

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, October 12, 2005, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

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

On motion by Long, seconded by Murray, the minutes from the August 10, 2005 meeting were approved unanimously.

A motion was made by Dunavant, seconded by McNeece, that the board not reconsider any of the penalties assessed nor reconsider any penalties that have been sent to the Attorney General's office. After discussion, Dunavant withdrew the motion.

## ***Requests for Reconsideration***

***05-18 William Baird***, for failure to file a 2004 post-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Baird has had previous matters before the board.

The board voted at its June 8, 2005 meeting to issue Rep. Baird a \$10,000 civil penalty for his failure to file the required report.

Rep. Baird requested a reconsideration of the assessment. The board voted at its July 13, 2005 meeting not to reconsider the \$10,000 civil penalty assessment against Rep. Baird.

Rep. Baird requested a second reconsideration of the assessment. Rep. Baird, along with his attorney, appeared before the board.

A motion was made by Harding, seconded by Dunavant, not to reconsider the \$10,000 civil penalty assessment against Rep. Baird. The motion not to reconsider the \$10,000 civil penalty assessment passed the board 4 to 2, with Long and Murray voting "no."

***05-27 Sonata Stanton***, for failure to file a 2004 year-end lobbying activities report. Class one (1), over 30 days late, maximum seven hundred fifty (\$750) civil penalty. Ms. Stanton has had no previous matters before the board.

The board voted at its July 13, 2005 meeting to assess Ms. Stanton a \$500 civil penalty. Ms. Stanton requested a reconsideration of the assessment.

Ms. Stanton appeared before the board and explained that she changed employment and that because her former employer did not forward the notices sent by the Registry to submit the required report to her, she was unaware of her failure to file. Ms. Stanton further explained that she filed the required report as soon as she realized that it had not been filed.

On motion by Ott, seconded by Long, the board voted unanimously to reconsider the \$500 civil penalty assessment against Ms. Stanton. A motion was made by Long,

seconded by Ott, to assess Ms. Stanton a \$100 civil penalty. The motion to assess Ms. Stanton a \$100 civil penalty passed the board 5 to 1, with Harding voting “no.”

**02-44 Greater Kingsport Republican Women**, for failure to file a 2002 2<sup>nd</sup> 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 Registry voted at its October 9, 2002 meeting to issue the organization a \$10,000 civil penalty for their failure to file the required report. The organization submitted a sworn statement and requested a reconsideration of the assessment. The board voted at its July 13, 2005 meeting not to reconsider the \$10,000 civil penalty assessment against the organization.

Brenda Kilgore requested to personally appear before the Registry for a second reconsideration. Brenda Kilgore, treasurer of the organization, personally appeared before the board and explained that because of an internal problem all information was sent to the previous treasurer and therefore she was unaware that there was an outstanding civil penalty against the organization. Ms. Kilgore further explained that when she became aware of her failure to file the required report, she filed the report and assumed that filing made her compliant and that the fine was therefore waived. Ms. Kilgore stated that the organization is to blame for filing late but asked that the board consider a lesser penalty.

A motion was made by Dunavant, seconded by Ott, not to reconsider the \$10,000 civil penalty assessment against the organization. Ott then withdrew the second to the motion. A motion was made by Long, seconded by Ott, to reconsider the \$10,000 civil penalty assessment against the organization. The motion to reconsider passed the board unanimously. On motion by Harding, seconded by Long, the board voted unanimously to assess the organization a \$500 civil penalty.

**05-32 WHAM PAC**, for failure to file a 2005 1<sup>st</sup> 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 July 13, 2005 meeting to assess the organization a \$500 civil penalty. Elizabeth Howard, treasurer for the organization, requested a reconsideration of the assessment.

Director Rawlins informed the board that Ms. Howard contacted the Registry and explained that she would be unable to leave work to appear before the board for the reconsideration and asked the board to defer any action in her case until the next meeting to allow her another chance to personally appear.

On motion by Harding, seconded by Murray, the board voted unanimously to defer any action in this case until the next regularly scheduled meeting to allow Ms. Howard an opportunity to appear before the board.

**02-53 Hanalei “Lay” Harris**, for failure to file a 2002 post-primary campaign financial disclosure report. Class two (2), no report filed, maximum (\$10,000) civil penalty. Ms. Harris has had no previous matters before the board.

The board voted at its December 11, 2002 meeting to assess Ms. Harris a \$10,000 civil penalty. Ms. Harris requested a reconsideration of the assessment.

Ms. Harris submitted a sworn statement for the board's consideration. In this statement, Ms. Harris explained that this was her first run for office and that she never received any notices or paperwork from the Registry because the address on file with the Registry was no longer current. Ms. Harris further explained that the mail was not forwarded to her from her previous address.

