

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, June 11, 2008, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

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

On motion by Hinton, seconded by McNeece, the board voted unanimously to approve the minutes from the May 14, 2008 regular board meeting. The motion passed the board unanimously.

Reconsideration

07-84 G. A. Hardaway, for failing to report 13 PAC contributions on his campaign financial disclosure reports. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Rep. Hardaway has had previous matters before the board.

The board voted at its December 12, 2007 meeting to issue Rep. Hardaway a show cause notice. Rep. Hardaway requested to appear before the board.

The board voted at its February 13, 2008 meeting defer any action in this matter until the next meeting to allow Rep. Hardaway an opportunity to personally appear before the board.

The board voted at its March 12, 2008 meeting defer any action in this matter until the next meeting to allow Rep. Hardaway an opportunity to personally appear before the board.

Rep. Hardaway contacted the Registry on the day of the April 9, 2008 meeting and requested that the board defer any action in this matter until the next meeting to allow him an opportunity to personally appear before the board.

The board voted at its April 9, 2008 meeting not to defer action in this matter and assessed Rep. Hardaway a \$1,000 civil penalty. Rep. Hardaway requested a reconsideration of the civil penalty assessment.

Rep. Hardaway personally appeared before the board and explained that his report has been amended to show the contributions.

On motion by Murray, seconded by Hinton, the board voted unanimously to reconsider the \$1,000 civil penalty assessment. On motion by Murray, seconded by McNeece, the board voted unanimously to assess Rep. Hardaway a \$50 civil penalty.

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 previous matters before the board. (see below)

The board voted at its November 9, 2005 meeting to assess the organization a \$1,000 civil penalty. The organization requested a reconsideration of the assessment.

The board voted at its December 14, 2005 meeting to reconsider the \$1,000 civil penalty assessment and assess the organization a \$500 civil penalty. The organization requested a reconsideration of the civil penalty assessment.

Anthony James, the new treasurer for the organization, personally appeared before the board and explained the organization's failure to file the required reports. Mr. James provided the board with a sworn statement by the previous treasurer explaining why the reports were not filed. Mr. James also provided the Registry with the past due reports.

On motion by Harding, seconded by McNeece, the board voted unanimously to reconsider Cases 05-52, 06-58, 07-12 and 07-74. A motion was made by Harding to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$100 civil penalty. The motion died for a lack of a second. A motion was then made by Hinton, seconded by Murray, to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52). The motion to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52) passed the board unanimously.

06-58 Perry County Republican Party, for failure to timely file 2006 pre-primary campaign financial disclosure report. Class one (1), 25 days late, maximum six hundred twenty-five dollar (\$625) civil penalty. The organization has had previous matters before the board. (see above and below)

The board voted at its October 11, 2006 to issue the organization a show cause notice.

The board voted at its November 8, 2006 meeting to delay any action in this matter until the next regularly scheduled meeting because the organization had not received the show cause notice.

The board voted at its December 13, 2006 meeting to assess the organization a \$200 civil penalty. The organization requested a reconsideration of the assessment. Anthony James, the new treasurer for the organization, personally appeared before the board and explained the organization's failure to file the required reports. Mr. James provided the board with a sworn statement by the previous treasurer explaining why the reports were not filed. Mr. James also provided the Registry with the past due reports.

On motion by Harding, seconded by McNeece, the board voted unanimously to reconsider Cases 05-52, 06-58, 07-12 and 07-74. A motion was made by Harding to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$100 civil penalty. The motion died for a lack of a second. A motion was then made by Hinton, seconded by Murray, to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52). The motion to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52) passed the board unanimously.

07-12 Perry County Republican Party, for failure to file 2006 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. The organization has had previous matters before the board. (see above and below)

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

Consideration of this matter was delayed until the May 9, 2007 meeting in order for the organization to receive the show cause notice.

The board voted at its May 9, 2007 meeting to assess the organization a \$10,000 civil penalty. The organization requested a reconsideration of the assessment.

Anthony James, the new treasurer for the organization, personally appeared before the board and explained the organization's failure to file the required reports. Mr. James provided the board with a sworn statement by the previous treasurer explaining why the reports were not filed. Mr. James also provided the Registry with the past due reports.

