

REGISTRY OF ELECTION FINANCE

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

Attending the meeting were board members George Harding, William F. Long, Jr., Samella Junior-Spence and Henry Fincher.

On motion by Junior-Spence, seconded by Fincher, the minutes from the June 13, 2001 meeting were approved unanimously.

Request for Reconsideration

00-71 Tennesseans for Hemp and Cannabis, for failure to file a 2000 3rd quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had previous matters before the board.

The board voted at its January 10 meeting to assess Tennesseans for Hemp and Cannabis a \$10,000 civil penalty for failure to file the 3rd quarter campaign financial disclosure report and failure to respond to the show cause notice.

Director Rawlins informed the board that he had received a letter from Jason Scott, attorney for Tennesseans for Hemp and Cannabis, stating that he is no longer representing the organization and will not be appearing before the board on the matter.

The organization has failed to appear before the board on numerous occasions and the president of the organization has made no attempt to contact the Registry concerning these matters. Therefore, the Registry board decided not to reconsider the \$10,000 assessment against the organization.

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 additional outstanding civil penalty of \$250.

The board voted at its June 13 meeting to assess Mr. Boswell a \$1,500 civil penalty for failure to file his post-general campaign financial disclosure report and failure to respond to the show cause notice.

Director Rawlins informed the board that Mr. Boswell filed his campaign financial disclosure statement with the Registry along with a sworn statement asking the board to reconsider his case and waive the \$1,500 civil penalty.

In his sworn statement Mr. Boswell explains that he has now complied with the campaign finance law by filing his report and asks the board to waive the penalties assessed. He also states that he would compensate the Registry for postage and copying costs associated with this case.

On motion by Junior-Spence, seconded by Long, the board voted unanimously to reconsider the \$1,500 assessment against Mr. Boswell. A motion was made by Junior-

Spence, seconded by Long, to reduce the original civil penalty from \$1,500 to \$250. The motion failed the board 2 to 2 with Harding and Fincher voting “no.”

01-13 Thomas Carter, for failure to timely file a 2000 year-end lobbying activities report. Class one (1), maximum five hundred twenty-five (\$525) civil penalty. Mr. Carter has been before the board on a previous matter.

The board voted at its May 9 meeting to assess Mr. Carter a \$250 civil penalty for failure to file his year-end lobbying activities report and failure to respond to the show cause notice.

Director Rawlins informed the board that Mr. Carter had filed the year-end activities report and submitted a statement for the board’s consideration.

In this statement Mr. Carter explained that he has not been an active lobbyist in previous years or to date this year. He further explained that he registered as a lobbyist during these years as a precaution since he comes into contact with elected officials from time to time. Mr. Carter also stated that he has not acted as a lobbyist since filing his report and does not intend to do so in the future. Mr. Carter also noted that the Registry thus delaying his responses was using the wrong address. Mr. Carter requested that the board waive any penalties against him.

A motion was made by Fincher, seconded by Junior-Spence, to accept Mr. Carter’s letter as a sworn statement. The motion passed unanimously.

On motion by Fincher, seconded by Junior-Spence, the board voted unanimously not to reconsider the \$250 assessment against Mr. Carter. The board requested that Director Rawlins issue Mr. Carter a letter stating that the board found the grounds of his statement insufficient to merit a reconsideration of the civil penalties assessed against him.

Sworn Statements Submitted

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 been assessed civil penalties in two previous cases.

Mr. Cotton filed his year-end activities report and submitted a statement to the board. Mr. Cotton explained that his office building was being remodeled and his mail was not forwarded to him. Also, Mr. Cotton explained that he had to be out of town often because of his wife’s illness. He also stated that he would pay his previous outstanding penalty of \$50 for failure to timely file his 2000 mid-year activities report.

On motion by Long, seconded by Junior-Spence, the board voted unanimously to assess Mr. Cotton a \$100 civil penalty.

Cases Subject to Approval for Civil Penalty

01-44 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.

Director Rawlins informed the board that Mr. DeBerry filed a supplemental campaign disclosure report closing out his 2000 campaign account but has not filed the allocation report.

On motion by Fincher, seconded by Junior-Spence, the board voted unanimously to assess Mr. DeBerry a \$100 civil penalty.

01-45 Mike Kernell, for failure to file 2000 allocation report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Rep. Kernell has been before the board on previous matters.

Director Rawlins informed the board that he had spoken to Rep. Kernell and that he was under the belief that he did not have to file an allocation report because he had a loan outstanding greater than the amount of his balance on hand. In addition, Director Rawlins informed the board that Rep. Kernell had now filed his allocation report, although it was after it became a class two violation.

On motion by Junior-Spence, seconded by Long, the board voted unanimously to assess Rep. Kernell a \$100 civil penalty.

01-46 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.

Director Rawlins informed the board that Mr. Love filed his allocation report on August 6, after his failure to file had become a class two violation. There had been no other response to the show cause notice.

On motion by Long, seconded by Fincher, the board voted unanimously to assess Mr. Love a \$100 civil penalty.

01-47 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.

Director Rawlins informed the board that Mr. Sexton filed his allocation report on July 9, after his failure to file had become a class two violation. There was no other response to the show cause notice.

On motion by Long, seconded by Junior-Spence, the board voted unanimously to assess Mr. Sexton a \$100 civil penalty.

01-48 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.

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

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

01-49 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.

The Registry received a letter from the treasurer of the organization stating that he had not received any notices from the Registry about his need to file the quarterly report. He further explained that when he received the show cause notice he completed the report and mailed it immediately.

A motion was made by Fincher to take no further action in the matter. The motion died for a lack of a second. A motion was made by Long, seconded by Junior-Spence, to assess the organization a \$100 civil penalty. The motion passed the board unanimously.

01-50 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.

