

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, December 12, 2001, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members George Harding, Michael McCroskey, Henry Fincher, Samella Junior-Spence, Karen Dunavant, and William Long.

On motion by Junior-Spence, seconded by Fincher, the minutes from the November 14, 2001 meeting were approved unanimously.

## ***Request for Reconsideration***

***01-54 Cracker Barrel Old Country Store, Inc. PAC***, for failure to file a 2001 2<sup>nd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. A civil penalty of \$8,300 was assessed at the Registry's October meeting. The organization has had no previous matters before the board.

Dan Haskell, representative for Cracker Barrel PAC, and Larry Forth, assistant treasurer for the organization, personally appeared before the board to explain why the organization had not filed their report timely.

Mr. Haskell explained that the treasurer of the organization, Jeffery E. Tenut, left the employment of Cracker Barrel Old Country Store, Inc. and moved out of state. All correspondence to Mr. Tenut was then filed away. When the Registry's show cause hearing notice was received in Mr. Tenut's former office, Mr. Tenut requested his former secretary to forward the notice to Mr. Forth, assistant treasurer.

Mr. Forth stated that when he received the Registry's show cause hearing notice he immediately completed and filed the report along with a sworn statement explaining why the report was not filed in a timely manner. Mr. Forth further stated that there was no intentional failure to file by Cracker Barrel Old Country Store, Inc. PAC and that a new treasurer has been elected and will be on file with the Registry when this matter is resolved.

On motion by McCroskey, seconded by Long, the board voted unanimously to reconsider the \$8,300 assessment against Cracker Barrel Old Country Store, Inc. PAC. A motion was made by Junior-Spence, seconded by McCroskey, to reduce the original civil penalty from \$8,300 to \$2,425. A friendly amendment was made by Dunavant, accepted by Junior-Spence, to reduce the civil penalty from \$8,300 to \$1,000. The friendly amendment was approved by the board on a 5 to 0, with Harding "abstaining." The amended motion to assess the organization \$1,000 passed the board 4 to 1, with Harding "abstaining" and Long voting "no."

***01-61 Nashville Volunteer PAC***, for failure to file a 2001 1<sup>st</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. A civil penalty of \$250 was assessed at the Registry's October meeting. The organization has been before the board on a previous matter.

Bryan Moseley, representative for the Nashville Volunteer PAC, appeared before the board to ask for a reconsideration of the \$250 civil penalty assessed against the organization. Mr. Moseley explained that the organization is newly formed and was not fully aware of the filing requirements. Mr. Moseley further explained that when assisting the organization in filing the 2<sup>nd</sup> quarter campaign disclosure statement, he realized that the 1<sup>st</sup> quarter disclosure statement had not been filed. At that time, Mr. Moseley assisted Nashville Volunteer PAC with the filing of both reports.

Mr. Moseley stated that the organization has had no activity and is now current on its filings with the Registry. Mr. Moseley further stated that the organization's address has been changed to his offices so that they can respond to all further notices and correspondence from the Registry concerning the PAC.

On motion by Junior-Spence, seconded by Dunavant, the board voted 5 to 1 to reconsider the \$250 assessment against the organization, with McCroskey voting "no" due to the fact that he felt the \$250 civil penalty assessment was appropriate. A motion was made by Junior-Spence, seconded by Long, to reduce the original civil penalty from \$250 to \$50. A motion to amend the original motion was made by McCroskey, seconded by Long, to assess the organization a \$100 civil penalty. The motion to assess the organization a \$100 civil penalty passed the board unanimously.

***01-51 QCAS Good Government Fund***, for failure to timely file a 2001 1<sup>st</sup> quarter campaign financial disclosure statement. Class one (1), maximum five hundred (\$500) civil penalty. A civil penalty of \$100 was assessed at the Registry's September meeting. The organization has had one previous matter before the board.

Byron A. Booker, treasurer of the organization, submitted a sworn statement for the board's consideration. In his statement Mr. Booker explained that the Quality Care Ambulance Service was under financial strains and was under Chapter 11 Reorganization as of September 2000. Thus, all employee contributions were withheld and the information needed to complete the disclosure report was not available. Mr. Booker stated that he intends to file accurate quarterly reports with the Registry in a timely manner from this point forward.

