

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, April 8, 2009, at Suite 104 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

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

On motion by Heim, seconded by Long, the board voted unanimously to approve the minutes from the March 11, 2009 regular board meeting.

## ***Reconsideration***

***08-47 Joe Towns***, for failure to file a 2008 2<sup>nd</sup> quarter campaign financial disclosure report. Class two (2), 33 days late, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board. (see below)

The board voted at its October 8, 2008 meeting to issue Rep. Towns a show cause notice. The board did not receive a response to the show cause notice.

The board voted at its December 10, 2008 meeting to assess Rep. Towns a \$2,500 civil penalty. Rep. Towns requested a reconsideration of the assessment.

Rep. Towns personally appeared before the board and explained his failure to timely file the required report. Rep. Towns further explained that the report has now been filed.

On motion by Murray, seconded by Heim, the board voted unanimously to reconsider the civil penalty assessment. On motion by Heim, seconded by McNeece, the board voted unanimously to assess Rep. Towns \$500. The board also encouraged Rep. Towns to appoint an independent treasurer to assist him with his future campaign filings.

***09-01 Joe Towns, Jr.***, for failure to file a 2008 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board. (see above and below)

The board voted at its January 14, 2009 meeting to issue Rep. Towns a show cause notice.

The board voted at its February 11, 2009 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Rep. Towns an opportunity to receive the show cause notice.

The board did not receive a response to the show cause notice and the report still had not been filed.

The board voted at its March 11, 2009 meeting to assess Rep. Towns a \$10,000 civil penalty assessment. Rep. Towns requested a reconsideration of the assessment.

Rep. Towns personally appeared before the board and explained his failure to file the required report. Rep. Towns further explained that the report has now been filed.

On motion by Murray, seconded by Heim, the board voted unanimously to reconsider the civil penalty assessment. On motion by Heim, seconded by McNeece, the board voted unanimously to assess Rep. Towns \$1,000. The board also encouraged Rep. Towns to appoint an independent treasurer to assist him with his future campaign filings.

**09-02 Joe Towns, Jr.**, for failure to file a 2008 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board. (see above)

The board voted at its January 14, 2009 meeting to issue Rep. Towns a show cause notice.

The board voted at its February 11, 2009 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Rep. Towns an opportunity to receive the show cause notice.

The board did not receive a response to the show cause notice and the report still had not been filed.

The board voted at its March 11, 2009 meeting to assess Rep. Towns a \$10,000 civil penalty assessment. Rep. Towns requested a reconsideration of the assessment.

Rep. Towns personally appeared before the board and explained his failure to file the required report. Rep. Towns further explained that the report has now been filed.

On motion by Murray, seconded by Heim, the board voted unanimously to reconsider the civil penalty assessment. On motion by Heim, seconded by McNeece, the board voted unanimously to assess Rep. Towns \$1,000. The board also encouraged Rep. Towns to appoint an independent treasurer to assist him with his future campaign filings.

**08-53 Progressive Women's Coalition**, for failure to file a 2008 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 a previous matter before the board. (see below)

The board voted at its October 8, 2008 meeting to issue the organization a show cause notice.

The board did not receive a response to the show cause notice and the report still had not been filed.

The board voted at its December 17, 2008 meeting to assess the organization a \$10,000 civil penalty assessment. The organization filed the required report and requested a reconsideration of the assessment.

The board voted at its February 11, 2009 meeting to reconsider the \$10,000 civil penalty and combine cases 08-53 and 08-72 and assess the organization a \$250 civil penalty assessment. The organization requested a reconsideration of the assessment.

Jamey Dobbs, representative for the organization, submitted a sworn statement for the board's consideration.

On motion by McNeece, seconded by Murray, the board voted unanimously not to reconsider the \$250 civil penalty assessment against the organization.

**08-72 Progressive Women's Coalition**, for failure to file a 2008 pre-primary campaign financial disclosure report. Class two (2), no report filed, maximum ten

thousand (\$10,000) civil penalty. The organization has had a previous matter before the board. (see above)

The board voted at its December 17, 2008 meeting to issue the organization a show cause notice.

The board voted at its January 14, 2009 meeting to defer any action in this matter until the next regularly scheduled meeting to allow the organization an opportunity to receive the show cause notice.

Jamey Dobbs, representative for the organization, submitted a sworn statement for the board's consideration.

The board voted at its February 11, 2009 meeting to reconsider the \$10,000 civil penalty and combine cases 08-53 and 08-72 and assess the organization a \$250 civil penalty assessment. The organization requested a reconsideration of the assessment.

Jamey Dobbs, representative for the organization, submitted a sworn statement for the board's consideration.

On motion by McNeece, seconded by Murray, the board voted unanimously not to reconsider the \$250 civil penalty assessment against the organization.

**08-67 Pamela Smith**, for failure to file a 2008 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Smith has had no previous matters before the board.

The board voted at its December 17, 2008 meeting issue Ms. Smith a show cause notice.

Without objection, at the board's January 14, 2009 meeting, action in this matter was deferred until the next regularly scheduled meeting to allow Ms. Smith an opportunity to receive the show cause notice.

The board did not receive a response to the show cause notice and the report still had not been filed.

The board voted at its February 11, 2009 meeting to issue Ms. Smith a \$10,000 civil penalty. Ms. Smith requested a reconsideration of the civil penalty assessment.

