

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, June 11, 2003, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members Henry Fincher, Darlene McNeece, Wilbert Minter, Lee Anne Murray and Karen Dunavant via telephone.

Fincher requested the April 9, 2003 minutes to reflect that he was not present during the Jefferson County Democratic Party vote. On motion by Minter, seconded by McNeece, the minutes from the April 9, 2003 meeting were approved unanimously with the amendment requested by Fincher.

Request for Reconsideration

02-50 Roscoe Dixon, for failure to file a 2002 pre-primary campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Sen. Dixon has been before the board on previous matters.

The board voted at its December 11, 2002 meeting to assess Sen. Dixon a \$10,000 civil penalty for his failure to file the required campaign financial disclosure report.

Senator Dixon requested a reconsideration of the assessment at the board's next regularly scheduled meeting.

The board voted at the March meeting to postpone this matter until the June meeting with the understanding that a new treasurer would be appointed and that they would complete training with the Registry staff regarding filing deadlines and how to effectively file disclosure reports.

Sen. Dixon and John Lyle, representative for Sen. Dixon, personally appeared before the board for reconsideration of the assessment. Sen. Dixon explained that he has appointed a new treasurer for his campaign. Sen. Dixon further explained that his new treasurer represents other campaigns, has attended the Registry's campaign seminars in the past and has knowledge of the filing requirements.

Mr. Lyle stated that Sen. Dixon has accomplished what the board requested of him by appointing a competent treasurer and requested that the board reduce the civil penalty amount to \$1,000.

A motion was made by Dunavant, seconded by McNeece, to assess Sen. Dixon a \$2,500 civil penalty. A friendly amendment was made by Murray, accepted by Dunavant and McNeece, to assess Sen. Dixon a \$2,000 civil penalty. The motion to assess Sen. Dixon a \$2,000 civil penalty passed the board unanimously.

03-03 Joe Towns, Jr. for failure to file a 2002 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board.

The board voted at the February 12, 2003 meeting to assess Rep. Towns a \$5,000 civil penalty after he failed to timely file the required report. Rep. Towns requested a reconsideration of the assessment.

Rep. Towns personally appeared before the board and explained that he did not receive any of the notices to file from the Registry. Rep. Towns further explained that he has an accountant who prepares and files the required reports for him. Rep. Towns stated that his accountant, who had his paperwork, had been very busy and that by the time the report was completed the filing deadline had already passed. Rep. Towns apologized to the board for his failure to timely file the required report and noted that for the past four years he has filed all documents with the Registry in a timely manner.

On motion by Murray, seconded by McNeece, the board voted unanimously to reconsider the \$5,000 assessment against Rep. Towns. A motion was made by McNeece, seconded by Dunavant, to assess Rep. Towns a \$3,000 civil penalty. A friendly amendment was made by Minter, accepted by McNeece and Dunavant, to postpone this matter until the September meeting with the understanding that a new treasurer be appointed and complete training with the Registry staff regarding filing deadlines and how to effectively file disclosure reports. The motion as amended passed the board unanimously.

03-09 Tennessee Campaign for the Family, for failure to timely file a 2002 4th quarter campaign financial disclosure report. Class one (1), 12 days late, maximum three hundred (\$300) civil penalty. The organization has had one previous matter before the board.

The board voted at its April 9, 2003 meeting to assess the organization a \$300 civil penalty for its failure to timely file the required report. The organization requested a reconsideration of the assessment.

Robert G. Shearer, treasurer for the organization, personally appeared before the board and explained that he never received the notices to file. Mr. Shearer further explained that the organization has been inactive and has a minimal balance on hand of \$35. Mr. Shearer noted that the organization has no plans to give contributions in the future and will be closing the PAC on the next disclosure report.

On motion by Fincher, seconded by Murray, the board voted unanimously to reconsider the assessment and assess the organization a \$35 civil penalty.

Show Cause Hearings

03-22 Edwin Sanders, for failure to timely file a 2002 post-general campaign financial disclosure report. Class one (1), 23 days late, maximum five hundred seventy-five (\$575) civil penalty. Mr. Sanders has had no previous matters before the board.

The board voted at the April 9, 2003 meeting to issue Mr. Sanders a show cause notice. Mr. Sanders requested to appear before the board at the next regularly scheduled meeting to ask for consideration.

