakeem has had no previous matters before the board.

Mr. Hakeem submitted a sworn statement for the Registry's consideration. In addition, Mr. Nathan Ridley appeared before the board to represent Mr. Hakeem. Mr. Ridley explained that Mr. Hakeem serves as chair of Chattanooga City Council and also serves as an at large member on the board of directors of the Tennessee Municipal League. Mr. Ridley stated that he believed that Mr. Hakeem was mistakenly under the assumption that he needed register as a lobbyist. Further he explained that Mr. Hakeem had done no lobbying and had received no compensation to lobby.

Mr. Ridley stated that he is not sure why Mr. Hakeem registered to lobby for 2000 or why he did not respond to the show cause notice. In addition, he could not provide an explanation as to why Mr. Hakeem did not file his lobbying activities report.

A motion was made by McCroskey, seconded by Hubbard, to reconsider the assessment. The motion passed 2 to 1, with Harding voting “no” and Dunavant abstaining.

On motion by McCroskey, seconded by Hubbard, the board voted 3 to 1, with Harding voting “no,” to hold the reconsideration over until the next scheduled meeting.

### ***Sworn Statements Submitted***

**00-61 Hubert Patty**, for failure to file a 2000 post-primary campaign financial disclosure report. Mr. Patty was a candidate for Senate in the 8<sup>th</sup> district. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Patty has had no previous matters before the board.

Mr. Patty submitted a sworn statement to the board stating that the campaign disclosure statements were not timely filed because the treasurer of his campaign has had extended illness.

Director Rawlins informed the board that contrary to Mr. Patty’s statement the Registry has not received the post-primary report.

A motion was made by Harding, seconded by Hubbard, to assess a \$100 civil penalty. Harding then amended the original motion, seconded by McCroskey, to assess Mr. Patty \$1,000. The motion passed unanimously.

**00-69 Shelby County Democratic Executive Committee**, for failure to timely file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum one hundred (\$100) civil penalty. This committee has had no previous matters before the board.

Director Rawlins explained to the board that the organization was actually four days late instead of nine. The Registry miscalculated the days by using the date of receipt of the report by the Registry instead of the certified mail postmark date. Rawlins informed the board that the maximum civil penalty was \$100 instead of \$225.

Mr. David Cocke, Chairman of the Shelby County Democratic Executive Committee, submitted a sworn statement to the board stating that the organization had been without a treasurer for several months. Mr. Cocke also stated that a treasurer was appointed just before the report was due and that the previous treasurer had actually signed for the notice. He explained that the report was drafted and mailed as soon as it was completed.

A motion was made by Hubbard, seconded by McCroskey, to take no action in this matter, but to send the organization a letter advising them that the reason the board did not take any action was because this was the organizations first matter before the Registry. Hubbard withdrew his original motion. Hubbard then made a motion, seconded by McCroskey, to assess Shelby County Democratic Executive Committee \$10. The motion passed unanimously.

### ***Cases Subject to Approval for Civil Penalty***

**00-56 William Cotton**, for failure to timely file a 2000 mid-year lobbying activities report. Class one (1), maximum fifty (\$50) civil penalty. Mr. Cotton has had no previous matters before the board.

Director Rawlins advised the board that the report was filed and was two days late and that there has been no response to the show cause notice.

On motion by McCroskey, seconded by Harding, the board voted unanimously to assess Mr. Cotton a \$50 civil penalty.

**00-57 Elaine Kehel**, for failure to file a 2000 mid-year lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Ms. Kehel has had no previous matters pertaining to lobbying; however, she is registered as a lobbyist for Tennesseans for Hemp and Cannabis PAC, which has had several matters previously before the board.

Director Rawlins informed the board that there has been no response to the show cause notice and that the lobbying activities report still has not been filed.

On motion by McCroskey, seconded by Harding, the board voted unanimously to assess Ms. Kehel a \$750 civil penalty.

**00-58 David Evans**, for failure to file a 2000 post-primary campaign financial disclosure report. Mr. Evans was a candidate for House of Representatives in the 27<sup>th</sup> district. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Evans has no prior history before the board.

