

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, June 13, 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, William F. Long, Jr., Samella Junior-Spence and Henry Fincher.

On motion by Junior-Spence, seconded by Fincher, the minutes from the May 9, 2001 meeting were approved unanimously.

Request for Reconsideration

01-24 Nashville Volunteer PAC, for failure to file a 2000 4th quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 9 meeting to assess the organization a \$100 civil penalty for failure to respond to the show cause notice.

Director Rawlins informed the board that the organization filed their report and a request for the board to waive the penalty. The request stated that they believed that if you did not spend or take up any money you were not required to file the disclosure report.

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

01-12 Robert Carson, for failure to timely file a 2000 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Carson has had no previous matters before the board.

Mr. Carson submitted for himself, Mark Lawrence (see below), and Robert Robinson (see below) a statement asking the board to reconsider the assessments and waive the penalties against them. Mr. Carson stated that they had relocated their business and that their mail had not been forwarded by their inter-office mail system and in turn, they never received any of the notices to file.

On motion by Long, seconded by Fincher, the board voted unanimously to reconsider the \$750 assessment against Mr. Carson. A motion was made by Long, seconded by Junior-Spence, to reduce the the original civil penalty from \$750 to \$100. The motion passed the board 4 to 2 with Dunavant and Harding voting “no.”

01-16 Mark Lawrence, for failure to timely file a 2000 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Lawrence has had no previous matters before the board.

On motion by Long, seconded by Fincher, the board voted unanimously to reconsider the \$750 assessment against Mr. Lawrence (see above). A motion was made by Long, seconded by Junior-Spence, to reduce the the original civil penalty from \$750 to \$100. The motion passed the board 4 to 2 with Dunavant and Harding voting “no.”

01-17 Robert Joseph Robinson, for failure to timely file a 2000 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Robinson has had no previous matters before the board.

On motion by Long, seconded by Fincher, the board voted unanimously to reconsider the \$750 assessment against Mr. Robinson (see above). A motion was made by Long, seconded by Junior-Spence, to reduce the the original civil penalty from \$750 to \$100. The motion passed the board 4 to 2 with Dunavant and Harding voting “no.”

Sworn Statements Submitted

Charles Love, for failure to file 2000 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Love has had no previous matters before the board.

Mr. Love personally appeared before the board. In addition, Mr. Love had filed his lobbying activities report and submitted a sworn statement to the Registry. Mr. Love apologized for the oversight. He stated that when he did receive notice from the Registry he immediately took action and filed his report.

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

Cases Subject to Approval for Civil Penalty

01-35 William Cotton, for failure to file 2000 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Cotton has had no previous matters before the board.

Director Rawlins informed the board that Mr. Cotton contacted him and requested that the board grant him an extension until the next scheduled meeting. Mr. Cotton stated that he has recently moved and has not received all of his mail from his old address.

On motion by Dunavant, seconded by Junior-Spence, the board voted unanimously to hold over this case until the next scheduled meeting.

01-37 William Baird, for failure to file a 2000 post-general campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. This case was combined with **Case No. 01-40** shown below.

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 McCroskey to assess Mr. Baird a \$1,000 civil penalty. The motion died for a lack of a second. McCroskey then made a motion to assess Mr. Baird a \$10,000 civil penalty. That motion died for a lack of a second. A motion was made by Long, seconded by Junior-Spence, to assess Mr. Baird a \$500 civil penalty. The motion failed 2 to 3 with Dunavant, Harding and McCroskey voting “no” and Fincher

abstaining. A motion was made by Dunavant, seconded by Long, to assess Mr. Baird a \$1,000 civil penalty. The motion passed 4 to 1 with McCroskey voting “no” and Fincher abstaining.

01-38 Wade Boswell, for failure to file a 2000 post-general campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Boswell has an outstanding civil penalty of \$250.

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 McCroskey to assess Mr. Boswell a \$5,000 civil penalty. The motion died for a lack of a second. A motion was made by Dunavant, seconded by Fincher, to assess Mr. Boswell a \$1,500 civil penalty. The motion passed the board 5 to 1 with McCroskey voting “no.”

