

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, October 14, 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 Patricia Heim, 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 August 12, 2009 regular board meeting.

Show Cause Hearings

09-44 James Threet, for improperly reporting campaign contributions and for improperly reporting campaign expenditures. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty per violation. Mr. Threet has had no previous matters before the board.

The board voted at its August 12, 2009 meeting to issue Mr. Threet a show cause notice. Mr. Threet requested to appear before the board.

In addition to correcting the errors, Mr. Threet personally appeared before the board and explained his failure to properly report campaign contributions and expenditures.

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

Reconsiderations

09-21 Timothy Cook, Jr., for failure to file a 2008 4th 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.

The board voted at its April 8, 2009 meeting to issue Mr. Cook a show cause notice.

The board voted at its May 13, 2009 meeting to assess Mr. Cook a \$10,000 civil penalty. Mr. Cook filed the required report and requested a reconsideration of the civil penalty assessment.

The board voted at its August 12, 2009 meeting to reconsider the \$10,000 civil penalty assessment and assess Mr. Cook a \$150 civil penalty assessment. Mr. Cook requested a reconsideration of the \$150 civil penalty assessment.

Mr. Cook submitted a sworn statement for the board's consideration.

On motion by Long, seconded by McNeece, the board voted unanimously not to reconsider the \$150 civil penalty assessment.

Case Subject to Approval of Civil Penalty Order

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.

Director Rawlins informed the board that a representative for the organization contacted the Registry and explained that they have replaced the current treasurer and have hired an accountant to reconstruct the organization's books and maintain the PACs records for future filings.

On motion by Murray, seconded by Long, the board voted unanimously to continue this matter until the next regularly scheduled meeting.

Cases Considered for Issuance of Show Cause Notice

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.

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

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.

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

Union County Republicans, for failure to timely file a 2009 annual mid-year supplemental campaign financial disclosure report. Class one (1), four days late, maximum one hundred (\$100) civil penalty. The organization has had no previous matters before the board.

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

Sworn Complaint

Director Rawlins provided the board with a sworn complaint filed with the Registry from David Nemirow against Senator Tim Barnes alleging the following violations:

1. No attorney fees are shown on campaign financial disclosure reports for the contested election.

2. Failure to disclose all of expenditures for campaign workers.

A motion was made by Murray to issue Sen. Barnes a show cause notice on item one (1) and to dismiss item two (2) because it had already been addressed in a previous complaint. A friendly amendment was made by Heim, accepted by Murray, to issue Sen. Barnes a show cause notice on item one (1). The motion by issue Sen. Barnes a show cause notice on item one (1) passed the board unanimously. On motion by Long, seconded by Murray, the board voted 4 to 1 to take no action on item two (2), with Heim voting “no.”

Cross Indexing Report

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 2009 4th quarter, annual mid-year supplemental and early mid-year supplemental reporting periods. Director Rawlins further informed the board that the PACs have amended their reports to correctly disclose the expenditures.

On motion by Long, 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:

- TE PAC-TN
- Tennessee Anesthesiologists PAC
- Tennessee Truck PAC

Audit Review

Mike Niederhauser

On motion by Heim, seconded by Long, the board voted unanimously to approve Mr. Neiderhauser’s 2008 campaign finance audit with the included findings.

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

Charles Sebourn

On motion by Heim, seconded by Long, the board voted unanimously to approve Mr. Sebourn’s 2008 campaign finance audit with the included findings.

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

Joe Towns, Jr.

On motion by Heim, seconded by Long, the board voted unanimously to approve Rep. Town's 2008 campaign finance audit with the included finding.

On motion by Heim, seconded by McNeece, the board voted unanimously 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.

James Woodard

On motion by Heim, seconded by Long, the board voted unanimously to approve Mr. Woodard's 2008 campaign finance audit with the included finding.

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

Executive Director's Report

- Director Rawlins informed the board that the annual COGEL conference is scheduled for December 6 through 9 in Scottsdale, Arizona.
- Director Rawlins provided the board with a copy of the federal regulation concerning candidate travel by airplane, amended to change 7 days time to reimburse to 10 days, to be adopted as a Registry rule.

Without objection, the board requested that Registry staff merge the federal regulation concerning candidate travel by airplane into state law.

Other Business

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