Director Rawlins informed the board that there has been no response to the show cause notice and the campaign financial disclosure report still has not been filed.

On motion by McCroskey, seconded by Harding, the board voted unanimously to assess Mr. Evans a \$1,000 civil penalty.

**00-59 Alonzo Grant**, for failure to timely file a 2000 post-primary campaign financial disclosure report. Mr. Grant was a candidate for House of Representatives in the 87<sup>th</sup> district. Class one (1), maximum seven hundred (\$700) civil penalty. Mr. Grant has been before the board for failure to file his 2000 pre-primary campaign financial disclosure report where in which the board assessed Mr. Grant a one thousand (\$1,000) civil penalty.

Director Rawlins informed the board that there has been no response to the show cause notice and that Mr. Grant has still not filed his pre-primary disclosure report or paid the \$1,000 civil penalty.

On motion by McCroskey, seconded by Harding, the board voted unanimously to assess Mr. Grant a \$700 civil penalty.

**00-60 Helen Owens**, for failure to timely file a 2000 post-primary campaign financial disclosure report. Ms. Owens was a candidate for House of Representatives. Class two (2), maximum ten thousand (\$10,000) civil penalty. Ms. Owens filed her report on December 11, 2000. Ms. Owens has previously been assessed a one hundred (\$100) civil penalty for failure to file a statement of interests report.

Director Rawlins informed the board that there has been no response to the show cause notice.

On motion by Harding, seconded by McCroskey, the board voted unanimously to assess Ms. Owens a \$1,000 civil penalty.

**00-62 Calvin Walk, III**, for failure to timely file an annual supplemental campaign financial disclosure report. Mr. Walk was a candidate for House of Representatives in the 86<sup>th</sup> district in the 1998 elections. Class one (1), maximum four hundred fifty (\$450) civil penalty. Mr. Walk has had no matters previously before the board.

Director Rawlins informed the board that there has been no response to the show cause notice but that Mr. Walk has closed out his 1998 campaign account.

On motion by McCroskey, seconded by Hubbard, the board voted unanimously to assess Mr. Walk a \$100 civil penalty.

**00-63 Rick Williams**, for failure to file a 2000 post-primary campaign financial disclosure report. Mr. Williams ran for House of Representatives in the 51<sup>st</sup> district. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Williams has been before the board on several matters, where, in which the board has assessed a total of \$12,000 in civil penalties.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by McCroskey, seconded by Harding, the board voted unanimously to assess Mr. Williams a \$10,000 civil penalty.

**00-64 Davidson County Democratic Women**, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The Davidson County Democratic Women have been before the board, and assessed a \$300 civil penalty.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

A motion was made by Harding to assess a \$500 civil penalty. A friendly amendment was made by McCroskey to issue a \$1,000 civil penalty. The motion as amended to assess the organization a \$1,000 civil penalty passed the board unanimously.

**00-65 Federation of Democratic Women**, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The Federation of Democratic Women have had no previous matters before the board.

Director Rawlins informed the board that the Registry did not send the show cause notice to the organization because they had actually filed the report. Director Rawlins explained that when the organization filed the report they had apparently changed the name of their organization without notifying the Registry. Director Rawlins also informed the board that this was a newly registered organization and their first filing.

On motion by Harding, seconded by McCroskey, the board voted unanimously to remove this case from the docket.

**00-66 IUE Committee on Political Affairs**, for failure to timely file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum two hundred fifty (\$250) civil penalty. This committee has no previous issues before the board.

Director Rawlins informed the board that there has been no response to the show cause notice.

A motion was made by McCroskey to assess a \$100 civil penalty. A friendly amendment was made by Harding to assess a \$250 civil penalty. The motion as amended to assess the organization a \$250 civil penalty passed the board unanimously.

**00-67 MIM Health Plans PAC**, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. MIM Health Plans PAC has had no previous history with the board.

Director Rawlins spoke with a member of the organization who requested that the board postpone any action in this matter until the next meeting, so that the organization could determine the cause of the late filing.

