

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, March 14, 2007, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Presiding over the meeting was Chairperson John McClarty. Attending the meeting were board members George Harding, William Long, Darlene McNeece and Lee Anne Murray.

On motion by Harding, seconded by Murray, the board voted unanimously to approve the minutes from the February 14, 2007 regular board meeting. The motion passed the board unanimously.

## ***Reconsideration***

***06-67 Gary Rowe***, for failure to report campaign contributions. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Rowe has had a previous matter before the board.

The board voted at its November 2, 2006 meeting to assess Rep. Rowe a \$5,000 civil penalty. Rep. Rowe requested a reconsideration of the assessment.

The board voted at its January 10, 2007 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Rep. Rowe an opportunity to personally appear before the board.

The board voted at its February 14, 2007 meeting not to reconsider the \$5,000 civil penalty assessment. (Rep. Rowe did not personally appear before the board nor did he submit a statement on his behalf for the February 14, 2007 meeting.) Rep. Rowe requested a reconsideration of the assessment.

Rep. Rowe appeared before the board and explained that the contributions were mistakenly omitted from his disclosure report because his assistant did not give all of the information to his accountant. Rep. Rowe further explained that his report has been amended to show the contributions.

On motion by McNeece, seconded by Murray, the board voted unanimously to reconsider the \$5,000 civil penalty assessment against Rep. Rowe. A motion was made by McNeece, seconded by Harding, to assess Rep. Rowe a \$250 civil penalty. The motion to assess Rep. Rowe a \$250 civil penalty passed the board unanimously. After discussion, a motion was made by Long, seconded by Harding, to reconsider the \$250 civil penalty assessment against Rep. Rowe. The motion to reconsider passed the board 3 to 2, with McNeece and Murray voting “no.” A motion was then made by Long, seconded by Harding, to assess Rep. Rowe a \$100 civil penalty. The motion to assess Rep. Rowe a \$100 civil penalty passed the board 4 to 1, with Murray voting “no.”

***06-73 Richard Clark, Jr.***, for failure to file 2006 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Clark has had no previous matters before the board.

The board voted at its January 10, 2007 meeting to assess Mr. Clark a \$10,000 civil penalty. Mr. Clark requested a reconsideration of the assessment.

Mr. Clark submitted a sworn statement for the board's consideration. In this statement, Mr. Clark explained that he had been out of town for work and military related details for approximately four months. Mr. Clark further explained that his mother had signed for the notices from the Registry and forgot to pass them on to him. Mr. Clark noted that once he found out that he had failed to file, he immediately submitted the required report.

A motion was made by Long, seconded by McNeece, to reconsider the \$10,000 assessment against Mr. Clark. The motion to reconsider passed the board 4 to 1, with Harding voting "no." A motion was made by McNeece, seconded by Long, to take no action. A friendly amendment was made by Murray, accepted by McNeece and Long, to defer any further action in this matter until the next regularly scheduled meeting to allow Director Rawlins to get further information from Mr. Clark as to the nature of his military duties. The motion to defer any further action in this matter until the next regularly scheduled meeting passed the board unanimously.

**06-85 James Nixon**, for failure to file a 2006 year-end lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty dollar (\$750) civil penalty. Mr. Nixon has had no previous matters before the board.

The board voted at its January 10, 2007 meeting to assess Mr. Nixon a \$750 civil penalty. Mr. Nixon requested a reconsideration of the assessment.

Mr. Nixon submitted a statement for the board's consideration. In this statement, Mr. Nixon apologized for his failure to file and stated that he has now filed the required report.

Brian McGuire submitted a statement on behalf of Mr. Nixon. In this statement, Mr. McGuire explained that the notices to Mr. Nixon were sent to his office address and that a temporary employee did not handle the mail appropriately. Mr. McGuire further explained that his office takes full responsibility for Mr. Nixon's failure to file.

A motion was made by Long, seconded by McNeece, to reconsider the \$750 assessment against Mr. Nixon. The motion to reconsider passed the board 4 to 1, with Harding voting "no." A motion was made by McNeece, seconded by Long, to take no action in this matter. The motion to take no action passed the board 4 to 1, with Harding voting "no."