After the show cause notice was issued, Director Rawlins spoke with a representative of the organization via telephone and explained that the organization had a chance to respond to the show cause notice before a penalty would be assessed. The organization chose not to respond to the show cause notice.

On motion by Junior-Spence, seconded by Fincher, the board voted unanimously to assess the organization a \$400 civil penalty.

01-51 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.

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

On motion by Junior-Spence, seconded by Long, the board voted unanimously to assess the organization a \$100 civil penalty.

Cases Considered for Issuance of Show Cause Notices

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

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

Committee for Quality Healthcare, for failure to 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.

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

Cracker Barrel Old Country Store, Inc. PAC, for failure to file 2001 2nd 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.

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

Davidson County Democratic Executive Committee, for failure to timely file 2001 2nd 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 Fincher, seconded by Junior-Spence, the board voted unanimously to take no action in this matter.

Davidson County Democratic Women PAC, for failure to file 2001 1st quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has been before the board on several previous matters.

Director Rawlins informed the board that the president of the organization came to the Registry and filed all campaign disclosure reports to bring the organization up to date. She also asked if the board would reconsider all past penalties against the organization as she has now registered as the new treasurer for the PAC.

On motion by Junior-Spence, seconded by Fincher, the board voted unanimously to issue a show cause notice and to request the president of the organization be present at the next scheduled meeting for further discussion.

Friends of Tennessee Emergency Medical Services, for failure to file 2001 2nd 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.

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

H and M PAC, for failure to timely file 2001 2nd quarter campaign financial disclosure report. Class one (1), maximum four hundred twenty-five (\$425) civil penalty. The organization has had no previous matters before the board.

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

Hamilton County PAC for Education, for failure to timely file 2001 2nd quarter campaign financial disclosure report. Class one (1), maximum three hundred (\$300) civil penalty. The organization 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.

Hickman County Democratic Party, for failure to file 2001 2nd 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.

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

Lockheed Martin Employees PAC, for failure to 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.

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

Nashville Volunteer PAC, for failure to file 2001 1st quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has had a previous matter before the board.

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

National Bank of Commerce COPE, for failure to timely file 2001 2nd 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 Fincher, seconded by Long, the board voted unanimously to take no action in this matter.

Tennessee Campaign for the Family, for failure to timely file 2001 2nd quarter campaign financial disclosure report. Class one (1), maximum five hundred (\$500) civil penalty. The organization has had no previous matters before the board.

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

Tennessee Walking Horse Breeders and Exhibitors, for failure to timely file 2001 2nd quarter campaign financial disclosure report. Class one (1), maximum six hundred (\$600) civil penalty. The organization has had no previous matters before the board.

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

Tennessee Wine and Spirits Retailers Good Government PAC, for failure to 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.

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

The People's PAC, for failure to file 2001 1st quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has one other matter before the board (see below).

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

The People's PAC, for failure to file 2001 2nd quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has one other matter before the board (see above).

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

Wayne County Republican Party, for failure to file 2001 1st quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has one other matter before the board (see below).

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

Wayne County Republican Party, for failure to file 2001 2nd quarter campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. The organization has one other matter before the board (see above).

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

Williamson County Republican PAC – Operating Account, for failure to file 2001 2nd 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.

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

Edmund Ford, 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. Ford has one other matter before the board (see below).

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

Edmund Ford, for failure to file 2001 annual statement of interests 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. Ford has one other matter before the board (see above).

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

Janet Hooks, 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. Ms. Hooks has one other matter before the board (see below).

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

Janet Hooks, for failure to file 2001 annual statement of interests 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. Ms. Hooks has one other matter before the board (see above).

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

Michael Hooks, Sr., for failure to file 2001 annual statement of interests 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. Hooks has been before the board on previous matters and has two outstanding civil penalties.

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

E. C. Jones, 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. Jones has one other matter before the board (see below).

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

E. C. Jones, for failure to file 2001 annual statement of interests 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. Jones has one other matter before the board (see above).

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

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.

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

Lonnie Thompson, for failure to file 2001 annual statement of interests 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. Thompson has had no previous matters before the board.

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

Discussion of Candidates' Personal Contribution Limits

As part of the discussion on personal contribution limits by candidates to their own campaigns, Janet Kleinfelter, from the Attorney Generals office attended this part of the Registry meeting.

The board had a discussion concerning the Attorney General opinion that states that the statute that places limits on a candidate's contributions to their own campaign is unconstitutional. The conversation then focused on whether a distinction can be made between contributions and loans that a candidate makes to their own campaign. Ms. Kleinfelter explained that under the current statute, the definition of a "contribution" includes a loan.

A motion was made by Fincher, seconded by Long, to continue to adhere to prior Registry board policy, which is, not to enforce the personal candidate contributions and to request an opinion from the Attorney General on the distinction between a loan and a personal contribution. Fincher then withdrew his motion. A motion was then made by Fincher to request an opinion from the Attorney General stating whether or not there are any limitations on the Registry's ability to enforce T.C.A. §2-10-302(c)(1) against only loans made by candidates to their own campaign committee. A friendly amendment was made by Long, accepted by Fincher, to also include in the motion that the chairman of the Registry board send the request to the Attorney General. This motion passed the board unanimously.

Reported Financial Expenses

Director Rawlins presented the expenditure reports for the 2000/2001 fiscal year through June 30, 2001 and through July 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 Junior-Spence, seconded by Fincher, the board voted unanimously to accept the financial expenditure report as presented.

Executive Director's Report

Director Rawlins informed the board that Rep. Mike Williams, representative of the 63rd district, resigned his position as of August 28, 2001. A special election will be held to fill the vacant seat. The primary election will be held on October 23, 2001. The general election will be held on December 11, 2001.

Other Business

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

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