At the recommendation of the director this case was continued until the February meeting.

**00-68 Republican Women of Williamson County**, for failure to timely file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum two hundred seventy-five (\$275) civil penalty. The Republican Women of Williamson County have not been before the board on any previous matters.

Director Rawlins informed the board that there has been no response to the show cause notice.

On motion by Harding, seconded by McCroskey, the board voted unanimously to assess the organization a \$275 civil penalty.

**00-70 Tennessee Republican Assembly PAC**, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The Tennessee Republican Assembly PAC has had no previous matters before the board.

Director Rawlins spoke with the treasurer of the organization by telephone. The treasurer explained that he was going to get the report filed with the Registry and send a letter to the Registry verifying his intent.

Director Rawlins explained to the board that the Registry did receive a letter from the treasurer stating his intent to file the report. However, the report has still not been filed and the treasurer has made no further contact with the Registry.

On motion by Harding, seconded by McCroskey, the board voted unanimously to assess the organization a \$1,000 civil penalty.

**00-71 Tennesseans for Hemp and Cannabis**, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The Tennesseans for Hemp and Cannabis have been before the board on several matters and have been assessed a total of \$5,450 in civil penalties.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

A motion was made by Harding to assess the organization a \$5,000 civil penalty. A friendly amendment was made by McCroskey, seconded by Harding, to assess the organization a \$10,000 civil penalty. The motion as amended to assess the organization a \$10,000 civil penalty passed the board unanimously.

### ***Cases Considered for Issuance of Show Cause Notices***

**Kathy Austin**, for failure to timely file a supplemental annual financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Ms. Austin has had no previous matters before the board.

On motion by Harding, seconded by McCroskey, the board voted unanimously to issue a show cause notice.

**Jason Bagwell**, for failure to timely file a 2000 post-primary campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Bagwell has had no previous matters before the board.

On motion by Harding, seconded by McCroskey, the board voted unanimously to issue a show cause notice.

**Wade Boswell**, for failure to timely file a 2000 pre-general campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Boswell has had no previous matters before the board.

On motion by Harding, seconded by McCroskey, the board voted unanimously to issue a show cause notice.

***George Bryan Dodson***, for failure to file a 2000 post-primary campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Dodson has had no previous matters before the board.

On motion by McCroskey, seconded by Harding, the board voted unanimously to issue a show cause notice.

***Women in the Nineties***, for failure to file a 2000 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Women in the Nineties has had no previous matters before the board.

On motion by Harding, seconded by McCroskey, the board voted unanimously to issue a show cause notice.

### ***Reported Financial Expenses***

Director Rawlins presented the expenditure report for the 2000/2001 fiscal year through November 30, 2000.

Additionally, Director Rawlins reported to the board that there was one civil penalty paid during the month of December 2000.

On motion by Harding, seconded by McCroskey, the board voted unanimously to accept the financial expenditure report as presented.

Director Rawlins presented to the board a request for bonuses of \$1,000 for Jennifer Pappas and \$1,500 for Janet Williams. On motion by McCroskey, seconded by Harding the bonuses were approved for both employees.

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

Director Rawlins informed the board that a member of the Cocke County Democratic Party had contacted the Registry. This organization has been assessed a total of \$11,250 in civil penalties in the past. However, this organization wants to reopen the committee without being responsible for the civil penalties. Director Rawlins explained that the people wanting to reopen this organization are a different group than were assessed the penalty.

After discussion, it was recommended by Harding and approved by the board members that the Registry get advise from the Attorney General and take whatever action it recommends.

### ***Other Business***

A motion was made by Harding to postpone the February 14 meeting until February 21, 2001. This motion passed unanimously.

A motion was made by Dunavant, seconded by Hubbard, by acclamation make George Harding chairman and Michael McCroskey secretary of the Registry board.

A motion was made by Hubbard, seconded by Dunavant, to adjourn the meeting until the next regularly scheduled meeting. The motion passed unanimously.

The board's next regularly scheduled meeting will be Wednesday, February 21, 2001 at 10:30 am. At 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.