

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, June 12, 2002, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members Michael McCroskey, George Harding, Henry Fincher, and Karen Dunavant.

On motion by Harding, seconded by Dunavant, the minutes from the April 10, 2002 meeting were approved unanimously.

Request for Reconsideration

01-60, 01-82, 01-89 and 02-04 Lockheed Martin Employees PAC

01-60, for failure to file a 2001 1st quarter campaign financial disclosure report. A civil penalty of \$1,000 was assessed against the organization; at the Registry's October 2001 meeting, when they failed to respond to the Registry's show cause notice.

01-82, for failure to file a 2001 2nd quarter campaign financial disclosure report. A civil penalty of \$5,000 was assessed against the organization; at the Registry's December 2001 meeting, when they failed to respond to the Registry's show cause notice.

01-89, for failure to file a 2001 3rd quarter campaign financial disclosure report.

02-04, for failure to timely file 2001 4th quarter campaign financial disclosure report.

The board voted at the March 13, 2002 meeting to reconsider cases 01-60 and 01-82 on a 4 to 1 vote with Harding voting "no". After discussion the board voted, 3 to 1 with Harding voting "no", to table this matter until the next regularly scheduled meeting.

The board voted at the April 10, 2002 meeting to consolidate the four cases and to assess the organization a \$5,000 civil penalty. This motion passed the board 4 to 1, with Harding voting "no."

Kenneth D. Phelps, assistant treasurer for the organization, submitted a statement asking for reconsideration of the \$5,000 civil penalty. In this statement, Mr. Phelps explained that the organization registered with the state of Tennessee making only a few contributions over the years. It was decided that there would be no more contributions made to Tennessee state candidates and that the PAC would be terminated. Mr. Phelps further stated that after filing the 4th quarter 2000 report he contacted the Registry and spoke with Director Rawlins to inquire about how to terminate their organization in Tennessee. Mr. Phelps believed that at that point the organization had officially been terminated. Mr. Phelps stated that the failure to file was possibly a misunderstanding between the Registry and the organization. Mr. Phelps noted that the required reports have now been filed with the Registry and asks that the board to reconsider the assessments against the organization.

On motion by Fincher, seconded by Harding, the board voted unanimously not to reconsider case nos. 01-60, 01-82, 01-89 and 02-04.

Sworn Statements Submitted

02-13 John Henderson, for failure to file a 2002 statement of interests report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Henderson has had no previous matters before the board.

Mr. Henderson submitted a sworn statement for the board's consideration. In this statement Mr. Henderson explained that he did receive the first request for the statement of interests report but was not aware of the Registry's follow-up request for the report until it was found several weeks after it's receipt. Mr. Henderson further explained that during this time he had been hospitalized with health problems which required him to be absent from work for recuperation. Mr. Henderson stated that his failure to timely file the required report was not due to intentional disregard of his obligations to the Registry.

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

02-18 Ralph Mello, for failure to file a 2001 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Mello has had no previous matters before the board.

Mr. Mello submitted a sworn statement for the board's consideration. In this statement Mr. Mello explained that he had registered as a lobbyist for 2001 as a precaution although he did not believe that he was required by law, given the fact that he was not a paid lobbyist. Mr. Mello further explained that he did not pay any attention to the first notice to file but when he received the certified notice he immediately completed the report and filed it with the Registry.

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

02-19 Janice Nolen, for failure to file a 2001 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Ms. Nolen has had no previous matters before the board.

Ms. Nolen submitted a statement for the board's consideration. In this statement Ms. Nolen explained that she had faxed the report earlier in the year and assumed that the Registry had received it. Ms. Nolen further stated that she had no intention of ignoring the request for the report but that a job transfer had delayed her mail. Ms. Nolen noted that she was submitting another report along with her statement for the Registry's review.

On motion by Fincher, seconded by Dunavant, the board voted unanimously to assess Ms. Nolen a \$100 civil penalty. The board also asked Director Rawlins to send Ms. Nolen a letter stating that the penalty may be reduced if she can show proof of the original report that she faxed to the Registry earlier in the year.

Cases Subject to Approval for Civil Penalty

02-16 Ginger Hausser, for failure to file a 2001 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Ms. Hausser has been before the board on a previous matter.

The Registry has received no response from the show cause notice and the report still has not been filed.

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

02-17 Wallace Madewell, for failure to file a 2001 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Madewell has had no previous matters before the board.

Mr. Madewell filed the required activities report with the Registry on May 21 along with a statement explaining that he left the employment of a company in December, 2001 that was going through a major down-sizing. During this time the principle of the company became seriously ill and therefore there were complications in the transferring of mail.

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

02-20 Robert Richardson, for failure to file a 2001 year-end lobbying activities report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Mr. Richardson has had no previous matters before the board.

On April 16 the Registry staff mailed Mr. Richardson the activities report to complete. On May 3 the Registry received an e-mail from Mr. Richardson stating that he had not received the form. The Registry mailed the information to Mr. Richardson again on May 3. The Registry has not received anything further from Mr. Richardson and the report still has not been filed.

On motion by Fincher, seconded by Harding, the board voted unanimously to assess Mr. Richardson a \$750 civil penalty.

02-14 Chad Hower, for failure to file 2001 annual supplemental campaign financial disclosure report. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Hower has had no previous matters before the board.

