

STATE BOARD OF ELECTIONS

Friday, June 11, 2010

MINUTES

PRESENT: Wanda L. Rednour, Vice Chairman (Springfield)
Patrick A. Brady, Member (arrived at 9:08 a.m.)
John R. Keith, Member
Albert S. Porter, Member
William M. McGuffage, Member
Jesse R. Smart, Member
Robert J. Walters, Member

ABSENT: Bryan A. Schneider, Chairman

ALSO PRESENT: Daniel W. White, Executive Director
Steve Sandvoss, General Counsel
Rupert Borgsmiller, Assistant Executive Director
Darlene Gervase, Administrative Assistant II

In Chairman Schneider's absence, Vice Chairman Rednour called the meeting to order at 9:00 a.m. and began the meeting with the Pledge of Allegiance to the flag. Members Brady, Keith, Porter, McGuffage, Smart and Walters were present in Chicago; Vice Chairman Rednour was present in Springfield and Member Smart held the Chairman's proxy.

Member Keith moved and Member Smart seconded a motion to recess to executive session for personnel issues and added that the open session would resume at approximately 10:30 a.m. The motion passed by eight ayes in unison. The Board of Elections recessed at 9:01 a.m.

The Board returned to open session at 10:51 a.m. with 7 members present; Chairman Schneider was absent and Member Smart held the Chairman's proxy.

Member Keith moved to recess the State Board of Elections and reconvene the State Officers Electoral Board. Member Smart seconded the motion which passed by 8 ayes in unison. The board recessed at 10:52 a.m.

The Board returned to open session at 1:12 p.m. with 7 members present; Chairman Schneider was absent and Member Smart held the Chairman's proxy.

To expedite the meeting, Director White asked the Board to consider the Report of the General Counsel followed by the Executive Director's report.

The minutes of the May 3 special and May 17th regular meetings were submitted with changes recommended by Member Keith. Member Smart moved to adopt the minutes with the changes. Member Porter seconded the motion which passed unanimously by 8 ayes in unison.

General Counsel Sandvoss presented a Motion for Reconsideration from the Citizens to Elect LaShawn K. Ford, 10DS131. He recommended the motion be denied as no basis was raised to cause the Board to reconsider. Member Smart moved to deny the motion and Member Keith seconded the motion which passed unanimously by roll call vote.

Mr. Sandvoss summarized the Motion for Reconsideration in *SBE v. Citizens for David Miller*, 10AP012 and recommended the motion be denied. Attorney James Nally was present for the respondent. He said that a complete change in the staff was the reason why the appeal affidavit had been filed late. He requested a hearing to present the facts and evidence. After discussion, Member Brady moved to grant the motion and Member Smart seconded the motion. The Motion passed 6-2 with Member Keith and Vice Chairman Rednour voting no.

New appeals of campaign disclosure fines wherein the hearing officer recommended appeal be granted were considered. Member Smart moved to accept the hearing officer and general counsel's recommendations and grant the appeals. Member Keith seconded the motion which passed unanimously by roll call vote. Appeals were granted in: *SBE v. Friends for Frimark for Mayor*, L12301, 09AE046; *SBE v. Friends of Aktipis*, 10DS227; *SBE v. Friends of Russell W. Hartigan*, L15574, 10DS096; *SBE v. Citizens for Gary Grasso*, S8802, 10AP013; and *SBE v. Cook County Republican Party*, S9361 10AP018.

In the matter of *SBE v. Citizens for Healy*, S9642, 10DS215, the respondent raised the electronic filing defense. Member Smart moved to grant the appeal and Member McGuffage seconded the motion. The motion passed 7-1 with Member Keith voting no.

New Appeals of campaign disclosure fines wherein the hearing officers recommended the appeals be denied were considered. Member Smart moved to agree with the hearing officer and deny the appeals in *SBE v. The Unity Party*, L11621, 09AE045; *SBE v. Country Oaks Committee to Elect Robert G. Abboud*, L13000, 10DS042; *SBE v. Jim Gentile Campaign Fund*, L14828, 10DS221; *SBE v. Citizens for Effingham's Future*, L15689, 10AP004; *SBE v. 34th Ward Regular Democratic Organization*, S594, 10AP005; *SBE v. Concerned Citizens for America*, S6365, 10DS233; *SBE v. Citizens for Judge Jim Epstein*, S7501, 10AP011; and *SBE v. United Association Political Action Committee*, S10271, 10D1013. Member Keith seconded the motion which passed unanimously by roll call vote.

