

JULY 23, 2021 MEETING MINUTES REGISTRY OF ELECTION FINANCE

The Registry of Election Finance (“the Registry” or “the Board”) of the Bureau of Ethics and Campaign Finance (“the Bureau”) met at 10:00 AM on Friday, July 23, 2021 at the W.R. Snodgrass Tower, 312 Rosa L. Parks Ave., Nashville, in the Multimedia Room of the 3rd Floor Conference Center.

Presiding over the meeting was Chairperson David Golden. Attending the meeting were Board Members Paige Burcham-Dennis, Tom Lawless, Tom Morton, Henry Fincher, and Paz Haynes. Member Morton participated electronically via telephone. Executive Director Bill Young, Assistant Director Lance Frizzell, General Counsel Lauren Topping, and Chief of Staff Janet Williams also attended the meeting. The meeting was open to the public. This meeting was recorded via video and audio recording.

Member Burcham-Dennis confirmed that a physical quorum of the members was present at the meeting. Member Lawless moved to allow Member Morton to participate in the meeting remotely via telephone due to a last-minute scheduling conflict. Member Haynes seconded the motion, which was unanimously approved by voice vote.

Approval of Meeting Minutes

Chairman Golden noted two necessary amendments to the Meeting Minutes of the April 14, 2021 meeting. Member Lawless moved to approve the April meeting minutes as amended. Member Fincher seconded the motion, which was unanimously approved. The Meeting Minutes of the April 14, 2021 meeting are amended to read, in pertinent part only, as follows:

Member Haynes moved to assess total civil penalties of \$135,000, representing civil penalties of \$45,000 each in case numbers 21-01, 20-74, and 20-75, subject to the following stipulations: 1) the total civil penalties must be paid within a reasonable period of time in accordance with a payment plan **if** authorized by the Board at a later date, with the assessment remaining subject to modification until the conclusion of the payment plan **if any**; 2) the civil penalties already assessed in Case Nos. 18-56, 19-78, 18-13, 18-30, 18-76, 19-26, 19-27, and 19-45 would be revoked/rescinded if the assessed \$135,000 civil penalties are paid in accordance with the terms of the payment plan, **if any**; and, 3) Mayor Ketron must close the Ketron Senate and Quest PAC campaign financial disclosure accounts with the Registry. The motion was seconded and unanimously approved by a roll

call vote, 4-0. (Member Lawless recused; Member Burcham-Dennis not present.)

Discussion and review of Bill Ketron, Case Nos. 21-01 (Mayor), 20-74 (Senate), 18-56 and 19-78 and Quest PAC, Case Nos. 20-75, 18-13, 18-30, 18-76, 19-26, 19-27, and 19-45.

Executive Director Young presented the history of these matters from the Board's last meeting, as reflected in the amended minutes. Director Young also noted that no further discussion of a payment plan was required because this request has been withdrawn by Mr. Ketron's Counsel. Registry Staff recommended that any order issued by the Registry should direct that Mr. Ketron's Senate and Quest PAC filing accounts should be closed upon receipt of a letter from Counsel notifying the Registry that all possible corrections have been made, each account reflects a zero balance, and that Counsel requests the accounts be closed.

Member Morton questioned whether a motion to reconsider the assessment of previous penalties (Case Nos. 18-56, 19-78, 18-13, 18-30, 18-76, 19-26, 19-27, and 19-45) had been properly considered at the April meeting. Member Lawless clarified that his earlier recusal in this matter related only to substantive issues relating to Mr. Ketron's specific cases and did not relate to any discussion of procedure or policy regarding the Board's authority. After discussion, Member Burcham-Dennis moved to enter a final order, which would supersede all prior orders relating to these matters, on the motion and discussions from the Board's April 2021 meeting, to accept immediate payment of the \$135,000 civil penalties assessed at the previous meeting in Case Nos. 20-74, 20-75, and 21-01, and to rescind all prior civil penalties assessed in Case Nos. 18-56, 19-78, 18-13, 18-30, 18-76, 19-26, 19-27, and 19-45. Member Fincher seconded the motion.