On motion by Fincher, seconded by McCroskey, the board voted unanimously not to reconsider the \$100 assessment against the organization.

***01-56 Friends of Tennessee Emergency Medical Services***, for failure to file a 2001 2<sup>nd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. A civil penalty of \$200 was assessed at the Registry's October meeting. The organization has had a previous matter before the board.

Donald W. Evans, treasurer of the organization, submitted a sworn statement to the board stating that there was no PAC activity during the reporting period and that the reporting requirements have now been met. Mr. Evans further explained that a miscommunication between himself and the organizers of the PAC and changes in mailing addresses were the primary reasons for the late filing.

On motion by McCroskey, seconded by Dunavant, the board voted unanimously to reconsider the \$200 assessment against the organization. On motion by Dunavant, seconded by McCroskey, the board voted unanimously to assess the organization a \$100 civil penalty.

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

**01-79 Erin Kelley**, for failure to timely file a 2001 mid-year lobbying activities report. Class one (1), maximum two hundred twenty-five (\$225) civil penalty. Ms. Kelley has had no previous matters before the board.

Ms. Kelley submitted a sworn statement to the board stating that she resigned as Director of the Tennessee Conservation Voters and moved out of state leaving instructions for the new staff to forward all notices or reports to her new address. Due to lack of staff and the organization moving offices twice in the last two years, she never received the original forms. Ms. Kelley stated that when she did receive the certified notice she immediately sent in the report, as well as a letter explaining her tardiness. Ms. Kelley noted that she has arranged for a fellow lobbyist to go over their mail and send her the necessary reports in the future.

On motion by McCroskey, seconded by Long, the board voted unanimously to take no further action in this matter.

**01-81 Doug Pace**, for failure to timely file a 2001 mid-year lobbying activities report. Class one (1), maximum four hundred (\$400) civil penalty. Mr. Pace has had no previous matters before the board.

Mr. Pace submitted a sworn statement to the board stating that he had a change of employment and had moved to Washington D.C. Mr. Pace stated that as a result of this move his mail was delayed and sent to him on an infrequent basis. Mr. Pace further stated that as soon as he received the notice he completed the form and filed it with the Registry.

On motion by Junior-Spence, seconded by Long, the board voted unanimously to take no further action in this matter.

**01-77 Jack Sammons**, for failure to file a 2000 annual supplemental campaign financial disclosure report with the Shelby County Election Commission. Class two (2), maximum ten thousand (\$10,000) civil penalty. This case was forwarded to the Registry by the Shelby County Election Commission. Mr. Sammons has had no previous matters before the board.

Mr. Sammons submitted a sworn statement to the board stating that critical illness in his family and the overwhelming circumstances surrounding it prevented him from filing his disclosure report. Mr. Sammons apologized for his failure to file and further stated that he would complete and file the necessary report that day (Mr. Sammons filed the disclosure report with the Shelby County Election Commission on October 24, 2001).

On motion by McCroskey, seconded by Long, the board voted 5 to 1 to assess Mr. Sammons a \$100 civil penalty, with Dunavant "abstaining."

**01-83 Tennesseans for Tomorrow**, for failure to timely file a 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum one hundred fifty (\$150) civil penalty. The organization has had no previous matters before the board.

Kenna Cagle, firm administrator for Watkins Uiberall, PLLC, who is responsible for filing the required disclosures for the organization, submitted a sworn statement for

the board's consideration. Ms. Cagle stated that a family illness that required her to be away from work prevented her from filing the necessary disclosure report for the PAC in a timely manner. Ms. Cagle also stated that as soon as she returned to work she filed the report immediately and has put safeguards in place to help prevent any other late filings.

On motion by Junior-Spence, seconded by Dunavant, the board voted unanimously to take no further action in this matter.

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

***01-63 Tennessee Walking Horse Breeders and Exhibitors***, for failure to timely file 2001 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), maximum six hundred (\$600) civil penalty. The board voted at its October meeting to move this case to the next regularly scheduled meeting to allow the organization time to respond to the show cause notice. The organization has been before the board on a previous matter.

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

On motion by Fincher, seconded by Junior-Spence, the board voted unanimously to assess the organization a \$600 civil penalty.

