

State of Nebraska

Accountability and Disclosure Commission

P.O. BOX 95086
Lincoln, Nebraska 68509
www.nadc.nebraska.gov



11th Floor, State Capitol
Phone (402) 471-2522
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Synopsis Case #14-39 Action Taken on June 12, 2015

Respondents: Team Chadron, Mark Werner, Miles Brannan, and John Coates

The Respondent Team Chadron is a political committee located in Chadron, Nebraska. Respondents Werner, Brannan and Coates were candidates for Chadron City Council in the 2014 General Election. The complainant is Percilla Cougar of Chadron. Based upon the complaint, a preliminary investigation was commenced on November 5, 2014 alleging that Team Chadron was the candidate committee of Werner, Brannan, and Coates and that it had failed to file a Statement of Organization with the Commission upon raising, receiving or spending \$5,000 or more in a calendar year in violation of §49-1445. Thereafter, on November 21, 2014 Team Chadron filed a Statement of Organization disclosing that it was an independent committee supporting certain candidates for Chadron City Council and a local ballot question. On February 27, 2015 an amended Notice of Preliminary investigation was issued alleging that Team Chadron was an independent committee that had failed to file a Statement of Organization as an independent committee in violation of §49-1449 and had failed to include a disclaimer on certain printed material in violation of §49-1474.01. The amended Notice of Preliminary Investigation did not allege any violation by Respondents Werner, Brannan, or Coates.

The parties entered into a settlement agreement. By the terms of the agreement the Commission finds that Team Chadron violated §49-1449 by failing to timely file a Statement of Organization as an independent committee. It further finds that Team Chadron failed to include the name and address of Team Chadron on certain printed campaign material in violation of §49-1474.01. The allegations against Respondents Werner, Brannan and Coates were dismissed in that Team Chadron was not the candidate committee of these Respondents. The settlement agreement provides for a civil penalty of \$1,000.00 and an additional payment of a \$1,000.00 late filing fee assessed by operation of law.

The Commission approved the Settlement Agreement and assessed a civil penalty of \$1,000.00 with eight Commissioners concurring, no Commissioners dissenting, and no Commissioners abstaining.

Violation: Pursuant to the Settlement Agreement, the Commission found that the Respondent Team Chadron failed to timely file a Statement of Organization in violation

of §49-1449 and failed to include a disclaimer on printed campaign material in violation section 49-1474.01 of the NPADA.

Civil Penalty: \$1,000 plus a statutory late filing fee of \$1,000

Other: Required Statement of Organization is now on file.

Attorney for the Respondents: Matthew Watson, Chadron, Nebraska

Attorney for the Commission: Neil Danberg

Synopsis Prepared by: Frank Daley
Executive Director
Nebraska Accountability & Disclosure Commission
P.O. Box 95086
Lincoln, NE 68509
402-471-2522

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

In the Matter of
Team Chadron

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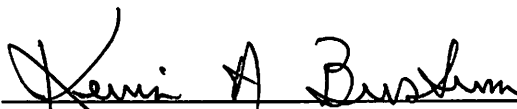
Case #14-39

Order

Now on this 12th day of June 2015, this matter comes before the Nebraska Accountability and Disclosure Commission. Commissioners Brostrom, Conway, Gale, Grant, Hosford, Mumm, Schulz and von Gillern are present with Commissioner Brostrom presiding. The Respondents appear neither in person nor through an attorney. Neil Danberg appears on behalf of the Commission. The Commission notes the submission of a proposed settlement agreement.

Whereupon, the Commission with 8 Commissioners concurring, 0 Commissioners dissenting, and 0 Commissioners abstaining, approves the attached settlement agreement and the terms thereof are incorporated into this order as if fully set forth herein. As provided by the settlement agreement, the Commission finds that the Respondent Team Chadron has violated §49-1449 and §49-1474.01 of the Nebraska Political Accountability and Disclosure Act. As further provided by the settlement agreement, a civil penalty of \$1,000 is assessed against Team Chadron which is in addition to the late filing fee of \$1,000 assessed against Team Chadron by operation of law. The allegations against Respondents Mark Werner, Miles Brannan, and John Coates are dismissed.

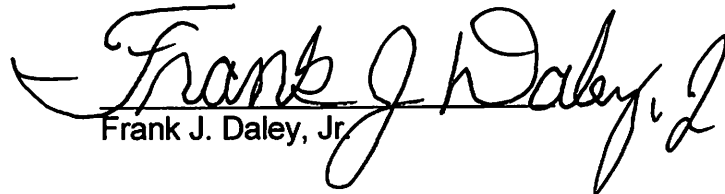
Issued this 12 day of June 2015



Kevin Brostrom, Chairman
Nebraska Accountability & Disclosure Commission

Certificate of Service

I hereby certify that a copy of this Order was sent by certified U.S. Mail, postage prepaid, return receipt requested on the 12th day of June 2015 to the following at the following address or addresses: Mark Werner, 800 Parry Drive, Chadron, NE 69337; Miles Bannan, 501 N. Main Street, Chadron, NE 69337; John Coates, 160 Pine Street; Chadron, NE 69337; Matthew Watson, Attorney for Team Chadron, P.O. Box 1070, Chadron, NE 69337



Frank J. Daley, Jr.