Mr. Sanders personally appeared before the board and explained that all previous reports had been filed timely and were prepared by volunteers. Mr. Sanders further explained that after the election he had no volunteers and the notice to file had gotten lost underneath other paperwork as he was out trying to recover for lost revenue after the

election. Mr. Sanders noted that as soon as he found the notice he completed the report and immediately filed it with the Registry.

On motion by Minter, seconded by Murray, the board voted 4 to 0 to assess Mr. Sanders a \$50 civil penalty, with Dunavant “abstaining.”

Sworn Statements Submitted

03-14 Kenneth Meyer, for failure to timely file a 2002 annual supplemental campaign financial disclosure report. Class one (1), 13 days late, maximum three hundred twenty-five (\$325) civil penalty. Mr. Meyer has had no previous matters before the board.

The board voted at its April meeting to defer Mr. Meyer’s case until the next regularly scheduled meeting to allow him time to respond to the show cause notice as Mr. Meyer now resides in another state and did not receive the show cause notice in time to properly respond by the April meeting.

Mr. Meyer submitted a sworn statement for the board’s consideration. In this statement Mr. Meyer explained that he was appointed to the Administration of President George W. Bush which required him to relocate. Mr. Meyer further explained that in the process of moving, his files were temporarily stored and thus he was unable to file timely. Mr. Meyer stated that he plans to file an amended report in the near future to close out his campaign account and asked the board for leniency in this matter.

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

03-17 Conservative Forum of Tennessee, for possible violations of the Campaign Financial Disclosure Law. Class two (2), maximum ten thousand (\$10,000) civil penalty.

The board voted at its April meeting to issue a show cause notice to the organization to show cause why they should not be held in violation of the campaign finance law. In addition, the board requested the Registry’s Executive Director to make reasonable effort to determine the chief administrative officer of the group and for their name to appear in the show cause notice.

Director Rawlins informed the board that the organization has filed an appointment of political treasurer form with the Registry but that there has been no response from Mr. Randy Stamps.

Debra Maggart, representative for the organization, submitted a sworn statement for the board’s consideration. In this statement, Ms. Maggart explained that they were unaware that the information on the web site might require the organization to register as a PAC. Ms. Maggart further explained that a volunteer prepared the web site to provide the public documents that were on file in the Morgan County courthouse and that she has requested a bill to reimburse the person who paid for registering that web site.

After discussion, on motion by Murray, seconded by Minter, the board voted unanimously to assess Conservative Forum of Tennessee and Randy Stamps a \$5,000 civil penalty.

03-20 Matt Holladay, for failure to timely file a 2002 post-general campaign financial disclosure report. Class one (1), 25 days late, maximum six hundred twenty-five (\$625) civil penalty. Mr. Holladay has had no previous matters before the board.

The board voted at its April meeting to issue Mr. Holladay a show cause notice for his failure to timely file the required report.

Mr. Holladay submitted a sworn statement for the board's consideration. In this statement, Mr. Holladay explained that he was a first time candidate and that balancing work and his campaign was a challenge for him. Mr. Holladay further explained that there were no improper motives in the delay of filing the required report and apologized for his tardiness.

On motion by Minter, seconded by McNeece, the board voted unanimously to assess Mr. Holladay a \$50 civil penalty.

03-24 Kwame Lillard, for failure to file a 2002 post-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Lillard has had no previous matters before the board.

The board voted at its April meeting to issue Mr. Lillard a show cause notice for his failure to file the required report.

Mr. Lillard filed the required report and submitted a sworn statement for the board's consideration. In this statement, Mr. Lillard explained that his report was delinquent due to the resignation of his campaign treasurer and the inability to replace that treasurer with another qualified person. Mr. Lillard further explained that after the election his campaign did not raise any money nor have any expenditures.

On motion by Minter, seconded by McNeece, the board voted unanimously to assess Mr. Lillard a \$100 civil penalty.

03-26 Donna Rowland, for failure to file a 2002 post-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Rowland has had no previous matters before the board.

The board voted at its April meeting to issue Rep. Rowland a show cause notice for her failure to file the required report.

Director Rawlins informed the board that the Registry staff received Rep. Rowland's original report in messenger mail. Apparently, Rep. Rowland's report had been received in another department and was forwarded to the Registry after it was discovered.