Member Lawless questioned whether the Board had the authority at this stage to rescind the previously assessed civil penalties in Case Nos. 18-56, 19-78, 18-13, 18-30, 18-76, 19-26, 19-27, and 19-45. After some discussion, the Board requested the opinion of the Executive Director and General Counsel on this matter. Director Young expressed that, pursuant to T.C.A. 2-10-110(a)(2)(B), it was his opinion that the Registry did possess the authority to review, waive, reduce, or otherwise amend any civil penalty previously assessed by the Registry at any time. After further discussion, Member Burcham-Dennis accepted a friendly amendment to her earlier motion that her motion would expressly exclude the establishment of any policy or procedural precedent going forward subject to potential reinterpretation based upon statutory changes that became effective July 1, 2021. Member Lawless recused himself from voting on the motion. The motion as

amended was seconded and the question was called. The motion was approved by roll call vote with Member Morton opposed and Member Lawless recused.

During the consideration of the next item on the agenda, Member Burcham-Dennis moved to suspend the order of proceedings and to suspend the earlier motion approved in this matter to address Case No. 20-51. This motion was seconded by Member Haynes and approved. Member Burcham-Dennis moved to add this case to the final order to be issued in this matter and to take no action on this matter. Member Morton moved to assess a civil penalty of \$10,000. Member Lawless recused himself from discussion and consideration of this motion. The motion failed for lack of a second. Member Fincher moved to take no action. Member Burcham-Dennis seconded the motion. After further discussion on this matter, Counsel for the Registry disclosed that, based upon her understanding of the Board's previous actions, she had previously advised Mr. Ketron's counsel that no further campaign finance disclosure reports needed to be filed relating to Mr. Ketron's Senate account, on the basis that any such report would have necessarily contained inaccurate information, pending the conclusion of the audit process. The Question was called. The motion was approved by a roll call vote with Member Morton opposed and Member Lawless recused.

Sworn Complaints of Mr. Joe Liggett

Director Young gave a short introduction regarding these matters and summarized the complaints received. Director Young addressed the allegations in the complaint relating to himself and Assistant Director Frizzell. Director Young confirmed that Assistant Director Frizzell had no direct and/or substantive involvement in the preparation of any audit report relating to Mr. Ketron since he had disclosed a potential conflict of interest relating to these matters at the Registry's December 2020 meeting. Director Young advised that he had never made a political contribution to Mr. Ketron's campaigns for State or local office and that he had not worked for the Tennessee Senate or for Mr. Ketron, with his involvement with Senator Ketron being discussions he had when he was employed by the Tennessee Attorney General's Office. Accordingly, Director Young stated he believed he had no business or other relationship that would constitute a conflict of interest. In any event, he noted that the conclusions reached in these audits was exclusively the work product of the Bureau's Director of Audit.

The Board provided the complainant, Mr. Liggett, with an opportunity to address the Board relating to the complaints filed. Mr. Liggett declined to address the Board. The Board provided Mr. Ketron's Counsel, Mr. Harwell, with an opportunity to address the Board. Mr. Harwell did take this opportunity to address the Board and presented a short statement referencing his July 13, 2021 letter to the members. The Board also provided

other members of the public present at the meeting with an opportunity to speak regarding these complaints; however, none present requested to speak. After discussion, Member Lawless moved to take no action on these complaints. Member Burcham-Dennis seconded the motion. After additional discussion, the question was called, and the motion was unanimously approved by a roll call vote.

Discussion of Letter Submitted by Brad W. Hornsby regarding Bill Ketron matters

Director Young briefly addressed this matter while discussing the complaints above. No further discussion occurred on this matter.

Update on review of sworn complaints against Todd Warner, Case No. C20-06, and Faith Family Freedom Fund (FFFF), Case No. C20-07.

Director Young provided a brief update of the status of these matters. No further discussion occurred on this matter.

Discussion of settlement proposal submitted by Rick Staples, Case No. 20-32

Director Young introduced this matter and requested that the Bureau's Counsel provide the Board with the current posture of this matter. Counsel confirmed that Mr. Staples' Counsel, Mr. Conners, had submitted this settlement request as a part of the contested case process to settle prior to trial and that if the settlement was ultimately not accepted, the matter would proceed to a contested case hearing. Mr. Conners was present and addressed the Board. The Board discussed the matter and directed additional questions towards Mr. Conners.

Member Morton moved to reconsider this matter and assess civil penalties of \$1000 per violation (81 violations). This motion failed for lack of a second. Member Fincher moved to accept the settlement; after further discussion, the motion was withdrawn. Member Fincher then moved to delegate negotiations with Mr. Conner to the Executive Director and the Bureau's General Counsel to enter good faith discussions to come to a proposed settlement agreement that could be reviewed by the Board. Member Haynes seconded the motion. After additional discussions, the question was called. A roll call vote was conducted, and the motion failed with 3 members in favor and 3 members opposed. No further motions were made, and thus the settlement proposal was not accepted.

