

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, November 9, 2005, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Attending the meeting were board members Darlene McNeece, Lee Anne Murray, George Harding, John McClarty and Marian Ott.

On motion by Harding, seconded by Murray, the minutes from the October 12, 2005 meeting were approved unanimously.

Requests for Reconsideration

05-32 WHAM PAC, for failure to file a 2005 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.

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.

The board voted at its October 12, 2005 meeting to defer any action in this case until the next regularly scheduled meeting to allow Ms. Howard an opportunity to appear before the board.

Director Rawlins informed the board that Ms. Howard, who had requested to personally appear before the board, was not present at the meeting.

On motion by Murray, seconded by Ott, the board voted unanimously not to reconsider the civil penalty assessment and to consider the \$500 assessment against the organization final.

05-35 Mary Taylor-Shelby, for failure to file a 2005 statement of interests report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Shelby has had no previous matters before the board.

The board voted at its August 10, 2005 meeting to issue Ms. Taylor-Shelby a \$1,000 civil penalty. Ms. Taylor-Shelby requested a reconsideration of the assessment.

Ms. Taylor-Shelby provided a sworn statement for the board's consideration. In this statement, Ms. Taylor-Shelby explained that she was unaware that she had not filed the required report. Ms. Taylor-Shelby further explained that her failure to file the required report was due to major life style changes and family illness.

On motion by Harding, seconded by McClarty, the board voted unanimously not to reconsider the \$1,000 civil penalty assessment against Ms. Taylor-Shelby.

Show Cause Hearing

05-56 Jim Rout, for possible personal use of campaign funds. Class two (2), maximum ten thousand (\$10,000) civil penalty.

A sworn complaint against Mr. Rout was filed with the Registry. The complaint alleged that Mr. Rout used his campaign funds for personal use by paying for his 40th wedding anniversary party and by reimbursing Shelby County Government for personal charges by his family on county credit cards.

The board voted at its October 12, 2005 meeting to issue Mr. Rout a show cause notice for personal use of campaign funds.

Jim Rout and John Ryder, attorney for Mr. Rout, appeared before the board. Mr. Ryder provided the board with sworn statements and informational material. Mr. Ryder explained to the board that Mr. Rout's 40th wedding anniversary coincided with his annual appreciation event and that the invitation list was based on his long-time supporters and staff. Mr. Ryder explained that as Shelby County Mayor, Mr. Rout attended and participated in various conferences and events and while Shelby County Government paid for most expenses incurred in attending such functions, unexpended campaign funds were used to defray per diem expenses including his wife's travel expenses. Mr. Ryder further explained that all of the expenses were incidental to Mr. Rout's having held public office and that the use of unexpended campaign funds to defray these expenses was a direct result of Mr. Rout being County Mayor. Mr. Ryder stated that all expenditures were reported on the campaign finance disclosure forms and have been a matter of record for almost three years. Mr. Ryder further stated that Mr. Rout's campaign financial disclosure statements have been filed for well over 180 days and therefore are deemed sufficient by law absent a showing of fraud.

A motion was made by Harding to dismiss the complaint because the reports in question have been on file for more than 180 days and have been deemed sufficient with no showing of fraud. Harding then withdrew his motion. Harding then made a motion, seconded by Murray, to request an Attorney General's opinion on whether T.C.A. §2-10-206(a)(4) applies to campaign financial disclosures filed at the local counties as well as with the Registry and to delay any action in this matter until the next regularly scheduled meeting or until the opinion is completed. The motion passed unanimously.

Sworn Statements Submitted

05-53 Spread Leadership by Example from Sumner County, for failure to file a 2005 2nd 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.

The board voted at its October 12, 2005 meeting to issue the organization a show cause notice.

Trudy Conover, treasurer for the organization, provided a sworn statement for the board's consideration. In this statement, Ms. Conover explained that she made numerous attempts to file the required report online using the electronic filing system but was not successful. Ms. Conover further explained that after continued problems with her ability to file online she ended up filing the report by mail which caused it to be late.