On motion by Harding, seconded by McNeece, the board voted unanimously to reconsider Cases 05-52, 06-58, 07-12 and 07-74. A motion was made by Harding to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$100 civil penalty. The motion died for a lack of a second. A motion was then made by Hinton, seconded by Murray, to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52). The motion to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52) passed the board unanimously.

07-74 Perry County Republican Party, for failure to file a 2007 mid-year supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. The organization has had previous matters before the board. (see above)

The board voted at its October 10, 2007 meeting to issue the organization a show cause notice.

Consideration of this matter was delayed until the December 12, 2007 meeting in order for the organization to receive the show cause notice.

The board voted at its December 12, 2007 meeting to assess the organization a \$10,000 civil penalty. The organization requested a reconsideration of the assessment.

Anthony James, the new treasurer for the organization, personally appeared before the board and explained the organization's failure to file the required reports. Mr. James provided the board with a sworn statement by the previous treasurer explaining why the reports were not filed. Mr. James also provided the Registry with the past due reports.

On motion by Harding, seconded by McNeece, the board voted unanimously to reconsider Cases 05-52, 06-58, 07-12 and 07-74. A motion was made by Harding to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$100 civil penalty. The motion died for a lack of a second. A motion was then made by Hinton, seconded by Murray, to combine Cases 05-52, 06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52). The motion to combine Cases 05-52,

06-58, 07-12 and 07-74 and to assess the organization a \$200 civil penalty (\$100 of which had previously been paid as part of the civil penalty originally assessed in Case No. 05-52) passed the board unanimously.

Show Cause Hearing

08-16 Aubrey Givens, for failure to properly disclose several expenditures that were reimbursements to persons who made expenditures. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Givens has had no previous matters before the board.

The board voted at its May 14, 2008 meeting to issue Mr. Givens a show cause notice. Mr. Givens requested to personally appear before the board.

Mr. Givens personally appeared before the board and explained his failure to properly disclose several expenditures. Mr. Givens requested that the board delay any further action in this matter until the next regularly scheduled meeting to allow him an opportunity to get the proper information needed to amend his report.

On motion by McNeece, seconded by Hinton, the board voted 4 to 0 to defer any action in this matter until the next regularly scheduled meeting to allow Mr. Givens an opportunity to amend his report, with Murray "abstaining".

Sworn Statement Submitted

08-14 Farris Mathews Branan Bobango & Hellen PAC, for failure to timely file a 2008 1st quarter campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty dollar (\$150) civil penalty. The organization has had no previous matters before the board.

The board voted at its May 14, 2008 meeting to issue the organization a show cause notice.

The organization provided a sworn statement for the board's consideration.

Harding made a motion to assess the organization a \$150 civil penalty. The motion died for a lack of a second. A motion was made by McNeece, seconded by Murray, to assess the organization a \$100 civil penalty. A friendly amendment was made by Murray, accepted by McNeece, to assess the organization a \$50 civil penalty. The motion to assess the organization a \$50 civil penalty passed the board unanimously.

08-11 John Wolfe, for failure to file a 2007 4th quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Wolfe has had no previous matters before the board.

The board voted at its April 9, 2008 meeting to issue Mr. Wolfe a show cause notice.

The board voted at its May 14, 2008 meeting to delay any further action in this matter until the next regularly scheduled meeting to allow Mr. Wolfe an opportunity to file the required report and respond to the show cause notice.

Director Rawlins informed the board that there has been no further response from Mr. Wolfe and that the report still has not been filed.

On motion by Murray, seconded by McNeece, the board voted 4 to 0 to assess Mr. Wolfe a \$10,000 civil penalty, with Hinton “abstaining.”

08-12 Washington County Republican Executive Committee, for failure to file a 2007 year-end supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. The organization has had a previous matter before the board.

The board voted at its April 9, 2008 meeting to issue the organization a show cause notice.

The board voted at its May 14, 2008 meeting to defer action in this matter until the next regularly scheduled meeting in order for the organization to receive the show cause notice.

Ruth Mathes, treasurer for the organization, provided a statement for the board’s consideration explaining the failure to file the required report. In this statement, Ms. Mathes also requested a reconsideration of Case No. 07-69, in which, the organization was assessed a \$5,000 civil penalty for failure to file a 2007 mid-year supplemental campaign financial disclosure report.