Item 6.a11 was presented by the General Counsel and he noted that Attorney James Nally was present for the respondent. Mr. Nally added that the committee has been inactive since 2007 and has only \$173 in the treasury. Mr. O'Sullivan attempted to file electronically and did not realize the report did not upload until contacted by the SBE at which time he immediately refiled the report. Member McGuffage moved to grant the appeal based on the electronic filing defense. Member Brady seconded the motion which passed 6-2 with members Keith and Walters voting no.

Mr. Sandvoss called *SBE v. Nunda Neighbors for Open Space*, L 14070, 10DS054 and noted that Lori McConville, chairman of the committee, was present. He summarized the committee and Ms. McConville offered \$216, the balance in the committee's account, in lieu of the \$1,175 fine and to finalize the committee. Member McGuffage moved and Member Porter seconded the motion to accept Ms. McConville's offer of \$216 and to finalize and remain inactive for two years. The motion carried 5-3 with Members Brady, Keith and Walters voting against the motion.

SBE v. Brenda B. She's the One for Me, L15609 was pulled from the list at Member Brady's request. The General Counsel summarized the activities of the committee and agreed with the recommendation to deny the appeal. Member Brady questioned why the postmarked envelope was not kept as evidence of the date of filing. Member Brady moved to grant the appeal and Member Smart seconded the motion. The motion passed 6-2 with Members Keith and Walters voting no.

General Counsel Sandvoss called item 6.a.19, *SBE v. Polish American Congress PAC*, S9096, 10DS153 and noted the appearances of the Mr. Frank J. Spula, President of the committee, and Attorney Christopher Kurczaba representing the committee. After Mr. Sandvoss' summary, Attorney Kurczaba provided a short history of the committee and added that the Committee has \$500 in its treasury. He indicated that the committee has been mostly involved in health services to the community. The PAC is considering entering the political arena and rather than finalize the committee, Mr. Spula would personally donate \$2,000 and along with the respondent's \$500 offer \$2,500 as a settlement of this matter. Member Smart said that he greatly appreciates Mr. Spula's offer, but he could not vote to accept his \$2,000 and would be willing to settle the matter for \$500. Member McGuffage spoke to the merits of the Polish American Congress and of the good work that they do. He added that the law does not require any personal funds to be used and he agrees that a \$500 offer would be considered. The committee presented an offer of \$500. Member McGuffage moved to accept the offer of \$500 in settlement of this matter and Member Smart seconded the motion. The motion passed 6-2 with Members Brady and Keith voting no.

Mr. Sandvoss summarized the complaint in *SBE v. Fair Illinois Committee*, S9193, 10DS238 and recommended the appeal be denied. Attorney Mike Kasper was present for the committee. After discussion and questions from the Board, Mr. Kasper indicated that he had been hired by the committee earlier that morning and they had not discussed a settlement offer. At the request of Mr. Kasper, the Chairman continued this matter to the July 19th meeting.

SBE v. The Kyle Campaign, S9699, 10AP019, was summarized and presented to the Board. Mr. Sandvoss recommended the appeal be denied and noted that Mr. Angelo Kyle was present for the respondent. Mr. Kyle stated that he relied on January Accounting, an accountant firm hired to file all the documents, but she mistakenly filed in-kind donation as A-1 cash donations. Mr. Sandvoss' recommendation remained the same. Member McGuffage moved to waive the fine because of the reliance of the committee on advice of a professional accountant and it was the wrong advice and that the appeal be granted and the fine waived. Member Porter seconded the motion which failed 3-5 with Members Brady, Keith, Smart, Walters and Chairman Schneider voting no. Member Keith moved to deny the appeal and \$364 would be due and owing. Member Smart seconded the motion which carried 7-1 with Member McGuffage voting no because he thought the penalty should be waived.

Member Brady called for a recess to executive session to hear cases 6.a. 25 through 57. Member Keith seconded the motion which passed unanimously by 8 voices in unison. The Board recessed at 2:24 p.m.

The Board returned to open session at 2:51 p.m. with 7 members present; Chairman Schneider absent and Member Smart held the Chairman's proxy.

The General Counsel began a presentation of Proposed Campaign Finance Rules and summarized the changes. He said that hearings were held in Madison and DeKalb counties and no one appeared to present testimony or comment and that the rules should be presented to JCAR with several corrections and additions by Member Keith. Random audits, hardship waivers, fines and penalties were discussed. Member Keith thanked County Clerks Holmes and Von Nida. Member Brady moved and Member Walters seconded a motion that the board direct staff to submit to JCAR the proposed campaign finance rules as submitted, including any revisions necessitated by Board determination made today with any clarifications to be approved by the appointed subcommittee without any further board action being necessary. The motion passed unanimously.

Mr. Sandvoss presented a list of active political committees both active and final that have been assessed civil penalties and face ballot forfeiture.