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

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In the Matter of Team Chadron and)
Candidates Mark Werner,)
Miles Bannan and John Coates)
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CASE No. 14-39

SETTLEMENT AGREEMENT

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NEBRASKA ACCOUNTABILITY & DISCLOSURE COMMISSION

- 1) Parties: The parties to this Settlement Agreement (hereinafter "Agreement") are the Nebraska Accountability and Disclosure Commission, hereafter referred to as the "Commission" and an Independent Campaign Committee known as "Team Chadron", and three candidates: Mark Werner, Miles Bannan and John Coates. The said Committee and the three candidates will hereinafter be referred to collectively as the "Respondents."
- 2) Jurisdiction: The Respondents acknowledge the jurisdiction of the Commission pursuant to the Nebraska Political Accountability and Disclosure Act ("NPADA").
- 3) Intention: The parties hereby agree that this Agreement shall constitute a waiver of a formal hearing on the alleged violations as described in Paragraph 6 of this Agreement, thereby resolving the matter without further delay and expense to the parties.
- 4) The Alleged Violations: In its original Notice of Preliminary Investigation, the Commission alleged that the Respondents violated the NPADA because Team Chadron and the three candidates ("candidates") raised, received, or expended more than five thousand dollars (\$5,000) in calendar year 2014, but Team Chadron and the candidates did not form a committee in violation of Section 49-1445 of the NPADA.

An Amended Notice of Preliminary Investigation narrowed and supplemented the allegation by alleging that it was Team Chadron alone which, as an independent campaign committee, had failed to file a statement of organization, in violation of Section 49-1449 of the NPADA. The candidates were not included in this allegation. The amended Notice of Preliminary Investigation also supplemented the first such Notice by alleging that Team Chadron, in certain written campaign communications, had failed to place a disclaimer in said communications containing the name and street address of the person who paid for the production, distribution or posting of said communications, in violation of Section 49-1474.01 of the NPADA.

- 5) Stipulations and Findings: Team Chadron was an independent campaign committee whose purpose was to enlist and support candidates for City Council in Chadron, Nebraska, and also to assist in the passage of a certain ballot initiative relating to a new community swimming pool. The “candidates” did not direct or coordinate the activities of Team Chadron, nor participate in its fund-raising or in its decisions as to how to expend funds raised by Team Chadron. Team Chadron concedes that it was an independent campaign committee, that it should have filed a statement of organization on or about October 20, 2014 (at which point the said committee had raised more than five thousand dollars (\$5,000)), and that, thereafter, certain committee campaign statements were filed late. Team Chadron further concedes that certain campaign communications produced, distributed or posted by Team Chadron failed to include a disclaimer containing the name and street address of the person responsible for said communications.
- 6) Dismissal of the “Candidates” The Amended Notice of Preliminary Investigation superseded the original Notice, and said Amended Notice had the effect of removing the “candidates” as Respondents in this Preliminary Investigation. Nonetheless, as a material part of this Agreement, and for purposes of clarity, the “candidates” are specifically hereby dismissed as Respondents with respect to this Investigation.
- 7) Alleged Violations and Proposed Findings: As noted above, in Paragraphs 4 and 5, the Amended Notice of Preliminary Investigation identifies two alleged violations with respect to Team Chadron: First, failure to form a campaign committee when required to do so after more than five thousand dollars (\$5,000) had been raised, received or expended, in violation of Section 49-1449 of the NPADA; and Second, failure to place a disclaimer in certain campaign communications including the name and street address of the person who paid for the production, distribution or posting of said materials, in violation of Section 49-1474.01 of the NPADA.

For its part, Team Chadron collectively states that it did not intend to violate the NPADA as alleged. Nonetheless, said Respondent agrees and stipulates that if this matter proceeded to a hearing, there is sufficient evidence from which the Commission could find that Team Chadron has committed two violations as alleged and that the Commission may enter an order in accordance with said finding, and that Respondent would not contest such a finding.

- 8) Civil Penalty and late filing fees. There are civil penalties which the Commission may impose based upon violations of the NPADA. Similarly, late filing fees are assessed by operation of the NPADA for failure to timely file specific statements. In this case, that includes late filing fees for the late filing of the Committee’s Statement of Organization and for the late filing of the initial campaign statement.

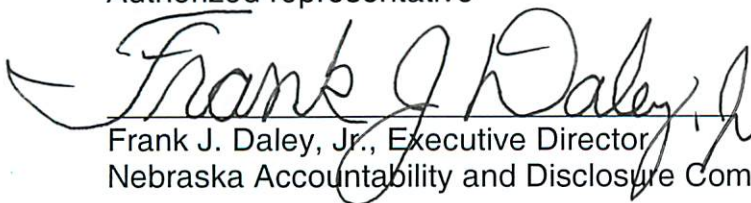
In full and complete settlement of this matter, including the two violations as described in paragraphs 4, 5, and 7 of this Agreement, and including late filing fees for which the Respondent may be liable, as described above, the Respondent

hereby offers and agrees to pay a total of \$1,000 civil penalty and, in addition, a late filing fee of \$1,000. If accepted by the Commission, payment of these amounts will result in a full and complete satisfaction of all civil penalties and late fees which may be imposed by the Commission based upon the alleged violations and late filings as detailed in paragraphs 4, 5, and 7, above. The parties further specifically agree that Respondent Team Chadron shall have three (3) months from the date this Agreement is approved by the Commission in which to complete payment of the civil penalty and late filing fees as specified in this Agreement.

- 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 the date it is approved by the Commission and the Commission issues an order in accordance with the terms of this Agreement. 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 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) Right to Address the Commission: The Respondent and its attorney have a right to address the Commission with respect to approval of this Settlement Agreement.
- 12) Advice of Counsel: The Respondent acknowledges that it has had an opportunity to seek the advice of his attorney in connection with the terms of this agreement.


Team Chadron, Respondent, by an
Authorized representative

4.1.15
Date


Frank J. Daley, Jr., Executive Director
Nebraska Accountability and Disclosure Commission

6-12-15
Date


Approved as to Form, Matt Watson, Respondents' Attorney

4/1/15
Date