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

03-29 Charles Bone, for failure to file a 2002 annual supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Bone has had no previous matters before the board.

The board voted at its April meeting to issue Mr. Bone a show cause notice for his failure to file the required report.

Mr. Bone filed the required report along with a sworn statement. In this statement, Mr. Bone explained that all notices were sent to his previous address. Mr. Bone further

explained that these notices to file were not forwarded to him and therefore was unaware of his failure to file.

On motion by Murray, seconded by McNeece, the board voted unanimously to issue Mr. Bone a \$100 civil penalty.

03-30 Smith County Democratic Women's Club, for failure to file a 2002 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its April meeting to issue a show cause notice to the organization for their failure to file the required report.

Molly Goolsby, treasurer for the organization, submitted a statement for the board's consideration. In her statement, Ms. Goolsby stated that she accidentally filed the incorrect quarterly report. Ms. Goolsby further stated that the correct reports have been filed and apologized for the confusion.

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

Cases Subject to Approval for Civil Penalty

03-10 Tennessee Democratic Party – Federal, for failure to file a 2002 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its April meeting to defer any action in this matter and to have Director Rawlins request an informal opinion from the Attorney General's office as to the Tennessee Democratic Party-Federal PAC's obligation to file reports with the Registry.

Director Rawlins informed the board that the informal opinion from the Attorney General's office stated that the Registry may not require federal campaign committees to file with the Registry if they are not involved in state campaign activity because regulations in the Federal Election Campaign Act are intended to preempt any state law with respect to the disclosure of receipts and expenditures by federal candidates and political committees.

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

03-18 Michael Hooks, Jr., for failure to timely file a 2002 year-end lobbying activities report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Mr. Hooks has had a previous matter before the board.

The board voted at its April meeting to issue Mr. Hooks a show cause notice for his failure to timely file the required report.

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

03-19 Tommie Brown, for failure to timely file a 2002 post-general campaign financial disclosure report. Class one (1), 19 days late, maximum four hundred seventy-five (\$475) civil penalty. Rep. Brown has had a previous matter before the board.

The board voted at its April meeting to issue Rep. Brown a show cause notice for her failure to timely file the required report.

Director Rawlins informed the board that there has been no response to the show cause notice. On motion by Murray, seconded by McNeece, the board voted unanimously to assess Rep. Brown a \$400 civil penalty.

03-21 Keith Peterson, for failure to timely file a 2002 post-general campaign financial disclosure report. Class one (1), 29 days late, maximum seven hundred twenty-five (\$725) civil penalty. Mr. Peterson has had no previous matters before the board.

The board voted at its April meeting to issue Mr. Peterson a show cause notice for his failure to timely file the required report.

Director Rawlins informed the board that there has been no response to the show cause notice. On motion by Murray, seconded by Minter, the board voted unanimously to assess Mr. Peterson a \$400 civil penalty.

03-23 Steven Buttry, for failure to file a 2002 statement of interest report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Buttry has had no previous matters before the board.

The board voted at its April meeting to issue Rep. Buttry a show cause notice for his failure to file the required report.

Director Rawlins informed the board that there has been no response to the show cause notice. On motion by Fincher, seconded by Minter, the board voted unanimously to assess Rep. Buttry a \$5,000 civil penalty.

03-25 Calvin Moore, for failure to file a 2002 post-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Moore has had no previous matters before the board.

The board voted at its April meeting to issue Mr. Moore a show cause notice for his failure to file the required report.

Director Rawlins informed the board that Mr. Moore has filed the required report but that there has been no response to the show cause notice.

On motion by McNeece, seconded by Murray, the board voted unanimously to assess Mr. Moore a \$400 civil penalty.

03-27 Dewayne Bunch, for failure to timely file a 2002 statement of interest report. Class one (1), 21 days late, maximum five hundred twenty-five (\$525) civil penalty. Rep. Bunch has had no previous matters before the board.

The board voted at its April meeting to issue Rep. Bunch a show cause notice for his failure to timely file the required report.

The board deferred any action in this matter until the July 9 board meeting.

03-28 John DeBerry, for failure to timely file a 2002 statement of interest report. Class one (1), 28 days late, maximum seven hundred (\$700) civil penalty. Rep. DeBerry has had previous matters before the board.