Legislative Update from 2021 General Assembly

Discussion of this matter was deferred to the Board's next regularly scheduled meeting.

Discussion of Public Chapter 302 (HB1193/SB626), whether Registry Board wishes to retain private counsel to pursue the collection of pending and/or future unpaid civil penalties assessed by the Registry Board

Member Lawless moved to remove collections authority from the Office of the Attorney General for both pending and future cases and to hire a vendor to collect unpaid civil penalties. Chairman Golden seconded the motion. After discussion, Member Haynes moved to table the motion to the Registry's next meeting to allow further inquiry into the procedural process for collections and the Attorney General's involvement in the event of a countersuit. The motion to table was seconded and approved by a voice vote. The Registry designated Member Lawless to work with the Executive Director to meet with the Tennessee Attorney General on Public Chapter 302.

Discussion of SB1005/HB1201

Discussion of this matter was deferred to the Board's next regularly scheduled meeting.

Discussion and review of Jerry Cooper's campaign financial disclosure filings

Director Young provided a statement of the current status of Mr. Cooper's campaign financial disclosure filings. Member Fincher moved to take no action and to instruct the Executive Director to take all necessary steps to zero out all pending civil penalties and Mr. Cooper's filing account. The motion was seconded and unanimously approved by roll call vote.

Discussion of Tennessee Volunteers for Good Government PAC

Director Young briefly introduced this matter and requested additional details be presented by the Board's Counsel. Counsel explained that it appeared that the appointment of treasurer form submitted by this political campaign committee ("PAC") was fraudulently filed by an unknown party with no authority to file the form on behalf of the individuals named on the form, including its named President, Matthew Champion, and its named treasurer, Jennifer Green. Counsel recommended that the Board exercise its authority under Tenn. Comp. R. & Regs. 0530-01-03-.09 to administratively terminate the PAC and to take no further action to collect the civil penalties previously assessed against this entity. Member Fincher moved to accept the recommendation presented by Counsel. The motion was seconded and unanimously approved by voice vote.

At this point in time, Member Haynes left the meeting. However, the quorum was maintained.

Discussion regarding future meeting participation via telephone by participants and/or other persons

After discussion of the issues surrounding the allowance of telephonic participation, Member Morton moved to continue the Board's normal practice of allowing telephonic participation only on a case-by-case basis. Assistant Director Frizzell was asked to look into other options to allow members of the public to "listen-in" on meetings with no ability to participate. Member Fincher seconded the motion, which was approved by voice vote.

Update on educational forums conducted by the Executive Director and staff

Director Young updated the Board on his efforts to schedule and conduct educational forums across the State. Director Young also informed the Board of an upcoming contract with Belmont University College of Law to produce data assimilation projects for the benefit of the public and to increase transparency thru the use of data visualization of the Registry's campaign finance disclosures. No action was required.

Requests for Reconsideration

Chelsea Camp, Case No. 21-04: Member Fincher moved to reconsider this matter. Member Lawless seconded the motion, which was approved by a roll call vote (Member Morton opposed). Member Fincher moved to reduce the assessed civil penalty to \$300. Member Burcham-Dennis seconded the motion. After discussion, the motion was unanimously approved by roll call vote.

Terry Clayton, Case No. 20-73: After discussion of the request, Member Morton moved to take no action on the request. Chairman Golden seconded the motion, which was unanimously approved by voice vote.

Cannon County Democratic Executive Committee, Case No. 19-80: Member Morton moved to reconsider this matter. Member Fincher seconded the motion, which was unanimously approved. Member Morton moved to reduce the assessed civil penalty to \$150. Member Fincher seconded the motion, which was unanimously approved by roll call vote.

Show Cause Hearing

Williamson County Republican Party, Case No. 21-27: The organization was represented at the hearing by Cheryl Brown, the organization's Chairman. Ms. Brown submitted a short statement. Member Burcham-Dennis moved to take no action in this matter. Member Lawless seconded the motion, which was unanimously approved by voice vote.

Statements Submitted

Houston Butler, Jr., Case No. 21-03 (Pre-General); Houston Butler, Jr., Case No. 21-15 (4th Quarter): These cases were consolidated and considered together. After a short discussion, Member Fincher moved to take no action on these matters. Member Morton seconded the motion, which was unanimously approved by roll call vote.