### ***Show Cause Hearings***

**07-18 Tim Burchett**, for failure to report campaign contributions. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Burchett has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Sen. Burchett a show cause notice. Sen. Burchett requested to appear before the board.

Sen. Burchett personally appeared before the board and explained that the missing contributions were on two consecutive pages containing the copies of checks that were inadvertently missing from the information that he provided to the person who helps him complete his disclosure reports.

A motion was made by Long, seconded by Murray, to take no further action in this matter. The motion to take no further action passed the board 4 to 1, with Harding voting “no.”

**07-21 Guy Derryberry**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Mr. Derryberry has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Mr. Derryberry a show cause notice. Mr. Derryberry requested to appear before the board.

Mr. Derryberry appeared before the board and explained that he had to file his report with the Registry before he received his bank statement. Mr. Derryberry further stated that when he received his bank statement he immediately amended his report to include the missing contribution. Mr. Derryberry noted that he found the error and amended his report before he was informed by the Registry.

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

**07-34 Mike Turner**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Turner has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Rep. Turner a show cause notice. Rep. Turner requested to appear before the board.

Rep. Turner personally appeared before the board and explained that his failure to report a campaign contribution was an oversight. Rep. Turner further explained that he did notice an error in his report and had been in contact with the Registry because of the imbalance of his report and bank records.

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

### ***Sworn Statements Submitted***

**07-04 Kevin Fisher**, for failure to timely file 2006 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), 11 days late, maximum two hundred seventy-five dollar (\$275) civil penalty. Mr. Fisher has had no previous matters before the board.

The board voted at its January 10, 2007 meeting to issue Mr. Fisher a show cause notice.

The board voted at its February 14, 2007 meeting to delay any action in this matter to allow the show cause notice to be received.

Mr. Fisher submitted a statement for the board’s consideration. In this statement, Mr. Fisher explained that this was his first attempt at running for office and that he misunderstood the filing requirements. Mr. Fisher apologized and noted that his failure to timely file was an honest mistake.

On motion by Harding, seconded by Long, the board voted 4 to 1 to take no further action in this matter, with Murray voting “no.”

**07-06 David Gentry**, for failure to file 2006 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Gentry has had no previous matters before the board.

The board voted at its January 10, 2007 meeting to issue Mr. Gentry a show cause notice.

The board voted at its February 14, 2007 meeting to delay any action in this matter to allow the show cause notice to be received.

Mr. Gentry submitted a sworn statement for the board's consideration. In this statement, Mr. Gentry stated that he did not file the report because he had no contributions and that the majority of the campaign was paid for out of his own pocket. Mr. Gentry further stated that he was new to politics and failed to see the necessity in filing.

A motion was made by Harding to take no further action. The motion to take no further action died for a lack of a second. A motion was made by Long, seconded by McNeece, to assess Mr. Gentry a \$200 civil penalty. The motion to assess Mr. Gentry a \$200 civil penalty failed the board 3 to 2, with Harding and McClarty voting "no." A motion was then made by Long, seconded by Murray, to assess Mr. Gentry a \$100 civil penalty. The motion to assess Mr. Gentry a \$100 civil penalty passed the board 4 to 1, with Harding voting "no."

**07-17 Dewayne Bunch**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Bunch has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Sen. Bunch a show cause notice.

Sen. Bunch submitted a sworn statement for the board's consideration. In this statement, Sen. Bunch explained that his failure to report a campaign contribution was a simple error and an unintentional oversight. Sen. Bunch further explained that after verifying the contribution his report was immediately amended.

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

**07-20 Vince Dean**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Dean has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Rep. Dean a show cause notice.

Rep. Dean submitted a sworn statement for the board's consideration. In this statement, Rep. Dean explained that the contribution was listed on his ledger but was not added to his financial disclosure for the period, by mistake. Rep. Dean further explained that he thought an amendment had been filed and that when he realized that the amendment had not been made he filed the amendment to correct the problem. Rep. Dean stated that he has taken steps to reduce the possibility of a mistake in the future.