Director Rawlins informed the board that Mr. Hower had contacted him by phone to discuss his failure to file. Mr. Hower stated that he now resides in Russia and that any mail that is forwarded to him takes a while to reach his residence.

On motion by Harding, seconded by Fincher, the board voted unanimously to assess Mr. Hower a \$248 civil penalty, the remaining balance in his campaign account.

02-15 Chris Newton, for failure to timely file 2001 annual supplemental campaign financial disclosure report. Class one (1), maximum four hundred (\$400) civil penalty. Rep. Newton has had no previous matters before the board.

Director Rawlins informed the board that he had spoken with Rep. Newton concerning his failure to timely file his campaign disclosure report. Rep. Newton explained that he had simply failed to timely file the report.

On motion by McCroskey, seconded by Dunavant, the board voted unanimously to assess Rep. Newton a \$25 civil penalty.

Cases Considered for Issuance of Show Cause Notices

Lorrie Brouse, for failure to timely file a 2001 year-end lobbying activities report. Class one (1), maximum seventy-five (\$75) civil penalty. Ms. Brouse has been before the board on one previous matter.

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

Robert Baldwin, for failure to timely file a 2001 year-end lobbying activities report. Class one (1), maximum one hundred twenty-five (\$125) civil penalty. Mr. Baldwin has had no previous matters before the board.

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

Kathryn Bowers, for failure to timely file a 2001 annual supplemental campaign financial disclosure report. Class one (1), maximum seven hundred fifty (\$750) civil penalty. Rep. Bowers has been before the board on previous matters.

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

East Shelby Republican Club, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum seventy-five (\$75) civil penalty. The organization has been before the board on one previous matter.

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

Greater Kingsport Republican Women, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum seventy-five (\$75) civil penalty. The organization has had no previous matters before the board.

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

Harris, Shelton, Dunlap, Cobb & Ryder PAC, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum two hundred twenty-five (\$225) civil penalty. The organization has had no previous matters before the board.

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

International Brotherhood of Painters & Allied Trades, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum seven hundred (\$700) civil penalty. The organization has had previous matters before the board.

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

Jefferson County Democratic Party, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum seventy-five (\$75) civil penalty. The organization has had previous matters before the board.

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

National Republican Congressional Committee, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum one hundred twenty-five (\$125) civil penalty. The organization has had previous matters before the board.

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

QCAS Good Government Fund, for failure to timely file a 2001 4th 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 to move this case to the next regularly scheduled meeting and requested that Director Rawlins contact the organization by letter explaining that the Registry board dissolved their PAC with the state.

Seventh Congressional District Democratic County Chairs, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum one hundred (\$100) civil penalty. The organization has had no previous matters before the board.

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

Tennessee Carpenters Regional Council PAC, for failure to file a 2002 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 Dunavant, seconded by Fincher, the board voted unanimously to issue a show cause notice.

The People's PAC, for failure to file a 2002 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 Dunavant, seconded by Fincher, the board voted unanimously to issue a show cause notice.

TNALFA, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum fifty (\$50) civil penalty. The 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.

Volunteer PAC, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), maximum fifty (\$50) civil penalty. The organization has had no previous matters before the board.

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

Wayne County Democratic Party, for failure to file a 2002 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 Dunavant, seconded by Fincher, the board voted unanimously to issue a show cause notice.

Mike Ainley, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum twenty-five (\$25) civil penalty. Mr. Ainley has had no previous matters before the board.

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

Joe Burchfield, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum twenty-five (\$25) civil penalty. Mr. Burchfield has had no previous matters before the board.

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

Mark Carlton, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum seventy-five (\$75) civil penalty. Mr. Carlton has had no previous matters before the board.

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

Alonzo Grant, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum three hundred fifty (\$350) civil penalty. Mr. Grant has had two previous matters before the board.

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

Wendell Hall, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum three hundred twenty-five (\$325) civil penalty. Mr. Hall has had no previous matters before the board.

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

Dan Johnson, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum three hundred fifty (\$350) civil penalty. Mr. Johnson has had no previous matters before the board.

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

Mary Taylor-Shelby, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum seventy-five (\$75) civil penalty. Ms. Shelby has had no previous matters before the board.

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

Ken Wilson, for failure to timely file a 2002 annual statement of interests report. Class one (1), maximum twenty-five (\$25) civil penalty. Mr. Wilson has had no previous matters before the board.

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

Reported Financial Expenses

Director Rawlins presented the expenditure reports for the 2001/2002 fiscal year through April 30, 2002.

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 Dunavant, the board voted unanimously to accept the financial expenditure report as presented.

Executive Director's Report

Director Rawlins reported that several Registry members had inquired about giving the staff salary increases. In addition, one board member had approached him about one-time bonuses.

The Registry members had discussion on whether it would be wiser to give one-time bonuses or raises. The consensus among the board members was that it would be better to give one-time bonuses, so that future budgets would not be effected by a raise given in the current year.

After discussion on the amount of the bonuses, on motion by Fincher, seconded by Harding, the board voted unanimously to give staff the following bonuses from the 2001/02 budget:

Drew Rawlins, Executive Director	\$3,500
Janet Williams, Administrative Assistant IV	\$2,000
Brian Green, Administrative Assistant IV	\$2,000
Erica Gholson, Administrative Assistant	\$2,000

Other Business

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, July 10, 2002 at 10:30 am. At 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.