***01-80 Sherry Ross***, for failure to timely file a 2001 mid-year lobbying activities report. Class one (1), maximum two hundred twenty-five (\$225) civil penalty. Ms. Ross has had no previous matters before the board.

The Registry has had no response to the show cause hearing notice.

On motion by McCroskey, seconded by Fincher, the board voted unanimously to assess Ms. Ross a \$100 civil penalty.

***01-82 Lockheed Martin Employees PAC***, for failure to file a 2001 2<sup>nd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has been before the board on two previous matters.

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

A motion was made by McCroskey to assess the organization a \$10,000 civil penalty. The motion died for a lack of a second. A motion was then made by Fincher, seconded by Junior-Spence, to assess the organization a \$5,000 civil penalty. The motion to assess the organization a \$5,000 civil penalty passed the board 4 to 2, with McCroskey and Long voting "no." McCroskey voted no because he felt the civil penalty should be higher because this was the organizations second straight quarter to fail to file a disclosure report.

***01-84 Donald Evans***, for failure to file a 2001 mid-year lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Evans has had no previous matters before the board.

Mr. Evans submitted a sworn statement for the board's consideration. In this statement, Mr. Evans explained that he is no longer representing or lobbying for the Tennessee Ambulance Service Association and that there were no activities during the reporting period.

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

**01-85 Gayle Williams**, for failure to file a 2001 mid-year lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Ms. Williams has had no previous matters before the board.

Ms. Williams filed the report along with a statement explaining that to the best of her knowledge the report was filed along with the association's five other lobbyist reports.

A motion was made by Fincher to take no further action. The motion died for a lack of a second. A motion was then made by McCroskey, seconded by Long, to assess Ms. Williams a \$100 civil penalty. The motion to assess Ms. Williams a \$100 civil penalty passed the board 4 to 2 with Dunavant and Fincher voting "no."

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

**Davidson County Democratic Executive Committee**, for failure to timely file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum four hundred fifty (\$450) civil penalty. The organization has had two previous matters before the board.

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

**Friends of Tennessee Emergency Medical Services**, for failure to timely file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum two hundred seventy-five (\$275) civil penalty. The organization has had a previous matter before the board.

On motion by Fincher, seconded by Junior-Spence, the board voted unanimously to issue a show cause notice.

**Jefferson County Democratic Party**, for failure to file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matter before the board.

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

**Lockheed Martin Employees PAC**, for failure to file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had three previous matters before the board.

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

**Professionals for Good Government**, for failure to timely file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum one hundred twenty-five (\$125) civil penalty. The organization has had no previous matters before the board.

On motion by Dunavant, seconded by Junior-Spence, the board voted unanimously to take no action in this matter.

**Tennessee Truck PAC**, for failure to timely file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), maximum seven hundred twenty-five (\$725) civil penalty. The organization has had one previous matter before the board.

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

**The People's PAC**, for failure to file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had two previous matters before the board.

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

**Verizon Good Government PAC**, for failure to file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had one previous matter before the board.

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

**Wayne County Republican Party**, for failure to file 2001 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had two previous matters before the board.

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

**Luke Bright**, for failure to timely file a 2001 annual supplemental campaign financial disclosure statement. Class one (1), maximum five hundred fifty (\$550) civil penalty. Mr. Bright has had two previous matters before the board.

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

**Theodore King II**, for failure to timely file a 2001 annual supplemental campaign financial disclosure statement. Class one (1), maximum two hundred twenty-five (\$225) civil penalty. Mr. King has had no previous matters before the board.

On motion by Junior-Spence, seconded by Long, the board voted unanimously to issue a show cause notice.

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

Director Rawlins presented the expenditure reports for the 2000/2001 fiscal year through October 31, 2001.

Additionally, Director Rawlins provided the board members with a list of civil penalties that have been paid year to date.

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

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

Director Rawlins and the attending board members discussed with the other members of the board the information disbursed at the annual 2001 COGEL conference that was held in Lexington, Kentucky.

### ***Other Business***

A motion was made by Dunavant, seconded by Junior-Spence, by acclamation to name Michael McCroskey chairman and Henry Fincher secretary of the Registry board for the 2002 year.

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

The board's next regularly scheduled meeting will be Wednesday, January 9, 2002 at 10:30 am. At 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.