

OPEN SESSION
MINUTES OF THE MEETING OF THE
NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION
Friday, December 1, 2017
State Capitol, Room 1524
Lincoln, Nebraska

Call to Order – Chairman Conway called the meeting to order at 9:01 a.m. and announced the location in the meeting room of a copy of the Public Meetings Law.

Roll Call –

Sean Conway – Present
Jeffery Davis - Excused
Matthew Enenbach – Present
John Gale – Present
Douglas Hegarty - Present
Andrew Loudon - Present
Jeffery Peetz – Present

Approval of the Open Session Minutes of the September 8, 2017 Meeting – Chairman Conway referred the Commissioners to their copies of the Open Session Minutes of the previous meeting.

Chairman Conway indicated that Commissioner Gale had pointed out an error in the Open Session minutes, page 2, agenda item Report on late filing and requests for relief: Nebraska Democratic Party, Ted Kessler, Treasurer, regarding the motion by Commissioner Gale. On the third line, it should strike the word “and.”

Motion by Enenbach, second by Peetz, that the Open Session Minutes as amended of the September 8, 2017 meeting be approved as presented - Roll Call Vote: Commissioners Conway, Enenbach, Gale, Hagerty and Peetz voted yes. Commissioner Loudon abstained. Motion carried (5-0-1).

Report on late filing fees and requests for relief: The Executive Director indicated that there were no requests for relief.

Executive Director's Report (includes personnel activity, budget status, budget process and litigation status) – Executive Director Daley indicated that Commissioner Ziebarth had submitted his resignation to the Commission. Mr. Ziebarth's successor is former State Senator Kate Sullivan and was appointed by the Governor. Mr. Daley stated that the Commission is still awaiting a successor to be named by the Secretary of State to replace Commissioner Schulz whose term expired June 30th, 2017.

The Executive Director referred the Commissioner's to their packets for the current budget information for their review. The Director asked the Commission members if there were any questions, there were none.

Executive Director Daley reported that in regard to the agency's pending office move out of the Capitol. Mr. Daley noted that at the last meeting the moving dates were December 20, 21 and 22nd. The Commission since that time has been asked to move the dates back further. Mr. Daley indicated the he had advised Building Division that in the Commission's two year business cycle, that January, in an even number year would be the absolutely worst time to move. The Director also further suggested to Building Division that the week of December 20th or the week following Christmas would be more desirable for the agency move.

The Commission will be moving to the 4th Floor of the Center Terrace Building, which is directly across the street south of the Cornhusker Marriott.

Executive Director Daley reported that in regards to the Electronic Filing Project. The project continues and that the Commission staff has been reviewing the work that has been done so far with the hope that the project will be completed in the fiscal year. Mr. Daley indicated that the plan is now to hold off on the launch of the new system until after the 2018 election year, and continue to use the old system for the 2018 election year.

Discussion followed.

Executive Director Daley announced that the Council on Governmental Ethics Laws (COGEL) Conference will be held in Toronto Canada this year. This is the organization of which the Commission is a founding member and the one conference where experts of North America gather. Areas covered are legislation, campaign finance, lobbying, conflict of interest, governmental ethics and litigation. All of which are of concern to the Commission. The Director indicated that the Commission usually sends two staff members. However, Mr. Daley pointed out that this year with the Governor's directive on travel budget considerations, that only General Counsel Danberg will attend and represent the Commission.

The Executive Director indicated that Lobbyist and Principal 3rd Quarterly Reports due October 30th that have been filed are available to the public for review on the NADC website. Mr. Daley indicated that the General Campaign Statements disclosing campaign activity are due January 31, 2018. .

The Executive Director indicated that in the matter of litigation he would defer to General Counsel Danberg.

The General Counsel indicated that regarding litigation in the matter of the NADC v. Patrick Shannon. Mr. Shannon had been the beneficiary of funds after his father had passed away. The Commission after investigating the lawsuit retained an attorney in Oklahoma who filed for garnishment against Mr. Shannon. This resulted in the collection of the 2008 judgement. Mr. Danberg indicated that this concluded the matter.

Discussion followed.

2018 Legislative Session –

- a) Discussion of possible legislation**
- b) Consideration and action on process for addressing legislative issues**

Executive Director Daley referred the Commissioners to a memo and a three page list of Legislative bills introduced with the Commission's interest. It was pointed out that all of these bills never made it out of committee, except for one bill that concerned public meetings. The Director noted that even these public meetings components had also been amended out. He indicated that the other item that concerned proposed legislation, were that some of the entities that represent political subdivisions, such as the League of Municipalities or the Nebraska Association of School Boards (NASB) had reviewed Advisory Opinion #203 which was issued in September and were looking for a legislative change. Advisory Opinion #203 states that if you are a member of the board of a political subdivision and if you serve on a board of directors of an organization of those types of political subdivision and you have a business association with that outside entity. Therefore, when matters would come before the board you would have a conflict of interests if there is a financial benefit or detriment. They are looking for an exception to the rule as it causes basic problems when serving on an outside board by nature of their public office. They would like a disclosure requirement.

Executive Director Daley reported that at least one senator that is considering the introduction of legislation that would place limits on campaign contributions. Mr. Daley noted that placing limitations on campaign contributions is akin to going for

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a walk in a field of First Amendment land mines. Mr. Daley indicated that it is too early to know clear details.

Motion by Gale, second by Hegarty, that the Commission authorize the staff and the Executive Committee to proceed for the 2018 Legislative Session in the traditional manner of responding to legislative matters and to include the drafting of proposed legislation - Roll Call Vote: Commissioners Conway, Enenbach, Gale, Hegarty, Loudon, and Peetz voted yes. Motion carried (6-0-0).

Set Commission meeting dates for 2018 and 2019 – Executive Daley presented the proposed meeting dates for the 2018 and 2019.

Motion by Peetz, second by Enenbach, that the Commission approve and adopt the proposed Commission dates for 2018 and 2019 – Roll Call Vote: Commissioners Conway, Enenbach, Gale, Hegarty, Loudon and Peetz voted yes. Motion carried (6-0-0).

Report of Conflicts Committee – Chairman Conway indicated that there was nothing to report.

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

Closed Session - Motion by Loudon, second by Hegarty, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA - Roll Call Vote: Commissioners Conway, Enenbach, Gale, Hegarty, Loudon and Peetz voted yes. Motion carried (6-0-0).

The NADC went into Closed Session at 9:21 a.m.

The NADC returned to Open Session at 10:24 a.m.

Action on or Announcement of Closed Session matters - Executive Director Daley indicated in the matter of Vinny Palermo case #17-13 the Commission approved a settlement agreement with five Commissioners concurring, none dissenting, and one abstaining. The Commission found there was a violation of the NPADA §49-1455(1)(g) and assessed a civil penalty of \$2,000.

Adjournment – Motion by Loudon, second by Peetz, that the NADC adjourn. Roll Call Vote: Commissioners Conway, Enenbach, Gale, Hegarty, Loudon and Peetz voted yes. Motion carried (6-0-0).

Chairman Conway declared the meeting adjourned at 10:25 a.m.

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