

OPEN SESSION
MINUTES OF THE MEETING OF THE
NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

Friday, March 1, 2019
State Capitol, Room 1510
Lincoln, Nebraska

Call to Order – Chairman Enenbach 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 –

Marty Callahan - Present
Tom Carlson – Present
Jeffrey Davis - Present
Matthew Enenbach – Present
Robert Evnen – Present
Douglas Hegarty - Present
Andrew Loudon - Excused
Jeffery Peetz – Present
Kate Sullivan – Excused

Approval of the Open Session Minutes of the December 7, 2018 Meeting – Chairman Enenbach referred the Commissioners to their copies of the Open Session minutes of the previous meeting.

Introduction of new Commissioner, Secretary of State Robert Evnen - Executive Director Daley welcomed the new Commissioner, Secretary of State Robert Evnen. Commissioner Evnen received his undergraduate degree from Michigan State University and his law degree from the University of Southern California, Gould School of Law. He was an attorney at the Woods & Aitken law firm in Lincoln, where he was in the labor and employment practice of law. He has actively served in bar association activities that include, Chair of the Nebraska State Bar Section on Labor Relations and Employment Law and a past member of the board for Nebraska Continuing Legal Education.

Introduction of new Commission Deputy Director David Hunter - Executive Director Daley introduced and welcomed the new Deputy Director David Hunter to the Commission. Mr. Hunter succeeds Mark Hinman who retired November 30, 2018. Mr. Hunter has served as a Commission Auditor since 2000.

Motion by Peetz, second by Davis, that the Open Session Minutes of the December 7, 2018 meeting be approved as presented - Roll Call Vote:

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Commissioners Callahan, Carlson, Davis, Enenbach, Hegarty, and Peetz voted yes. Commissioner Evnen abstained. Motion carried (6-0-1).

Report on late filing fees and requests for relief: American Council of Engineering Companies PAC, Jeanne McClure - The Executive Director indicated that this was a request for relief from American Council of Engineering Companies PAC. The Respondent failed to timely file its 2018 1st, 2nd and Post-Primary Campaign Statements, and 1st General Election Campaign Statement. Late filing fees in the amount of \$2,075 were assessed. A request for relief was denied by the Executive Director due to the fact that the committee had paid late fees during the two years prior to the time the 1st Primary was due. Therefore, the committee was not eligible for relief pursuant to §49-1463.01.

Discussion followed.

Jeanne McClure made a presentation on behalf of American Council of Engineering Companies PAC.

Discussion followed.

Motion by Peetz, second by Davis, to reduce late filing fees from \$2,075 to \$1,500 - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty, and Peetz voted yes. Motion carried (7-0-0).

Report on late filing fees and requests for relief: Families USA Action, Jon Olson, Director and Richard Eisenberg, Attorney - The Executive Director indicated that this was a request for relief from Families USA Action, Jon Olson, Director and Richard Eisenberg, Attorney. Families USA Action failed to timely file its Out of State Contribution Report (Form B-9). It was due on July 10, 2018 and filed on September 17, 2018. A late filing fee of \$11,000 were assessed by operation of law. A request for relief was denied by the Executive Director. The report at issue disclosed expenditures of more than \$5,000 and the organization was therefore not eligible for relief under §49-1463.01.

Discussion followed.

The Executive Director indicated to the Commission that Mr. Olson and Mr. Eisenberg were unable to be present at the meeting and had submitted a letter for the Commission's consideration.

Discussion followed.

Motion by Evnen, second by Carlson, to deny the request for relief from late filing fees for Families USA Action, Jon Olson, Director and Richard Eisenberg, attorney - Roll Call Vote; Commissioners Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty, and Peetz voted yes. Motion carried (7-0-0).

Executive Director's Report (includes personnel activity, budget status, budget process and litigation status) - The Executive Director referred the Commissioners to their packets and indicated that this Commission meeting

Executive Director Daley indicated that the term for Commissioner Andrew Loudon would expire on June 30, 2019. Mr. Loudon's successor will be appointed by the Secretary of State.

The Executive Director reported that Neil Danberg and Frank Daley attended the conference of the Council on Governmental Ethics Laws (COGEL) in Philadelphia Pennsylvania from December 9 through 12, 2018.

