

OPEN SESSION
MINUTES OF THE MEETING OF THE
NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION
Friday, December 5, 2014
State Capitol, Room 1524
Lincoln, Nebraska

Call to Order – Chairman Brostrom called the meeting to order at 9:00 a.m. and announced the location in the meeting room of a copy of the Public Meetings Law.

Roll Call –

Kevin Brostrom – Present
Sean Conway - Excused
John Gale – Present
Joseph Grant – Excused
Paul Hosford – Present
Andrew Loudon - Present
Jan Mumm - Present
Timothy Schulz - Present
Brad von Gillern - Present

Approval of the Open Session Minutes of the October 24, 2014 Meeting – Chairman Brostrom referred the Commissioners to their copies of the Open Session Minutes of the previous meeting.

Motion by Mumm, second by Gale, that the Open Session Minutes of the October 24, 2014 meeting be approved as presented - Roll Call Vote: Commissioners Brostrom, Gale, Hosford, Loudon, Mumm, Schulz, and von Gillern voted yes. Motion carried (7-0-0).

Report on Late Filing Fees, including requests for relief - Executive Director Daley indicated that there were no applications for relief.

Executive Director's Report (includes personnel activity, budget status, budget process and litigation status) – Executive Director Daley indicated that 4 months into the current budget year the Commission has expended approximately 15% of its budget.

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Executive Director indicated that in regard to the electronic filing project, the Request of Proposals has been submitted to the Administrative Services Materiel Division. It will now review it and then publish it. Mr. Daley expressed the hope that this process would occur in the month of January.

The Executive Director reported that the 2nd General Election Campaign Statements that were due on October 27th. Those that have been filed are now available for review on the Commission website. The Post General Election Campaign Statements are due on January 13, 2015.

Executive Director Daley reported that the COGEL-Council on Governmental Ethics Laws conference will be from December 7th thru December 10th. The Commission will be sending Mr. Danberg and Mr. Daley to the conference in Pittsburgh this year.

The Executive Director next reported that 3rd Quarter Lobbyist and Principal Reports that disclose receipts and expenditures were due on October 30th. Those filed are currently available online for review.

General Counsel Danberg reported on litigation matters.

Mr. Danberg indicated that there are two matters pending. The first matter, concerns the Supreme Court decision in the Rolland Skinner (10-15) and Les Tlustos (10-16) cases. Mr. Danberg indicated that the Nebraska Supreme Court had issued a mandate which remanded the two cases back to the District Court of Lincoln County. The matter is now pending before the court in Lincoln County.

General Counsel Danberg next reported on the R. Scott Japp case. Mr. Danberg indicated that Mr. Japp is a member of the Papio-Missouri Natural Resources District Board. The Commission had filed an action in the District Court for Lancaster County seeking an order to compel a response to a Commission subpoena. The court ruled in the Commission's favor. Both Mr. Japp and his attorney, K.C. Engdahl, have appealed that ruling to the Nebraska Court of Appeals.

Executive Director Daley indicated that there was one other pending matter and that it was being handled by the Attorney General's Office. Mr. Daley indicated that this is the appeal of Michael Meister, PC. Mr. Meister had requested relief from late filing fees, and the Commission had denied the request for relief. Mr. Meister then appealed the Commission's decision to the District Court. However, the District Court found it did have jurisdiction of the matter. Mr. Meister has appealed the matter.

Discussion followed.

Discussion of Legislative Session, legislation and Commission process - Executive Director Daley indicated that the legislature is scheduled to convene on January 7th, 2015. There will be a new speaker and new committee chairs. Executive Director Daley indicated that he had been contacted by a state senator about legislation to be introduced. It was noted that similar legislation was introduced in the 2014 Session and the 2013 Session. This proposed legislation would increase the civil penalty the commission would be able to assess from \$2,000 to \$5,000. It would clarify that candidate committees could not make loans to anyone, including the candidates. It would also provide the Commission with the ability to order restitution in appropriate cases. Mr. Daley further explained that it would require candidate committees, ballot question committees, and PACs to file some sort of bank statement that would show the final bank balance of the committee at the end of the year. This would assist the staff auditors in their attempt to reconcile campaign statements on an annual basis and would also assist in detection of misuse of campaign funds.

Discussion followed.

Motion by Gale, second by Hosford, that the Commission staff be authorized to consult with the Executive Committee if it needs direction from the Commission on a legislative issue and that the Commission authorize the staff to provide technical assistance on legislation on request even if the proposal is not endorsed by the Commission – Roll Call Vote: Commissioners Brostrom, Gale, Hosford, Loudon, Mumm, Schulz, and von Gillern voted yes. Motion carried (7-0-0).

Discussion followed.

Review of Agency Transition Plan – Chairman Brostrom indicated that Commissioner von Gillern would proceed. Mr. von Gillern announced that the planned meeting had been postponed as Commissioner Conway was not present, and that a conference call would be held before the next commission meeting.

Report of Conflicts Committee – Commissioner Mumm indicated that there were five Potential Conflicts of Interest Statements filed and that none required any action.

Report of Executive Committee – Chairman Brostrom indicated that there are no issues to present at this time.

Closed Session - Motion by Schulz, second by Hosford, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA - Roll Call Vote: Commissioners Brostrom, Gale, Hosford, Loudon, Mumm, Schulz, and von Gillern voted yes. Motion carried (7-0-0).

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The NADC went into Closed Session at 9:20 a.m.

The NADC returned to Open Session at 10:25 a.m.

Action on or Announcement of Closed Session matters - Executive Director Daley reported In the matter of John Bauerkemper (#14-14) the Commission approved a settlement agreement. By the terms of the agreement he Commission found two violations of section 49-1499.02(1). The settlement agreement was approved and a civil penalty of \$2,000 was assessed with seven Commissioners concurring, none dissenting and none abstaining.

Adjournment – Motion by Mumm, second by von Gillern, that the NADC adjourn. Roll Call Vote: Commissioners Brostrom, Gale, Hosford, Loudon, Mumm, Schulz, and von Gillern voted yes. Motion carried (7-0-0).

Chairman Brostrom declared the meeting adjourned at 10:27 a.m.