

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, November 11, 2009, at Suite 104 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Presiding over the meeting was Secretary Patricia Heim. Attending the meeting were board members George Harding, William Long, Darlene McNeece and Lee Anne Murray.

On motion by Long, seconded by McNeece, the board voted unanimously to approve the minutes from the October 14, 2009 regular board meeting.

Show Cause Hearings

09-43 Tennessee Anesthesiologists PAC, for failure to timely file a 2009 annual mid-year supplemental campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty (\$150) civil penalty. The organization has had previous matters before the board.

The board voted at its August 12, 2009 meeting to issue the organization a show cause notice.

The board voted at its October 14, 2009 meeting to continue this matter until the next regularly scheduled meeting.

John Lyell, representative for the organization, personally appeared before the board and requested that the board defer any action in this matter until the next regularly scheduled meeting to allow the organization an opportunity to complete an audit that is being conducted on the PAC account.

On motion by Harding, seconded by Murray, the board voted unanimously to defer any further action in this matter until the next regularly scheduled meeting to allow the organization an opportunity to complete the audit of their PAC account.

09-48 Tennessee Anesthesiologists PAC, for failing to report 3 expenditures on its 2009 4th quarter campaign financial disclosure report. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. The organization has had previous matters before the board.

The board voted at its October 14, 2009 meeting to issue the organization a show cause notice.

John Lyell, representative for the organization, personally appeared before the board and requested that the board defer any action in this matter until the next regularly scheduled meeting to allow the organization an opportunity to complete an audit that is being conducted on the PAC account.

On motion by Harding, seconded by Murray, the board voted unanimously to defer any further action in this matter until the next regularly scheduled meeting to allow the organization an opportunity to complete the audit of their PAC account.

09-47 TE PAC - TN, for failing to report 1 expenditure on its 2009 mid-year supplemental campaign financial disclosure report. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its October 14, 2009 meeting to issue the organization a show cause notice.

Jeff Sikes, treasurer for the organization, submitted a statement for the board's consideration.

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

09-50 Mike Niederhauser, for improperly reporting campaign contributions, improperly reporting campaign expenditures, failing to report campaign contributions, accepting cash contributions in excess of limits and using campaign funds for personal expenses. Class two (2), maximum ten thousand (\$10,000) civil penalty. Mr. Niederhauser has had no previous matters before the board.

The board voted at its October 14, 2009 meeting to issue Mr. Niederhauser a show cause notice.

In addition to correcting the errors, Mr. Niederhauser personally appeared before the board and explained his failure to properly report campaign contributions and expenditures, accepting cash contributions in excess of limits and using campaign funds for personal expenses.

On motion by Murray, seconded by McNeece, the board voted unanimously to assess Mr. Niederhauser a \$100 civil penalty.

09-52 Tim Barnes, for possible violations of the campaign financial disclosure laws. Class two (2), maximum ten thousand (\$10,000) civil penalty. Sen. Barnes has had previous matters before the board.

Based upon a sworn complaint, the board voted at its October 14, 2009 meeting to issue Sen. Barnes a show cause notice for failing to disclose expenditures for attorney fees related to his contested election.

George Barrett and Doug Johnston, representatives for Sen. Barnes, submitted a response to the show cause notice and personally appeared before the board to respond to the possible violations.

A motion was made by Murray, seconded by Harding, to take no further action in this matter. Murray then amended the motion, accepted by Harding, to dismiss the sworn complaint. The motion to dismiss the sworn complaint against Sen. Barnes passed the board unanimously.

Reconsiderations

09-41 Tim Barnes, for possible violations of the campaign financial disclosure law. Class two (2), maximum civil penalty of ten thousand dollars (\$10,000) per violation. Sen. Barnes has had previous matters before the board.

Based upon a sworn complaint, the board voted at its June 10, 2009 meeting to issue Sen. Barnes a show cause notice on the following items:

1. A large percentage of expenditures to campaign workers had “best effort” listed for addresses.
2. \$108 listed as payments to a large number of “campaigners”

The board voted at its August 12, 2009 meeting to dismiss item two (2) of the complaint and to assess Sen. Barnes a \$500 civil penalty assessment for item one (1). Sen. Barnes requested a reconsideration of the \$500 civil penalty assessment.

George Barrett and Doug Johnston, representatives for Sen. Barnes, personally appeared before the board for their consideration.

A motion was made by Harding to reconsider the \$500 civil penalty assessment. The motion to reconsider died for a lack of a second. A motion was made by Murray, seconded by Long not to reconsider the \$500 civil penalty assessment. The motion not to reconsider passed the board unanimously.

Sworn Statement Submitted

09-49 Tennessee Truck PAC, for failing to report 1 expenditure on its 2009 mid-year supplemental campaign financial disclosure report. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. The organization has had previous matters before the board.

The board voted at its October 14, 2009 meeting to issue the organization a show cause notice.

J. B. Baker, treasurer for the organization, submitted an affidavit for the board’s consideration.

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

Cases Subject to Approval of Civil Penalty Order

09-45 Jerome Perkins, for failure to file a 2009 annual mid-year supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Perkins has had no previous matters before the board.

The board voted at its October 14, 2009 meeting to issue Mr. Perkins 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 Long, seconded by McNeece, the board voted unanimously to assess Mr. Perkins a \$10,000 civil penalty.

09-46 Schree Pettigrew, for failure to file a 2009 annual mid-year supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Pettigrew has had previous matters before the board.

The board voted at its October 14, 2009 meeting to issue Ms. Pettigrew a show cause notice.

Without objection, action in this matter was deferred until the next regularly scheduled meeting to allow Ms. Pettigrew an opportunity to receive the show cause notice.

09-51 Joe Towns, Jr., for failure to provide records for his 2008 campaign audit. Class two (2), maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board.

The board voted at its October 14, 2009 meeting to approve Rep. Town's 2008 campaign finance audit with the included finding and to issue Rep. Towns a show cause notice for failing to provide documentation required to comply with the audit investigation. On motion by Long, seconded by Heim, the board voted unanimously to issue Rep. Towns a subpoena for his campaign records if he does not provide satisfactory audit documentation required to comply with the audit investigation to the Registry by the close of business on November 2, 2009.

Director Rawlins informed the board that Rep. Towns provided his campaign records to the Registry on October 30, 2009.

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

Executive Director's Report

- Director Rawlins provided the board with a copy of the federal regulation merged into state law, concerning candidate travel by airplane, amended to change 7 days time to reimburse to 10 days, to be adopted as a Registry rule.

On motion by Long, seconded by Murray, the board voted unanimously to approve the rule for travel by airplane and to forward the rule to the Bureau for final approval.

- Director Rawlins informed the board that a Bureau meeting will be held, via telephone conference, on November 30, 2009.

Other Business

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