On motion by McClarty, seconded by Ott, the board voted unanimously to assess the organization a \$50 civil penalty.

05-54 Take Back Tennessee, for failure to timely file a 2005 2nd 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.

The board voted at its October 12, 2005 meeting to issue the organization a show cause notice.

Mark Green, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement, Mr. Green explained that he received the notices to file from the Registry but failed to respond to them. Mr. Green further explained that his failure to submit the required report was carelessness and procrastination on his part. Mr. Green noted that he will no longer be serving as treasurer or be on the board of directors for the PAC.

On motion by Ott, seconded by McNeece, the board voted unanimously to assess the organization a \$500 civil penalty.

Cases Subject to Approval for Civil Penalty

05-43 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.

The board voted at its October 12, 2005 meeting to issue Ms. Canfield a show cause notice.

Ms. Canfield submitted a sworn statement for the board's consideration of her case. In her statement, Ms. Canfield stated that the mid-year lobbying activities report was sent to the Registry by mail on July 6, 2005.

On motion by Murray, seconded by Ott, the board voted unanimously to assess Ms. Canfield a \$100 civil penalty.

05-44 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.

The board voted at its October 12, 2005 meeting to issue Mr. Edwards a show cause notice.

Mr. Edwards personally appeared before the board. Mr. Edwards explained that he changed employment and did not receive the notices sent by the Registry to submit the required report.

A motion was made by Murray, seconded by Harding, to assess Mr. Edwards a \$100 civil penalty and request that he file the required report before leaving the Registry. The motion passed 4 to 0, with Ott "abstaining."

05-45 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.

The board voted at its October 12, 2005 meeting to issue Ms. Gregory a show cause notice.

Director Rawlins informed the board that Ms. Gregory's lobbying activities report had been misfiled and had actually been timely filed. Director Rawlins requested that this case be dismissed.

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

05-46 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.

The board voted at its October 12, 2005 meeting to issue Mr. Jewell a show cause notice.

Registry staff informed the board the report has been filed but that there has been no response to the show cause notice

On motion by Murray, seconded by Ott, the board voted unanimously to assess Mr. Jewell a \$500 civil penalty.

05-47 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.

The board voted at its October 12, 2005 meeting to issue Ms. Macaraeg a show cause notice.

Registry staff 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 Ott, seconded by Murray, the board voted unanimously to assess Ms. Macaraeg a \$750 civil penalty.

05-48 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.

The board voted at its October 12, 2005 meeting to issue Mr. Stubblefield a show cause notice.

Registry staff 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 Harding, seconded by Murray, the board voted unanimously to assess Mr. Stubblefield a \$750 civil penalty.

05-49 Anderson County Democratic Women's Club, for failure to file a 2005 2nd 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 October 12, 2005 meeting to issue the organization a show cause notice.

Kristin Olsen, treasurer of Anderson County Democratic Women's Club filed a sworn statement for the Registry's consideration. The statement stated that Ms. Olsen was new the treasurer's position and was not aware of all the responsibilities.

On motion by Harding, seconded by Ott, the board voted unanimously to assess the organization a \$500 civil penalty.

05-50 Church Street Fifth Group for Better Government, for failure to file a 2005 2nd 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.

The board voted at its October 12, 2005 meeting to issue the organization a show cause notice.

Maria Marsala, assistant to the treasurer, submitted a sworn statement for the board's consideration. Ms. Marsala explained that she was newly hired at her firm and was unaware that she was responsible for the correspondence and filings of the organization. Ms. Marsala further explained that as soon as she became aware of the report, she immediately completed and mailed it to the Registry. Ms. Marsala noted that it was her inexperience and lack of knowledge that caused the delay in filing the report.

On motion by McNeece, seconded by McClarty, the board voted 4 to 1 to assess the organization a \$150 civil penalty, with Murray voting "no."