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

**07-22 Ophelia Ford**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Ford has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Sen. Ford a show cause notice.

Sen. Ford submitted a sworn statement for the board's consideration. In this statement, Sen. Ford explained that her campaign financial disclosure reports had been out of balance for some time and that she hired an accounting firm to bring her records up-to-date by requesting documentation from the bank. Sen. Ford further explained that she was unable to reconcile her records until after the filing deadline for the pre-general report and that as soon as the error was discovered, the report was amended. Sen. Ford stated that because of the efforts she has made to correct reporting issues, her future reports will be filed more accurately.

Stanley Sawyer, treasurer for Sen. Ford, submitted a statement and explained that he is newly appointed and is aware of some errors in Sen. Ford's previous reports. Mr. Sawyer explained that he is in the process of reviewing and amending the necessary reports.

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

**07-23 Marshall Bruce Gibbs**, for failure to report campaign contributions. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Mr. Gibbs has had a previous matter before the board. (See below)

The board voted at its February 14, 2007 meeting to issue Mr. Gibbs a show cause notice.

Mr. Gibbs submitted a sworn statement for the board's consideration. In this statement, Mr. Gibbs explained that when he prepared his report he carelessly overlooked and unintentionally failed to report the contributions. Mr. Gibbs further explained that he has now amended the necessary reports to include the contributions.

On motion by Harding, seconded by Long, the board voted 4 to 0 to take no further action in this matter, with Murray "recusing."

**07-24 Thelma Harper**, for failure to report campaign contributions. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Harper has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Sen. Harper a show cause notice.

Waverly Crenshaw, Jr., Sen. Harper's treasurer, submitted a sworn statement for the board's consideration. In this statement, Mr. Crenshaw explained that an entire deposit had inadvertently failed to be included on Sen. Harper's disclosure report. Mr. Crenshaw further explained that when he learned of the mistake, he immediately filed an amendment adding the missing contributions.

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

**07-26 Bill Ketron**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Ketron has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Sen. Ketron a show cause notice.

Sen. Ketron submitted a sworn statement for the board's consideration. In this statement, Sen. Ketron explained that the failure to report a campaign contribution was due to a clerical error. Sen. Ketron further explained that the contribution in question did not get reflected in his records and therefore did not get reported on his disclosure report.

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

**07-27 Ron Lollar**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Lollar has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Rep. Lollar a show cause notice.

Rep. Lollar submitted a sworn statement for the board's consideration. In this statement, Rep. Lollar explained that because the bank deposit was not given to his treasurer, the contribution was mistakenly accounted for under miscellaneous contributions for the 3<sup>rd</sup> quarter report when the report was initially filed. Rep. Lollar further explained that amendments will be made to correct the error.

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

**07-28 Bill Lusk**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Mr. Lusk has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Mr. Lusk a show cause notice.

Mr. Lusk appeared before the board and submitted a sworn statement for the board's consideration. Mr. Lusk explained that he discovered the oversight when preparing a subsequent disclosure report and that he immediately filed an amended report upon discovering the omission.

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

**07-29 Phillip Pinion**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Pinion has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Rep. Pinion a show cause notice.

Rep. Pinion submitted a sworn statement for the board's consideration. In this statement, Rep. Pinion explained that his failure to report a contribution was strictly an oversight and that he has amended the report listing the omitted contribution.

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

**07-35 Ben West**, for failure to report a campaign contribution. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. West has had no previous matters before the board.

The board voted at its February 14, 2007 meeting to issue Rep. West a show cause notice.

Rep. West submitted a sworn statement for the board's consideration. In this statement, Rep. West explained that his failure to report a contribution was an error and an oversight and that he has amended the report disclosing the omitted contribution.

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

### ***Cases Subject to Approval for Civil Penalty***

**07-07 Champ Langford**, for failure to file 2006 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), 38 days late, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Langford has had previous matters before the board.