Member Keith addressed the executive session matters 25-57 as follows: *Golfman v. Friends of Annazette R. Collins*, 10CD013 was continued by the Chair to July without objection of the Board. *Berardi v. Meade*, 10CD071 was not filed on justifiable grounds and no further action is required. Items 27-49 were filed on justifiable grounds and the following will proceed to public hearing: *SBE v. 22nd Ward Independent Political Organization*, 10CD013; *SBE v. 16th Ward Regular Democratic Org.*, 10CD013; *SBE v. Friends for Zenovia G. Evans*, 10CD015; *SBE v. Citizens for Pam Cap/Pam Cap*, 10CD107; *SBE v. Phillips for Mayor*, 10CD019; *SBE v. Citizens to Elect Alvin Parks Jr.*, 10CD02; *SBE v. Citizens United for Change in the 20th*, 10CD024; *SBE v. Citizens to Elect Glenn Tienstra*, 10CD025; *SBE v. Committee to Elect James Larry Karraker*, 10CD027; *SBE v. Wakefield for Waukegan*, 10CD029; *SBE v. Citizens for Deyon Dean*, 10CD033; *SBE v. Friends of Jeff Houston for Alderman Ward 6*, 10CD035; *SBE v. Friends for Booker*, 10CD036; *SBE v. Friends of Murfin and Sarkees*, 10CD038; *SBE v. Moving Forward for Riverdale*, 10CD040; *SBE v. Friends of Frank McPartlin*, 10CD045; *SBE v. REALTORS PAC of IL*, 10CD045; *SBE v. Treasurers and Ticketsellers Union*, 10CD050; *SBE v. Citizens for Linda Ramirez Sliwinski*, 10CD053; *SBE v. Friends for Mary Schneider*, 10CD062; *SBE v. The Committee to Elect Tracy McLeMore*, 10CD067; *SBE v. The Friends to Elect Trenton Fedrick*, 10CD068; and *SBE v. Friends of Leo C. Watkins*, 10CD069. Items 50-57 were filed on justifiable grounds, but no further action is required. Those committees are: *SBE v. Citizens for Mike Hakanson*, 10CD026; *SBE v. Friends of Rev. Carey A. Grady*, 10CD032; *SBE v. 204 Taxpayers for Excellence*, 10CD039; *SBE v. Schuyler County Young republicans*, 10CD047; *SBE v. Friends of Laura Bertucci Smith*, 10CD048; *SBE v. Chicago Latino 100*, 10CD051; *SBE v. Citizens for Castrogiovanni*, 10CD065; and *SBE v. Working People's Campaign Committee for Honest IL Governors*, 10CD066. Member Keith moved to adopt the decisions made in executive session in items 6.a.25-57. Member Brady seconded the motion which passed unanimously by roll call vote.

Mr. White said the new and independent party filing begin Monday and important dates for the Board are June 28, and July 6 to meet as the State Officers Electoral Board to hear on any of these new party or independent objections which may be filed.

The director continued with the legislative report. He added that the legislature recessed without the Governor taking any action, but they did pass the budget. Rumors speculate they will be returning. Also, that in the session, almost \$1.5 million was restored after the initial budget was passed due to Chris' great efforts, her untiring efforts to look out for our interests and make sure the legislature doesn't forget about us. Ms. Cray added that the agenda went extremely well and all of our bills went forward with notices saying 'As of June 1st.' All of the election bills are sitting on the governor's desk and his office called asking for analysis and our positions. The big news was the budget and are waiting for the governor to proceed.

BEREP was updated and letters to the staff outlining issues as the Board directed were included in the packet. Staff has met with Intergovernmental Affairs, Republican staff and the Governor's office of Legislative Affairs and there has been an agreement that some legislative changes need to take place. Mr. Borgsmiller acknowledged the Leaders, Governor's office and a member of the Republican staff have been apprised.

IVRS, fiscal reports and the two-year plan of activity were included for informational purposes.

Member Keith had one item which would come under new business. He moved to offer two year contracts to Messrs White, Borgsmiller, and Sandvoss, understanding that the monetary compensation would not be determined until our budget is determined and they continue to be paid at the present salary until that time with any increases or decreases agreed upon in their compensation to be then allocated and Mr. Roate would figure that out at that time and will be retroactive to July 1. Member Smart seconded the motion which passed 8-0 by roll call vote.

There being nothing further before the Board, Member Porter moved to adjourn the State Board of Elections to Tuesday, July 6th, at a time to be confirmed by the Chairman or the call of the Chair, whichever occurs first. Member Smart seconded and 8 ayes in unison adopted the motion to adjourn. The Board adjourned at 3:09 p.m.

DATED: June 15, 2010

Respectfully submitted,

Daniel W. White, Executive Director

Darlene Gervase, Administrative Assistant II