Executive Director Daley reported that testing continues for the electronic filing project continues the process of testing. The developer is being advised of any issues to be addressed.

Executive Director Daley indicated that the 4th Quarterly Lobbyist and Principal Reports were due on January 30th. Those statements that were filed are available to the public for review on the Clerk of the Legislature's website. The 1st Quarter Reports are due on April 30, 2019.

The Executive Director indicated that the Post General Election Campaign Statements and the Annual Campaign Statements were due January 15th and 31st, respectively. Those statements filed are available for review on the Commission website.

Executive Director Daley announced that the Lincoln City Primary Election will be held on April 9th. The General Election will be held on May 7th.

The Executive Director indicated that there is no litigation.

Discussion followed.

Legislative Update/Report of Legislative Subcommittee - The Executive Director gave the legislative update and referred to his written report.

LB 101 – This is a bill by Senator Wayne. It creates an exception from the conflict of interest provisions for members of school boards, city councils, village boards, and for mayors. The exception would only apply when the conflict of interest is based upon a business association and that association exists as a result of the person's service as an elected school or municipal official on the board of an organization that the school district or municipality is a member of. The Legislation Subcommittee recommended that the Commission support the bill.

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LB 175 – This bill by Senator Chambers eliminates the limited ability of one candidate committee to transfer campaign funds to another candidate committee. The Legislation Subcommittee recommended that the Commission support the bill.

LB 210 – This bill by Senator Crawford requires reporting spending on electioneering communications, also known as ‘issue ads’. The Legislation Subcommittee recommended that the Commission support the bill.

LB 253 – This is a bill by Senator McCollister that would create an independent redistricting commission. The Legislation Subcommittee recommended that the Commission oppose the bill as drafted. Daley reported that the sponsor had agreed to amend the language of the bill relating to the NPADA.

LB 280 – This bill by Senator Brewer would raise the maximum civil penalty the Commission can assess per violation from \$2,000 to \$5,000. The Legislation Subcommittee recommended that the Commission support the bill.

LB 415 – This bill by Senator Friesen eliminates recall as a means of removing elected officials. The Legislation Subcommittee recommended that the Commission take a neutral position the bill.

LR 9 – This is a legislative resolution by Senator Wayne which calls for Congress to convene a convention of the states to propose an amendment to the U.S. Constitution to restore free and fair elections. The Legislation Subcommittee recommended that the Commission monitor the bill.

Discussion followed.

Motion by Davis, second by Peetz, to approve positions on legislation pending suggested by the Legislation Subcommittee and approved by the Executive Committee – Roll Call Vote: Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty and Peetz voted yes. Motion carried (7-0-0).

Report of Conflicts Committee – Chairman Enenbach indicated that there was no report from the Conflicts Committee.

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

Closed Session - Motion by Davis, second by Hegarty, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA - Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty, and Peetz voted yes. Motion carried (7-0-0).

The NADC went into Closed Session at 9:48 a.m.

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The NADC returned to Open Session at 10:36 a.m.

Action on or Announcement of Closed Session matters -

The Executive Director indicated that in the matter of Keep the Money in Nebraska case (#18-10), the Commission approved a settlement agreement in which it found a violation of §49-1462 of the NPADA, failure to timely file an annual campaign statement. By the terms of the settlement agreement, no civil penalty was assessed. It was noted that the committee had paid a late filing fee of \$750 in connection with the filing. The settlement agreement was approved with seven Commissioners concurring, none dissenting, and none abstaining.

Mr. Daley also announced that in the matter of the Executive Director v. Scott Hazelrigg for District 66 case (#18-12), the Commission approved a settlement agreement by which it found a violation of the NPADA §49-1462 for the failure to timely file an annual campaign statement. By the terms of the settlement agreement no civil penalty was assessed. It was noted that the respondent paid a \$750 late filing fee in connection with the filing. The settlement was approved with seven Commissioners concurring, none dissenting, and none abstaining.

Adjournment – Motion by Davis, second by Hegarty, that the NADC adjourn.

Roll Call Vote: Commissioners Callahan, Carlson, Davis, Enenbach, Evnen, Hegarty, and Peetz voted yes. Motion carried (7-0-0).

Chairman Enenbach declared the meeting adjourned at 10:40 a.m.