The board voted at its April meeting to issue Rep. DeBerry a show cause notice for his failure to timely file the required report.

The board deferred any action in this matter until the July 9 board meeting.

Cases Considered for Issuance of Show Cause Notices

Debbie Mason, for failure to timely file a 2002 year-end lobbying activities report. Class one (1), three days late, maximum seventy-five (\$75) civil penalty. Ms. Mason has had no previous matters before the board.

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

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

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

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

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

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

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

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

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

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

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

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

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

Steven Buttry, for failure to timely file a 2002 allocation of unexpended funds report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Rep. Buttry has had a previous matter before the board.

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

Joe Towns, for failure to timely file a 2002 statement of interests report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Rep. Towns has had previous matters before the board.

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

RAAMPAC, for possible violations of the Campaign Financial Disclosure Law. 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 John Rutherford, Executive Director for Tennessee Citizen Action, submitted a sworn complaint to the Registry. In this sworn complaint Mr. Rutherford questions whether RAAMPAC can legally make \$15,000 in contributions to Mark Goins' for Senate campaign. Mr. Rutherford expresses concern that the organization was used as a conduit to make an illegal contribution to the Mark Goins' campaign from a \$25,000 contribution John Gregory made to RAAMPAC.

After discussion, on motion by Minter, seconded by Murray, the board voted unanimously to issue show cause notices to both RAAMPAC and John Gregory.

Tennessee Firearms Association Legislative Action Committee, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), eleven days late, maximum two hundred seventy-five (\$275) civil penalty. The organization has had no previous matters before the board.

Dana Slate, representative for the organization, submitted a statement for the board's consideration. Ms. Slate explained that the required report was mailed on April 4, 2003 and is unsure why the report was never received by the Registry. Ms. Slate further explained that she has filed a replacement report with the Registry.

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

CASS PAC, for failure to timely file a 2002 1st quarter campaign financial disclosure report. Class one (1), seven days late, maximum one hundred seventy-five (\$175) civil penalty. The organization has had no previous matters before the board.

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

DCRP Candidate Fund, for failure to file a 2002 1st quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

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

Jefferson County Democratic Party, for failure to file a 2002 1st quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had previous matters before the board.

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

Save Our Schools PAC, for failure to timely file a 2002 1st quarter campaign financial disclosure statement. Class one (1), nine days late, maximum two hundred twenty-five (\$225) civil penalty. The organization has had a previous matter before the board.

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

Tennessee Democratic Executive Committee, for failure to timely file a 2002 1st quarter campaign financial disclosure statement. Class one (1), eight days late, maximum two hundred (\$200) civil penalty. The organization has had no previous matters before the board.

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

Kathryn Bowers, for failure to file a 2002 post-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Bowers has had previous matters before the board.

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

Thelma Harper, for failure to file a 2002 allocation of unexpended funds report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Sen. Harper has had a previous matter before the board.

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

Joe McCord, for failure to timely file a 2002 allocation of unexpended funds report. Class one (1), ten days late, maximum two hundred fifty (\$250) civil penalty. Rep. McCord has had previous matters before the board.

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

Nathan Vaughn, for timely failure to file a 2002 statement of interests report. Class one (1), 26 days late, maximum six hundred fifty (\$650) civil penalty. Rep. Vaughn has had no previous matters before the board.

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

Reported Financial Expenses

Director Rawlins presented the expenditure reports for the 2002/2003 fiscal year through April 30, 2003.

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

Executive Director's Report

Director Rawlins informed the board that the Internet based electronic filing bill passed the legislature and that the Registry will be working with OIR to start development of the system.

Other Business

Director Rawlins informed the board that the annual COGEL conference is scheduled for September 21 through September 24 in Austin, Texas.

After discussion, on motion by Fincher, seconded by McNeece, the board voted unanimously to give staff the following performance bonuses from the 2002/03 budget:

Drew Rawlins, Executive Director	\$3,500
Janet Williams, Administrative Services Assistant IV	\$2,000
Brian Green, Administrative Services Assistant IV	\$2,000
Rachel Blackmore, Administrative Assistant	\$2,000

A motion was made by Fincher, seconded by McNeece, 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 9, 2003 at 10:30 am. At 1614 Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.