The board voted at its January 10, 2007 meeting to issue Mr. Langford a show cause notice.

The board voted at its February 14, 2007 meeting to delay any action to allow the show cause notice to be received by Mr. Langford.

Mr. Langford personally appeared before the board and explained that his failure to file was because the notices to file from the Registry had been sent to the wrong address.

On motion by Long, seconded by Murray, the board voted 4 to 1 to take no further action in this matter, with Harding voting "no."

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

**Howard Acuff**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), seven days late, maximum one hundred seventy-five dollar (\$175) civil penalty. Mr. Acuff has had no previous matters before the board.

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

**George Banks**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), eight days late, maximum two hundred dollar (\$200) civil penalty. Mr. Banks has had previous matters before the board.

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

**Tim Barnes**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Barnes has had no previous matters before the board.

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

**Dave Clark**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), one day late, maximum twenty-five dollar (\$25) civil penalty. Mr. Clark has had no previous matters before the board.

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

**Larry Drolsum**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Drolsum has had previous matters before the board.

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

**Jeff Ford**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), eight days late, maximum two hundred dollar (\$200) civil penalty. Mr. Ford has had no previous matters before the board.

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

**Marshall Bruce Gibbs**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty dollar (\$150) civil penalty. Mr. Gibbs has had a previous matter before the board. (See above)

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

**Aubrey Givens**, for failure to timely file a 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), three days late, maximum seventy-five dollar (\$75) civil penalty. Mr. Givens has had no previous matters before the board.

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

**Quintessa Hathaway**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Ms. Hathaway has had a previous matter before the board.

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

**Leslie Richard Hunt**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Hunt has had no previous matters before the board.

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

**Robert Lee**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Lee has had no previous matters before the board.

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

**Scott McCluen**, for failure to file 2006 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. McCluen has had previous matters before the board.

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

**Roger Schecter**, for failure to file a 2006 year-end lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty dollar (\$750) civil penalty. Mr. Schecter has had a previous matter before the board.

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

**Rochelle Marte**, for failure to file a 2006 year-end lobbying activities report. Class one (1), no report filed, maximum seven hundred fifty dollar (\$750) civil penalty. Mr. Marte has had no previous matters before the board.

On motion by Long, seconded by McNeece, the board voted unanimously 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 2006/2007 fiscal year through January 31, 2007.

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

- Director Rawlins provided the board with a summary of the 2007 legislation that has been filed that relates to the Registry.
- The board approved the Registry's 2006 Annual Report. A listing of PAC contributions and a summary of 2006 candidate information is included as part of the report.
- At the December 13, 2006 meeting, Director Rawlins provided the board with a request from Marjorie Ramsey the newly elected Chair of the New Democratic Party of Cocke County. Ms. Ramsey explained that their County Democratic Party was fined in the past by the Registry for three different violations with civil

penalty assessments totaling \$11,250. Ms. Ramsey requested an opportunity to appeal the civil penalty assessments against the organization.

The board voted unanimously at the December meeting to refer this matter to the Attorney General to discuss the matter of the civil penalties.

Director Rawlins informed the board that the Attorney General's office explained that if the Cocke County Democratic Party reorganized, they would be a new PAC and would be different from the Cocke County Democratic Party that had been assessed civil penalties. Director Rawlins further explained that the Attorney General's office stated that the State Democratic Party has inquired as to whether the Registry would accept to a settlement of \$1,000 for the three violations.

On motion by Harding, seconded by Murray, the board voted unanimously to accept the State Democratic Party's \$1,000 settlement fee for the three violations.

- Director Rawlins informed the board that their addresses had been requested by Clark King. Director Rawlins further informed the board that Mr. King wants to send each board member a letter concerning opinions independent expenditures and on a local matter from the 2001 elections that should go to the local District Attorney.

### ***Other Business***

Director Rawlins informed the board that a new chairperson would need to be elected because John McClarty's term had expired and that he had not been reappointed to serve on the board.

A motion was made by Murray, seconded by McNeece, to name William Long as chairperson for the remainder of 2007 by acclamation.

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