State of Nebraska Accountability and Disclosure Commission

P.O. BOX 95086 Lincoln, Nebraska 68509 nadc.nol.org



11th Floor, State Capitol Phone (402) 471-2522 Fax (402) 471-6599

Synopsis of Case 13-02 Action Taken June 7, 2013

Respondent: Rick Sheehy

The respondent, Rick Sheehy, is the former Lt. Governor of the State of Nebraska. On February 2, 2013 he resigned amid allegations that he had made significant use of his state issued cellular telephone for purposes not related to State business. A preliminary investigation was commenced. The parties reached a settlement agreement. By the terms of the agreement the respondent agrees that the Commission may find that he used a state owned cellular telephone other than in accordance with law in violation of §49-14,101.01(2) of the Nebraska Political Accountability and Disclosure Act. The agreement provides for a civil penalty not to exceed \$1,000.00. The Commission approved the settlement agreement with eight Commissioners concurring, none dissenting and none abstaining from participating and voting.

Violation: The Commission found that the respondent had used a state owned cellular telephone for personal purposes contrary to state statute on state telephone use and therefore in violation of §49-14,101.01(2) of the Nebraska Political Accountability and Disclosure Act.

Civil Penalty: \$1,000.00

Other: The respondent previously reimbursed the State in the amount of \$500.00.

Attorney for the Respondent: Robert Parker, Hastings, Nebraska

Attorney for the Commission: Neil Danberg

Synopsis Prepared by: Frank Daley

Executive Director

Nebraska Accountability & Disclosure Commission

11th Floor State Capitol, P.O. Box 95086

Lincoln, NE 68509 402-471-2522

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

In the Matter of) CA	SE No. 13-02
Rick Sheehy) }	ORDER

Now on this 7th day of June, 2013, this matter comes before the Nebraska Accountability and Disclosure Commission. Commissioners Hosford, Brostrom, Gale, Grant, Mumm, Nelson, Conway, and Von Gillern are present with Commissioner Hosford presiding. The Respondent, Rick Sheehy does not appear. Neil Danberg appears on behalf of the Commission. The Commission notes the submission of a proposed Settlement Agreement.

Whereupon, the Commission with 8 (eight) Commissioners concurring, finds that in accordance with the Settlement Agreement, there is sufficient evidence to find, and the Commission so finds, a violation of the Nebraska Political Accountability and Disclosure Act as follows: a violation of Section 49-14,101.01(2), use of public resources other than in accordance with prescribed constitutional, statutory or regulatory procedures.

The Commission assesses a civil penalty in the amount of \$ 1,000.00. The attached Settlement Agreement, and the terms thereof are approved and incorporated into this Order as if fully set forth herein.

Issued this ____ day of June, 2013

Nebraska Accountability and Disclosure Commission

Paul Hosford. Chairman

Certificate of Service

Frank J. Daley,

Executive Direct

DEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION CASE No. 13-02 In the Matter of Rick Sheehy SETTLEMENT AGREEMENT

- 1) <u>Parties:</u> The parties to this Settlement Agreement (hereinafter "Agreement") are the Nebraska Accountability and Disclosure Commission, hereafter referred to as the "Commission" and Rick Sheehy, hereinafter referred to as the "Respondent."
- Jurisdiction: The Respondent acknowledges the jurisdiction of the Commission pursuant to the Nebraska Political Accountability and Disclosure Act ("NPADA").
- 3) <u>Intention:</u> The parties enter into this Agreement with the understanding that this Agreement shall constitute a waiver of a formal hearing on the alleged violation as described in Paragraphs 4 and 6 of this Agreement, thereby resolving the matter without further delay and expense to the parties.
- 4) The Alleged Violation: In its Notice of Preliminary Investigation, the Commission alleged that the Respondent violated the NPADA, Section 49-14,101.01(2) in that a State issued cellular telephone was used other than in accordance with constitutional, statutory, or regulatory procedures.
- 5) Admissions and Statements of the Respondent: The Respondent states and admits that in 2011 and 2012 he was issued a cellular telephone which was the property of the State of Nebraska and that the use of said telephone was paid by public funds with the expectation that the telephone would be utilized for State business and purposes.
- Violation of the NPADA: With respect to the alleged violation, the Respondent states that the service fees for the telephone in question were flat fees and costs to the taxpayers were not directly affected by the amount or nature of telephone usage. Nonetheless, the Respondent agrees and stipulates that if the alleged violation proceeded to a Hearing, there is sufficient evidence for the Commission to find that the telephone was State property and was intended to be utilized for State business and purposes and that the Commission could therefore find a violation of the Statute as described in the alleged Violation as recited in Paragraph 4, above. He further states that he would not contest such a finding, and he agrees that the Commission may enter an order in accordance with such a finding.

- 7) Restitution and Civil Penalty: The Respondent, after discussions with the Office of Governor of the State of Nebraska, has made a payment in the amount of \$500.00, which approximates the cost of usage of the telephone in question which was personal in nature. In view of this payment of restitution, and in consideration of the prompt resolution of this matter through this Agreement, the parties have agreed that in the event the Commission imposes a civil penalty in this case, it will not exceed \$1,000.00.
- 8) <u>Future Compliance:</u> The Respondent agrees that in the future he will comply with all applicable provisions of the NPADA.
- 9) The NADC Must Approve this Agreement in Order for it to be Effective: The parties agree that in order for this Agreement to become effective, the Commission must approve it and shall, if it approves the Settlement, enter an Order in accordance with the terms of this Agreement.
- 10) Effective Date of Agreement: This Agreement shall not be binding upon the parties until approved by the Commission. The date upon which the Commission enters its Order approving this Agreement shall be deemed its effective date. If this Agreement is not approved in whole by the Commission, this Settlement Agreement shall be void and may not be used in this or any other proceeding. The parties acknowledge that this Settlement Agreement and any subsequent Order relating to it shall be announced at an open public meeting of the Commission and that the vote on such matters shall take place during the Closed Session portion of the meeting. The parties acknowledge that upon adoption, this Settlement Agreement, the Order and the Commission's file pertaining to this matter shall become open and public.
- 11) Waiver of Right to Address the Commission: The Respondent waives his right to address the Commission on the matters of the amount of the civil penalty and of the approval of this Settlement Agreement, contingent upon this Agreement being approved by the Commission.

Rick Sheehy, Respondent

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Frank J. Daley, Jr., Executive Director

Nebraska Accountability and Disclosure Commission

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