05-51 Murfreesboro Firefighters Assn. Local 3035 PAC, for failure to file a 2005 2nd 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 October 12, 2005 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that the treasurer of the organization contacted the Registry by phone and proceeded to file a report with the Registry. However, after receiving the report, Registry staff realized that the treasurer had actually filed the 3rd quarter report instead of the 2nd quarter report.

Director Rawlins stated that the organization did attempt to rectify the situation and requested that the board defer any action in this case until the Registry could contact the organization and have them file the correct report.

On motion by Ott, seconded by McClarty, the board voted unanimously to defer any action in this case until the next regularly scheduled meeting to allow the organization an opportunity to file the correct report.

05-52 Perry County Republican Party, for failure to file a 2005 2nd 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 October 12, 2005 meeting to issue the organization a show cause notice.

Darrell Adkins, treasurer for the organization, submitted a sworn statement for the board's consideration. In this statement Mr. Adkins explained that a mix-up in addresses may have caused a delay in the delivery of the notices from the Registry. Mr. Adkins further explained that the former treasurer had informed him that when he filed the reports with the Perry County Election Commission; they would mail the original reports

to the Registry. Mr. Adkins stated that he assumed that the reports had been forwarded to the Registry by the Election Commission and that he filed the required report with the Registry as soon as he discovered his failure to file.

A motion was made by Ott, seconded by Harding, to assess the organization a \$500 civil penalty. A friendly amendment was made by Murray, accepted by Ott and Harding, 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 1, with McClarty voting “no.”

05-55 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.

The board voted at its October 12, 2005 meeting to issue Sen. Ford a show cause notice.

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

On motion by McClarty, seconded by Murray, the board voted unanimously to assess Sen. Ford a \$175 civil penalty.

Cases Considered for Issuance of Show Cause Notices

John Brown, for failure to file a 2005 statement of interest report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Brown has had a previous matter before the board. (see below)

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

Jennings Bernard, for failure to file a 2005 post-primary/pre-general report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Bernard has had no previous matters before the board.

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

John Brown, for failure to file a 2005 pre-primary report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Brown has had previous matters before the board. (see above)

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

Charles McDonald, for failure to timely file a 2005 annual supplemental report. Class one (1), four days late, maximum one hundred (\$100) civil penalty. Mr. McDonald has had no previous matters before the board.

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

Suzanne Fisher, 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. Fisher had had no previous matters before the board.

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

Jerry Hall 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. Hall has had no previous matters before the board.

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

Molly Leach Pratt, for failure to timely file a 2005 mid-year lobbying activities report. Class one (1), 41 days late, maximum seven hundred fifty (\$750) civil penalty. Ms. Pratt has had no previous matters before the board.

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

John Lyell, for failure to file a lobbyist registration for 2004. Class one (1), registration filed, maximum seven hundred fifty (\$750) civil penalty. Mr. Lyell has had no previous matters before the board.

Mr. Lyell personally appeared before the board and explained that he is a registered lobbyist for many clients and is very aware of the lobbying law and that his failure to file the registration in 2004 for the City of Midtown was simply an oversight. Mr. Lyell further explained that he did have the registration but that he is unsure what happened to the registration between his office and the Registry. Mr. Lyell stated to the board that he takes full responsibility for his failure to file and that new measures have been taken at his office to ensure that this error doesn't happen again.

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

Andrew "Rome" Withers, for failure to timely file a 2005 post-primary report. Class one (1), 14 days late, maximum three hundred fifty (\$350) civil penalty. Mr. Withers has had no previous matters before the board.

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

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 September 30, 2005.

Executive Director's Report

Director Rawlins informed the board that Rep. Baird has asked for an appeal concerning case no. 05-18 under the Tennessee Uniform Administrative Procedures Act. Director Rawlins further informed the board that the Registry will be represented by the Attorney General's office in this matter.

Director Rawlins provided the board with a summary of the Ethics Bill Legislation.

Other Business

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