

# REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, February 13, 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 Patricia Heim, Wade Hinton, Darlene McNeece and Lee Anne Murray.

On motion by Heim, seconded by McNeece, the board voted unanimously to approve the minutes from the December 12, 2007 regular board meeting. The motion passed the board unanimously.

## ***Requests for Reconsideration***

***07-71 Jerry Cooper***, for possible personal use of campaign funds. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty per violation. Sen. Cooper has had no previous matters before the board.

The board voted at its November 14, 2007 meeting to assess Sen. Cooper a \$120,000 civil penalty. Sen. Cooper requested a reconsideration of the assessment.

The board voted at its December 12, 2007 meeting to request an Attorney General Opinion on the authority of the Registry to assess a civil penalty of more than \$10,000.

Director Rawlins provided the board with the Attorney General Opinion. The opinion stated that the “amount in controversy” has no application to the calculation of the amount of a Class two (2) civil penalty for personal use of campaign funds. In addition, the opinion stated that each check written for personal use could be considered a separate offense and subject to Class two (2) civil penalties.

Sen. Cooper provided a statement for the board’s consideration.

On motion by Murray, seconded by McNeece, the board voted unanimously not to reconsider the \$120,000 civil penalty assessment against Sen. Cooper.

***07-76 Michael David Light (Sullivan County)***, 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. Mr. Light has had a previous matter before the board.

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

The board voted at its November 14, 2007 meeting to assess Mr. Light a \$5,000 civil penalty. Mr. Light requested a reconsideration of the assessment and submitted a statement for the board’s consideration.

On motion by Heim, seconded by Murray, the board voted unanimously to reconsider the \$5,000 civil penalty assessment. A motion was made by Heim, seconded by Murray, to assess Mr. Light a \$500 civil penalty. A friendly amendment was made by

Hinton to assess Mr. Light a \$250 civil penalty. Hinton then withdrew the motion. The motion to assess Mr. Light a \$500 civil penalty passed the board unanimously.

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

**07-82 Kevin Gallagher**, for failure to file a 2007 3<sup>rd</sup> quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand dollar (\$10,000) civil penalty. Mr. Gallagher has had no previous matters before the board.

The board voted at its December 12, 2007 meeting to issue Mr. Gallagher a show cause notice.

Mr. Gallagher provided a sworn statement for the board's consideration.

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

**07-83 Harold White (Davidson County)**, for failure to timely file a 2007 3<sup>rd</sup> quarter campaign financial disclosure report. Class one (1), nine days late, maximum two hundred twenty-five dollar (\$225) civil penalty. Mr. White has had no previous matters before the board.

The board voted at its December 12, 2007 meeting to issue Mr. White a show cause notice.

Mr. White contacted the Registry 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.

Without objection, the board approved delaying any further action in this matter until the next regularly scheduled meeting.

**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.

Rep. Hardaway contacted the Registry 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.

Without objection, the board approved delaying any further action in this matter until the next regularly scheduled meeting.

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

**Nick Clark**, for exceeding the individual contribution limit to 11 candidates by using the ABC-ED PAC as a conduit. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty per violation.

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

**Nick Clark**, for exceeding the contribution limit that an individual can give to all state and local candidates in total over a two (2) year election cycle. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty.

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

**J. W. Gibson**, for accepting contributions that exceeded the individual contribution limit per election. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty.

Mr. Gibson accepted contributions from Nick Clark totaling \$41,500 (including a loan) for his primary and general election in 2006.

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

### ***Audit Review***

#### ***Mark Maddox***

Without objection, the board approved Rep. Maddox's 2006 Third quarter unitemized contribution campaign audit with the included findings.

#### ***John Tidwell***

Without objection, the board approved Rep. Tidwell's 2006 campaign finance audit with the included findings.

On motion by Murray, seconded by McNeece, the board voted unanimously to issue Rep. Tidwell a show cause notice for failing to report two campaign expenses and failing to itemize expenses to several payees.

#### ***Jim Bryson***

Without objection, the board approved Mr. Bryson's 2006 campaign finance audit with the included findings.

### ***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 December 31, 2007.

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

- At the Registry's December 12, 2007 meeting, Rep. Ulysses Jones requested a Registry opinion concerning use of his campaign funds to pay for expenses associated with him missing work for legislative duties.

The board voted unanimously that it would be acceptable for Rep. Jones to pay a co-worker to work his shift with campaign funds when he must miss work

for legislative duties. The board requested that Rep. Jones provide documentation on the fire department's policy.

Director Rawlins informed the board that he had not issued the opinion because Rep. Jones had not yet provided the Registry with the fire department's policy.

- Director Rawlins provided the board with a summary of the 2008 Legislation that would affect the Registry.
- Director Rawlins informed the board that the state has put a bid out on office space for the Registry.
- Director Rawlins provided the 2007 annual report to be reviewed by the board.
- Director Rawlins informed the board that he would be demonstrating the Registry's updated electronic filing and viewing system at the next meeting.

### ***Other Business***

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