01-39 Roscoe Dixon, for failure to file 2000 supplemental annual campaign disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Dixon has been before the board on previous matters.

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 Long, seconded by Junior-Spence, the board voted unanimously to assess Mr. Dixon a \$1,000 civil penalty.

01-40 William Baird, for failure to file 2000 statement of interests report. Class two (2), maximum ten thousand (\$10,000) 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.

This case was combined with **Case No. 01-37** shown above. The assessment of civil penalties shown in **Case No. 01-37** covered both cases.

01-41 Brian Bush, for failure to file a 2000 pre-general campaign financial disclosure report with the Williamson County Election Commission. Class (2), maximum one thousand (\$1,000) civil penalty. This matter was forwarded to the Registry from the Williamson County Election Commission. Mr. Bush has one other matter before the board (see below).

Director Rawlins informed the board that Mr. Bush called and faxed the Registry a statement explaining that he had filed the disclosure report with the Williamson County Election Commission on June 11.

On motion by Junior-Spence, seconded by Fincher, the board voted unanimously to assess Mr. Bush a \$50 civil penalty.

01-42 Brian Bush, for failure to file a 2000 post-general campaign financial disclosure report with the Williamson County Election Commission. Class (2), maximum ten thousand (\$10,000) civil penalty. This matter was forwarded to the Registry from the Williamson County Election Commission. Mr. Bush has one other matter before the board (see above).

Director Rawlins informed the board that Mr. Bush called and faxed the Registry a statement explaining that he had filed the disclosure report with the Williamson County Election Commission on June 11.

On motion by Junior-Spence, seconded by Fincher, the board voted unanimously to assess Mr. Bush a \$50 civil penalty.

01-43 Ludy Wallace, for failure to file a 2000 supplemental annual campaign disclosure report with the Davidson County Election Commission. Class (2), maximum ten thousand (\$10,000) civil penalty. This matter was forwarded to the Registry from the Davidson County Election Commission. Mr. Wallace has had no previous matters before the board.

Mr. Wallace contacted the Registry and requested that the board hold over his case until the next regularly scheduled meeting to allow him time to file his disclosure report with the Davidson County Election Commission. The request by Mr. Wallace to hold over his case until the next meeting was denied by the Registry board.

A motion was made by McCroskey, seconded by Long, to assess Mr. Wallace a \$1,000 civil penalty. The motion passed the board 5 to 1 with Junior-Spence abstaining.

01-26 QCAS Good Government PAC, for failure to file a 2000 4th quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

Director Rawlins informed the board that there has been no further response from the organization but that the report had been filed with the Registry.

A motion was made by Dunavant to assess the organization \$332. The motion died for a lack of a second. A motion was made by McCroskey, seconded by Fincher, to assess the organization \$1,000. A motion to amend the original motion was then made by Long, seconded by Junior-Spence, to assess the organization \$250. McCroskey then withdrew his original motion. The motion to assess the organization \$250 passed the board unanimously.

Cases Considered for Issuance of Show Cause Notices

Rod DeBerry, for failure to file 2000 allocation report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. DeBerry has been before the board on a previous matter.

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

Mike Kernell, for failure to file 2000 allocation report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Kernell has been before the board on previous matters.

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

Harold Love, for failure to file 2000 allocation report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Love has had no previous matters before the board.

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

Danny Sexton, for failure to file 2000 allocation report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Sexton has been before the board on a previous matter.

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

Anderson County Democratic Executive Committee, for failure to timely file 2001 1st quarter campaign financial disclosure report. Class one (1), maximum one hundred seventy-five (\$175) civil penalty. The organization has been before the board on two previous matters.

On motion by McCroskey, seconded by Dunavant, the board voted 5 to 1 to issue a show cause notice with Fincher voting “no.”

Brotherhood of Locomotive Engineers PAC Fund, for failure to timely file 2001 1st quarter campaign disclosure report. Class one (1), maximum one hundred twenty-five (\$125) civil penalty. This organization has been before the board on a previous matter.