Ms. Smith submitted a statement for the board's consideration explaining the failure to file the required report. The statement further explained that the report has now been filed.

On motion by Heim, seconded by Murray, the board voted unanimously to reconsider the \$10,000 civil penalty assessment. On motion by Murray, seconded by Heim, the board voted 5 to 1 to take no further action in this matter, with Long voting "no."

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

**09-18 Tennessee Society of Oral and Maxillofacial Surgeons PAC**, for failure to timely file a 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), 15 days late, maximum three hundred seventy-five (\$375) civil penalty. The organization has had no previous matters before the board.

The board voted at its March 11, 2009 meeting to issue the organization a show cause notice.

J. W. Holderfield, representative for the organization, submitted a statement for the board's consideration.

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

### ***Cases Subject to Approval of Civil Penalty Order***

**09-10 G. A. Hardaway**, for failing to report 4 PAC contributions on his 2008 2<sup>nd</sup> quarter and 3<sup>rd</sup> quarter 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 February 11, 2009 meeting to issue Rep. Hardaway a show cause notice.

The board voted at its March 11, 2009 meeting to defer any action in this matter until the next regularly scheduled meeting to allow Rep. Hardaway an opportunity to receive the show cause notice.

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

A motion was made by Heim, seconded by Harding, to assess Rep. Hardaway a \$450 civil penalty. A friendly amendment was made by Murray to assess Rep. Hardaway a \$250 civil penalty. The friendly amendment was not accepted by Heim. The motion to assess Rep. Hardaway a \$450 civil penalty failed the board 3 to 3, with Hinton, Murray and Long voting "no." A motion was then made by Murray, seconded by Long, to assess Rep. Hardaway a \$250 civil penalty. The motion to assess Rep. Hardaway a \$250 civil penalty passed the board 5 to 1, with McNeece voting "no."

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

**Bill Brown**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Mr. Brown has had a previous matter before the board.

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

**Tim Cook**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Mr. Cook has had a previous matter before the board.

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

**Timothy Cook, Jr.**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Mr. Cook has had a previous matter before the board.

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

**Kevin Fisher**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Mr. Fisher has had a previous matter before the board.

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

**Schree Pettigrew**, for failure to file a 2008 year-end supplemental campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Ms. Pettigrew has had a previous matter before the board.

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

**Rachel Ray**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Ms. Ray has had a previous matter before the board.

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

**Joe Towns, Jr.**, for failure to timely file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), 29 days late, maximum seven hundred twenty-five (\$725) civil penalty. Rep. Towns has had previous matters before the board. (see above)

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

Rep. Towns personally appeared before the board and waived his right to receive a show cause notice (Case No. 09-25) and requested that the matter be heard at this meeting. Rep. Towns explained his failure to timely file the required report and further explained that the report has now been filed.

On motion by Heim, seconded by McNeece, the board voted unanimously to assess Rep. Towns a \$500 civil penalty assessment. The board also encouraged Rep. Towns to appoint an independent treasurer to assist him with his future campaign filings.

**Tennessee Anesthesiologists PAC**, for failure to file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. The organization has had previous matters before the board.

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

**Tennessee Anesthesiologists PAC**, for failure to correct a 2008 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), report not corrected, maximum ten thousand (\$10,000) civil penalty. The organization has had previous matters before the board.

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

**TNAMB PAC**, for failure to timely file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), 22 days late, maximum five hundred fifty (\$550) civil penalty. The organization has had no previous matters before the board.

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

**Washington County Republican Executive Committee**, for failure to timely file a 2008 4<sup>th</sup> quarter campaign financial disclosure report. Class one (1), eight days late, maximum two hundred (\$200) civil penalty. The organization has had previous matters before the board.

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

**Tom Taylor**, for failure to file a 2008 year-end supplemental campaign financial disclosure report with the Blount County Election Commission. Class two (2), report not filed, maximum ten thousand (\$10,000) civil penalty. Mr. Taylor has had no previous matters before the board.

Director Rawlins informed the board that Mr. Taylor has filed the required report.

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

**B-PACE**, for failure to timely file a 2008 year-end supplemental campaign financial disclosure report with the Blount County Election Commission. Class one (1), 15 days late, maximum three hundred seventy-five (\$375) civil penalty. The organization has had no previous matters before the board.

Director Rawlins informed the board that the organization has filed the required report.

On motion by Heim, seconded by McNeece, 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 on their original campaign financial disclosure statements. Director Rawlins informed the board that the list contained only those that exceeded the exemptions contained in T.C.A. §2-10-110.

On motion by Long, seconded by Heim, 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:

- Tim Barnes
- Glen Casada
- Ty Cobb
- Jimmy Naifeh
- Becky Ruppe

- Steve Southerland
- Curry Todd

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 2008 4<sup>th</sup> quarter reporting period. Director Rawlins further informed the board that the PACs have amended their reports to correctly disclose the expenditures.

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

- Friends of the University of Memphis PAC
- Metro Memphis Hotel & Lodging Assn. PAC
- Tennessee Fire Sprinkler Contractors PAC

### ***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 February 28, 2009.

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

- Director Rawlins discussed with the board the pending legislation concerning the Registry.
- Director Rawlins notified the board that the first step in the sunset process for the Registry would be heard on May 4, 2009.

### ***Other Business***

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