

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, January 14, 2004, at Suite 614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members William Long, Henry Fincher, Darlene McNeece, Lee Anne Murray, Karen Dunavant and Marian Ott.

On motion by Fincher, seconded by McNeece, the minutes from the December 10, 2003 meeting were approved unanimously.

## *Cases Subject to Approval for Civil Penalty*

**03-44 Fraternal Order of Police TN State Lodge**, for failure to timely file a 2003 3<sup>rd</sup> 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.

The board voted at its December 10, 2003 meeting to issue the organization a show cause notice.

Larry McCoy, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement Mr. McCoy stated that he did not receive the forms booklet to prepare the report until after the due date. Mr. McCoy further stated that all future reports would be filed timely.

On motion by Dunavant, seconded by Murray, the board voted unanimously to assess the organization a \$200 civil penalty.

**03-45 Greene County Democratic Party**, for failure to timely file a 2003 3<sup>rd</sup> quarter campaign financial disclosure statement. Class one (1), ten days late, maximum two hundred fifty (\$250) civil penalty. The organization has had no previous matters before the board.

The board voted at its December 10, 2003 meeting to issue the organization a show cause notice.

Jackson West, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement Mr. West explained that his daughter had mistakenly taken the folder with the 3<sup>rd</sup> quarter report to school with her and was unable to find it until recently. Mr. West further explained that the required report has now been filed with the Registry.

A motion was made by Fincher to take no further action in this matter. The motion to take no further action died for a lack of a second. A motion was made by McNeece to assess the organization a \$250 civil penalty. The motion to assess the organization a \$250 civil penalty died for a lack of a second. A motion was then made by Murray, seconded by Fincher, to assess the organization a \$50 civil penalty. The motion to assess the organization a \$50 civil penalty passed the board unanimously.

**03-46 Johnson City Professional Firefighters PAC**, for failure to file a 2003 3<sup>rd</sup> quarter campaign financial disclosure statement. 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 December 10, 2003 meeting to issue the organization a show cause notice.

Michael Schepers, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement Mr. Schepers explained that because of a miscommunication between the outgoing treasurer and the newly appointed treasurer the report was not timely filed.

A motion was made by Fincher, seconded by Ott, to assess the organization a \$200 civil penalty. A friendly amendment was made by Dunavant, accepted by Fincher, to assess the organization a \$250 civil penalty. The motion to assess the organization a \$250 civil penalty passed the board unanimously.

**03-47 Tennessee Walking Horse Breeders & Exhibitors Association PAC**, for failure to timely file a 2003 3<sup>rd</sup> quarter campaign financial disclosure statement. Class one (1), 30 days late, maximum seven hundred fifty (\$750) civil penalty. The organization has had previous matters before the board.

The board voted at its December 10, 2003 meeting to issue the organization a show cause notice.

A sworn statement was filed by the organization explaining that because of internal miscommunication the required report was not timely filed. The statement further explained that the organization has had no activity for the past several years and that that the organization plans to close its PAC account with the state.

A motion was made by McNeece, seconded by Ott, to assess the organization a \$750 civil penalty. A friendly amendment was made by Murray, accepted by McNeece, to assess the organization a \$500 civil penalty. The motion to assess the organization a \$500 civil penalty passed the board unanimously.

**03-48 Kevin Cole**, for failure to file a 2003 annual supplemental campaign financial disclosure statement. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Cole has had no previous matters with the board.

The board voted at its December 10, 2003 meeting to issue Mr. Cole a show cause notice.

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 Fincher, seconded by McNeece, the board voted unanimously to assess Mr. Cole a \$10,000 civil penalty.

**03-49 Alonzo Grant**, for failure to file a 2003 annual supplemental campaign financial disclosure statement. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Grant has had previous matters with the board.

The board voted at its December 10, 2003 meeting to issue Mr. Grant a show cause notice.

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 Fincher, seconded by Ott, the board voted unanimously to assess Mr. Grant a \$10,000 civil penalty.

**03-50 Mike Whitaker**, for failure to timely file a 2003 Annual Supplemental campaign financial disclosure statement. Class one (1), 18 days late, maximum four hundred fifty (\$450) civil penalty. Mr. Whitaker has had one previous matter before the board.

The board voted at its December 10, 2003 meeting to issue Mr. Whitaker a show cause notice.

Director Rawlins informed the board that Mr. Whitaker contacted the Registry by phone and explained that the report was mailed but was returned to him for insufficient postage. Mr. Whitaker told the Registry staff that he would be sending a statement to the Registry to explain his late filing. Director Rawlins informed the board that no statement has been received from Mr. Whitaker.

A motion was made by Fincher, seconded by Ott, to postpone any action in this matter until the next regularly scheduled meeting to allow Mr. Whitaker an opportunity to submit a statement for the board's consideration. The motion to postpone failed the board 3 to 3 with Dunavant, Long and Ott voting "no." A motion was then made by Ott, seconded by Murray, to assess Mr. Whitaker a \$100 civil penalty. The motion to assess Mr. Whitaker a \$100 civil penalty passed the board unanimously.

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

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

### ***Discussion of Proposed Rules***

The board reviewed current campaign finance rules and discussed additional rules. Items discussed include the board's ability to terminate a PAC, definition of a conduit, when a PAC is considered a PAC, the Registry's investigative authority, creating an on-line complaint form and creating electronic filing rules.

After discussion, on motion by Fincher, seconded by Ott, the board voted unanimously to approve the proposed rules.

The board also requested that Director Rawlins provide the revised proposed rules to each board member when completed.

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

Director Rawlins informed the board that the only bills that he was aware of that would affect the Registry, this legislative session, would be minor bills affecting electronic filing.

***Other Business***

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