On motion by Murray, seconded by Long, the board voted unanimously to reconsider the \$10,000 civil penalty assessment. A motion was made by Long to assess Ms. Harris a \$250 civil penalty. A friendly amendment was made by Murray, accepted by Long to assess Ms. Harris a \$100 civil penalty. The motion to assess Ms. Harris a \$100 civil penalty passed the board unanimously.

**05-29 Johnson County Republican Party**, for failure to file a 2005 1<sup>st</sup> 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 July 13, 2005 meeting to assess the organization a \$10,000 civil penalty. The organization requested a reconsideration of the assessment.

Mort Johns, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement, Mr. Johns explained that all correspondence from the Registry had been addressed to a temporary headquarters which had been closed. Mr. Johns further explained that the mail was never forwarded to their current address but that he filed the required report as soon as he was aware of his failure to file.

On motion by Harding, seconded by Long, the board voted unanimously to reconsider the \$10,000 civil penalty assessment. A motion was made by Harding, seconded by Murray, to assess the organization a \$500 civil penalty. The motion to assess the organization a \$500 civil penalty passed the board unanimously.

**05-30 Take Back Tennessee**, for failure to file a 2005 1<sup>st</sup> 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.

The board voted at its July 13, 2005 meeting to issue the organization a \$10,000 civil penalty. The organization requested a reconsideration of the assessment.

Mark Green, treasurer for the organization, submitted a statement for the board's consideration. In this statement, Mr. Green apologized for the delay and lack of response to the notices from the Registry. Mr. Green explained that through neglect of his duties the report was not filed but that it was not an effort by his organization to hide any of its activity. Mr. Green further explained that he is removing himself as treasurer of the organization and asked that the board reduce the civil penalty.

A motion was made by Long, seconded by Ott, to reconsider the \$10,000 civil penalty assessment against the organization. The motion to reconsider the \$10,000 civil penalty assessment passed the board 5 to 1, with Dunavant voting "no." A motion was made by Long, seconded by Ott, to assess the organization a \$1,000 civil penalty. The motion to assess the organization a \$1,000 civil penalty passed the board 4 to 2, with Dunavant and Harding voting "no."

**04-49 Susan Slyfield**, for failure to file a 2004 post-primary campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Slyfield has had no previous matters before the board.

The board voted at its December 15, 2004 meeting to assess Ms. Slyfield a \$500 civil penalty. Ms. Slyfield requested a reconsideration of the assessment.

Ms. Slyfield submitted a sworn statement and explained that all notices from the Registry were sent to an old address and that due to numerous medical circumstances she was unaware and unable to file the required report. Ms. Slyfield asked that the board reconsider the civil penalty assessment due to her numerous disabilities.

On motion by Ott, seconded by McNeece, the board voted unanimously to reconsider the \$500 civil penalty. On motion by Ott, seconded by Long, the board voted unanimously to assess Ms. Slyfield a \$100 civil penalty. (Murray not present at this time)

### ***Cases Considered for Issuance of Show Cause Notices***

**Nelson Biddle**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Biddle has had no previous matters before the board.

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

**D. L. Gregory**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Gregory has had no previous matters before the board.

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

**Ernest Paquette**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), three days late, maximum seventy-five (\$75) civil penalty. Mr. Paquette has had no previous matters before the board.

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

**Lisa Parks**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), one day late, maximum twenty-five (\$25) civil penalty. Ms. Parks has had no previous matters before the board.

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

**Van Pinnock**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Pinnock has had no previous matters before the board.

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

**William Robbins**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Robbins has had no previous matters before the board.

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

**Helen Wingard**, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Ms. Wingard has had no previous matters before the board.

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

**Anne Canfield**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Ms. Canfield has had no previous matters before the board.

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

**Emanuel Edwards**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Mr. Edwards has had a previous matter before the board.

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

**Sadie Gregory**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Ms. Gregory has had no previous matters before the board.

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

**Edgar Jewell**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Mr. Jewell has had no previous matters before the board.

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

**Megan Macaraeg**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Ms. Macaraeg has had a previous matter before the board.

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

**Bob Stubblefield**, for failure to file a 2005 mid-year lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty (\$750) civil penalty. Mr. Stubblefield has had no previous matters before the board.

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

***Anderson County Democratic Women's Club***, for failure to file a 2005 2<sup>nd</sup> 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 Long, seconded by Harding, the board voted unanimously to issue a show cause notice.

***Church Street Fifth Group for Better Government***, for failure to file a 2005 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), 14 days late, maximum three hundred (\$350) civil penalty. The organization has had no previous matters before the board.

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

***Murfreesboro Firefighters Assn. Local 3035 PAC***, for failure to file a 2005 2<sup>nd</sup> 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 Long, seconded by Harding, the board voted unanimously to issue a show cause notice.

***Perry County Republican Party***, for failure to file a 2005 2<sup>nd</sup> 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 Long, seconded by Harding, the board voted unanimously to issue a show cause notice.