A motion was made by Murray to take no action on Case No. 08-12 and not to reconsider Case No. 07-69. The motion died for a lack of a second. A motion was made by McNeece, seconded by Harding, to assess the organization a \$250 civil penalty for Case No. 08-12 and to reconsider and reduce Case No. 07-69 from \$5,000 to \$250. The motion to assess the organization a \$250 civil penalty for Case No. 08-12 and to reconsider and reduce Case No. 07-69 from \$5,000 to \$250 passed the board unanimously.

08-13 Buffalo PAC, for failure to timely file a 2008 1st quarter campaign financial disclosure report. Class one (1), five days late, maximum one hundred twenty-five dollar (\$125) civil penalty. The organization has had a previous matter before the board.

The board voted at its May 14, 2008 meeting to issue the organization a show cause notice.

Harvey Hoskins, treasurer for the organization, submitted a statement for the board’s consideration.

On motion by Harding, seconded by McNeece, the board voted unanimously to assess the organization a \$125 civil penalty.

08-15 Tennessee Anesthesiologists PAC, for failure to timely file a 2008 1st quarter campaign financial disclosure report. Class one (1), five days late, maximum one hundred twenty-five dollar (\$125) civil penalty. The organization had a previous matter before the board.

The board voted at its May 14, 2008 meeting to issue the organization a show cause notice.

The organization provided a sworn statement for the board’s consideration.

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

Cases Considered for Issuance of Show Cause Notice

Greene County Democratic Party, for failure to timely file a 2008 1st quarter campaign financial disclosure report. Class one (1), seven days late, maximum one hundred seventy-five dollar (\$175) civil penalty. The organization had no previous matters before the board.

Director Rawlins informed the board that the organization had contacted the Registry and explained that the report was not timely filed because the treasurer had recently deceased.

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

Robertson County Republican Party, for failure to timely file a 2008 1st quarter campaign financial disclosure report. Class one (1), three days late, maximum seventy-five dollar (\$75) civil penalty. The organization had no previous matters before the board.

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

Cross Indexing Report

Director Rawlins provided the board with a cross indexing report which contains contributions reported as being given by PACs but not reported by candidates for the 2007 year-end supplemental reporting period. Director Rawlins informed the board that the list contained only those that exceeded the exemption contained in T.C.A. §2-10-110. In addition, the board was informed that the all candidates had amended their reports within 10 days of notification of the failure to report the contributions(s).

On motion by Murray, seconded by McNeece, the board voted unanimously to issue show cause notices to the following candidates for failure to report PAC contribution(s) on their original campaign financial disclosure statements:

- Joe Armstrong
- Mae Beavers
- Tim Burchett
- John Deberry, Jr.
- G. A. Hardaway
- Curtis Johnson
- Judd Matheny
- Jeanne Richardson

Director Rawlins provided the board with a cross indexing report which contained contributions reported as being received by candidates but were not reported as expenditures by the PACs for the 2007 year-end supplemental reporting period. Director Rawlins further informed the board that the PACs have amended their reports to correctly disclose the expenditures.

On motion by Murray, seconded by Harding, the board voted unanimously to issue show cause notices to the following PACs for failure to report an expenditure(s) made to a candidate:

- BB&S Good Govt. Committee
- Farmers Employee & Agents PAC
- Farris Mathews Branan Bobango & Hellen PAC
- Federal Express PAC
- RAAMPAC
- Tennessee Assn. of Nurse Anesthetists PAC
- Tennessee Fire Legislative Action Group PAC
- Tennessee Forestry PAC
- Tennessee Optometric PAC
- Tennessee Orthopaedic Society
- Tennessee Realtors PAC
- WSWT Political Action Committee

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 April 30, 2008.

Executive Director's Report

- Director Rawlins provided the board with the Registry's Risk Assessment Matrix.

On motion by Harding, seconded by Hinton, the board voted unanimously to approve the Risk Assessment Matrix.

- Director Rawlins provided the board with the Registry's Code of Conduct/Conflict of Interest Policy that is required by the Comptroller of the Treasury.

On motion by Harding, seconded by Hinton, the board voted unanimously to approve the Code of Conduct/Conflict of Interest Policy.

Other Business

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