Bobby Patrick Harrell, Case No. 21-16: After a short discussion, Member Fincher moved to take no action on this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Melanie Johnson, Case No. 21-17: After a short discussion, Member Fincher moved to take no action on this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Danny W. Kail, Case No. 21-18: After a short discussion, Member Lawless moved to take no action on this matter. Member Fincher seconded the motion, which was unanimously approved by roll call vote.

Tre Stewart, Case No. 21-20: After a short discussion, Member Lawless moved to take no action on this matter. Member Fincher seconded the motion, which was unanimously approved by roll call vote.

Marion LaTroy A. Williams, Jr., Case No. 20-63 (2nd Quarter); Marion LaTroy A. Williams, Jr., Case No. 20-64 (Pre-Primary); Marion LaTroy A. Williams, Jr., Case No. 20-65 (3rd Quarter); Marion LaTroy A. Williams, Jr., Case No. 21-24 (4th Quarter): These cases were consolidated and considered together. After a short discussion, Member Fincher moved to assess a civil penalty of \$2500 in each of these matters (total assessment, \$10,000). Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Consideration of Civil Penalty Orders

Julie Byrd Ashworth, Case No. 21-13: After a short discussion, Member Morton moved to assess a civil penalty of \$10,000 in this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Sam Brown, Case No. 21-14: After a short discussion, Member Morton moved to assess a civil penalty of \$10,000 in this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

JoAnne Favors, Case No. 20-06 (2019 Annual Year-End Supplemental): After a short discussion, Member Lawless moved to assess a civil penalty of \$10,000 in this matter. Member Burcham-Dennis seconded the motion, which was unanimously approved by roll call vote.

Katrina Robinson, Case No. 21-19: After a short discussion, Member Lawless moved to assess a civil penalty of \$10,000 in this matter. Member Burcham-Dennis seconded the motion. The motion failed by a 3-2 roll call vote, as four affirmative votes are required for a motion to pass. Member Fincher moved to assess a civil penalty of \$5,000 in this matter. Chairman Golden seconded this motion. The motion failed by a 2-3 roll call vote. Member Lawless then moved to assess a civil penalty of \$7,500 in this matter. Member Morton seconded the motion, which was ultimately approved by a 4-1 roll call vote.

Jarvus Montez Turnley, Case No. 21-21: After a short discussion, Member Fincher moved to assess a civil penalty of \$250 in this matter. Member Morton seconded the motion, which was approved by a 4-1 roll call vote.

Rob White, Case No. 21-22: After a short discussion, Member Morton moved to assess a civil penalty of \$10,000 in this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Lynnette P. Williams, Case No. 21-23: After a short discussion, Member Morton moved to assess a civil penalty of \$10,000 in this matter. Member Lawless seconded the motion, which was unanimously approved by roll call vote.

Tennessee Volunteers for Good Government, Case No. 21-25 (Pre-General); Tennessee Volunteers for Good Government, Case No. 21-26 (4th Quarter): After a short discussion, Member Lawless moved to take no action on these matters, as no legitimate officers have been identified, but to retain jurisdiction in the event that a responsible party could be identified at a later time. Member Fincher seconded the motion, which was unanimously approved by roll call vote.

Persons Subject to Possible Issuance of Show Cause Notices

Member Morton moved to issue a show cause notice in each of the following matters:

Daniel Berry
Dennis Bynum
Joanne Favors (2020 Annual Mid-Year Supplemental)
Joanne Favors (2020 Annual Year-End Supplemental)
David Hayes
Ovi Kabir
Mike McMillan
Ashlie Shockley
Brandon Weise
Matthew White
Davidson Concerned Citizens Coalition
Maury Community PAC

Member Morton also moved to take no action in the following matter:

People Working for Reform

Member Fincher moved to second the motion, which was unanimously approved by roll call vote.

Johnson & Johnson Political Action Committee: After a short discussion of this matter, Member Lawless moved to issue a show cause notice in this matter. Member Fincher seconded the motion, which was unanimously approved by voice vote.

Set date of Registry Board's next meeting

After a short discussion, the Board set its next meeting for September 16, 2021 at 10:00 AM.

Other Business None.

Member Lawless moved to adjourn the meeting. Member Burcham-Dennis seconded the motion, which was unanimously approved by voice vote.