***Spread Leadership by Example from Sumner County***, for failure to file a 2005 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), 23 days late, maximum five hundred seventy-five (\$575) civil penalty. The organization has had no previous matters before the board.

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

***Take Back Tennessee***, for failure to timely file a 2005 2<sup>nd</sup> quarter campaign financial disclosure report. Class one (1), 22 days late, maximum five hundred fifty (\$550) civil penalty. The organization has had previous matters before the board. (see above)

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

***Ophelia Ford***, for failure to timely file a 2005 statement of interests report. Class one (1), seven days late, maximum one hundred seventy-five (\$175) civil penalty. Sen. Ford has had no previous matters before the board.

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

### ***Sworn Complaint against Lobbyists and Legislators over Meal***

The Registry received a sworn complaint, from Barry Schmittou, against two lobbyists and all legislators who were at a dinner at Mario's restaurant (some legislators are mentioned by name others are not). Mr. Schmittou alleges that all legislators attending the dinner meeting received items of value from a lobbyist. Mr. Schmittou further alleges that the complaint shows evidence of acceptance of gifts and the agreement to exchange lobbyist support for legislative support.

The board voted at its August 10, 2005 meeting to request information about the dinner and to table the matter until the next regularly scheduled meeting.

Director Rawlins informed the board that information was provided by Betty Anderson concerning the dinner in question. Director Rawlins further informed the board that the information included a copy of the invitation inviting the delayed bills committee, a copy of the receipt from the dinner and a list of the attendees.

On motion by Long, seconded by Harding, the board voted unanimously to dismiss the complaint based on the fact that it was an allowable meal under the statutes pertaining to prohibited activities by legislators and lobbyists and that was no proof that the meal was in exchange for legislative support.

### ***Sworn Complaints against Rep. Joe Armstrong, Rep. Ulysses Jones, Sen. Jeff Miller and Rep. Larry Miller***

The Registry received sworn complaints, from Barry Schmittou, against Rep. Joe Armstrong, Rep. Ulysses Jones, Sen. Jeff Miller and Rep. Larry Miller for accepting campaign contributions from E-Cycle representatives and Co-Sponsoring a Bill for E-Cycle. Mr. Schmittou's complaints allege that the legislators accepted campaign contributions from the representatives of E-Cycle and that this influenced their legislative votes and actions.

Director Rawlins informed the board that campaign contributions were reported by the four legislators from individuals reported to be involved in E-Cycle. Director Rawlins further informed the board that no one was registered to lobby for E-Cycle during 2004.

On motion by Long, seconded by Ott, voted unanimously to dismiss the complaints based on a lack of facts or evidence.

### ***Sworn Complaint against Former Shelby County Mayor Jim Rout***

The Registry received a sworn complaint from Jerry W. Cobb, a resident of Shelby County, regarding alleged expenditures by former Shelby County Mayor Jim

Rout's campaign committee. The complaint alleges that Mr. Rout used his campaign funds for personal use by paying for 40<sup>th</sup> wedding anniversary party and by reimbursing Shelby County Government for personal charges by his family on county credit cards.

Director Rawlins informed the board that the alleged violations require the local district attorney general to investigate complaints against local candidates. Director Rawlins further informed the board that the complaint had been investigated by the Shelby County District Attorney General and the information from the investigation had been forwarded to the Registry. Director Rawlins explained to the board that the Registry would have authority to issue show cause notices and assess civil penalties for any violation of the campaign financial statutes. Director Rawlins provided the board with most of the information provided to the Registry from their investigation. This included:

1. The sworn complaint
2. Memo from investigator, summarizing the investigation, to Gen. Gibbons
3. Transcripts of statements taken
4. Copies of campaign financial disclosure statements for 2000 through 2002.

A motion was made by Harding to consult the Attorney General's office regarding this matter. The motion died for a lack of a second. A motion was made by Long to defer any action in this matter and request that the Registry staff review and analyze the complaint and present its findings to the board at the next regularly scheduled meeting. The motion died for a lack of a second. A motion was made by Murray, seconded by Ott, to issue show cause notice for personal use of campaign funds. The motion to issue a show cause notice passed the board 5 to 0, with Dunavant "abstaining."

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

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

Director Rawlins presented the expenditure reports for the 2004/2005 fiscal year through August 31, 2005.

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

Director Rawlins provided the board with information on the annual COGEL conference scheduled for December 4 through 8 in Boston, Massachusetts. Director Rawlins recommended that the board send no more than 5, including staff and board, to the conference.

Director Rawlins provided the board with the Governor's Citizens Advisory Group Recommendations.

### ***Other Business***

Long, seconded by McNeece made a motion, to adjourn the meeting until the next regularly scheduled meeting. The motion passed unanimously.