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

D.R.I.V.E., for failure to timely file 2001 1st quarter campaign financial disclosure report. Class one (1), maximum six hundred fifty (\$650) civil penalty. The organization has had no previous matters before the board.

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

Madison County Democratic Executive Committee, for failure to timely file 2001 1st 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.

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

National Republican Congressional Committee, for failure to timely file 2001 1st quarter campaign financial disclosure report. Class one (1), maximum four hundred (\$400) civil penalty. The organization has been before the board on three previous matters.

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

QCAS Good Government Fund, for failure to timely file 2001 1st quarter campaign financial disclosure report. Class one (1), maximum five hundred (\$500) civil penalty. The organization has been before the board on a previous matter.

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

Verizon Good Government PAC, for failure to timely file 2001 1st quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The organization provided a letter to the board stating that the disclosure report was not filed in a timely manner because of a recent company merger.

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

Reported Financial Expenses

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

Additionally, Director Rawlins reported to the board that there was one civil penalty paid during the month of May 2001.

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

Executive Director's Report

Director Rawlins updated the board on the Internet based electronic filing bill that is progressing through the legislature. The Senate has placed an amendment on a bill that increases fees charged on bail bonds. The first \$140,000 fees collected would be given to the Registry to develop an electronic filing system.

The House has version of the bill requests that the Registry borrow the money from OIR to develop the electronic filing system.

After a discussion on how the Registry could pay for the electronic filing system out of existing funds, a motion was made by Junior-Spence, seconded by Dunavant, to carry over any excess money from the 2000/2001 budget to next years budget for the purpose of developing an electronic filing system. As part of the same motion, the board voted to provide the Registry staff a 3.5% cost of living increase. The motion passed the board unanimously.

Other Business

Director Rawlins informed the board of the following matters:

- The organization Tennesseans for Hemp and Cannabis, which were due to appear before the board this month, contacted the Registry by fax. The attorney representing the organization was recently in a auto accident. Therefore, the organization would like to be present at the next regularly scheduled meeting.
- Doug Morris, assessed a \$5,388 civil penalty by the board at the May meeting for receipt of an excess contribution, submitted a statement to the board asking that the civil penalty be reduced by \$1,000.

The board voted to treat this statement as a motion to reconsider. On motion by Fincher, seconded by Junior-Spence, the board voted unanimously not to reconsider the \$5,388 assessment against Mr. Morris.

- Mr. John J. Hooker appeared before the board to discuss the lawsuit filed by himself that would require the Registry to enforce the statute that limits the contributions that a candidates makes to their own campaign.

An order from the Davidson County Circuit Court was provided to the board. The order stated that the statute limiting a candidate's contributions to their own campaign had not been violated and thus it could not be determined if the Registry was enforcing the statute or not. Mr. Hooker requested that the Registry board reject the opinion of the Attorney General and enforce the limits placed on candidate's contributions to their own campaign.

Harding requested that Mr. Hooker amend his lawsuit to include a candidate's ability to "loan" himself monies. Mr. Hooker agreed with Mr. Harding's comments on loans and stated that he was going to amend his lawsuit to include loans that a candidate makes to his own campaign.

- A discussion was held on whether the Registry should continue to not enforce the statute that places limits on a candidate's contributions to their own campaign. The Registry does not enforce the provision based on a Attorney General's opinion stating that it is unconstitutional to limit the amount of contributions a candidate can make to their own campaign.

A motion was made by McCroskey that until further action is taken, the Registry should state, if asked, that the provision is under review. The motion died for a lack of a second. A motion was made by Harding, seconded by Dunavant, that the board take no action in this matter until the legislature adjourns. The motion passed the board unanimously.

- The board requested that Janet Kleinfelter, from the Attorney Generals office, be present at the next regularly scheduled meeting to explain and discuss the opinion on the personal limits provision.

A motion was made by Harding, 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, August 8, 2001 at 10:30 am. At 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.