

MINUTES OF SPECIAL MEETING AND PUBLIC HEARING  
OF THE ETHICS COMMISSION  
STATE OF OKLAHOMA  
HELD JANUARY 25, 2019

Call to Order.

Upon notice, with the agenda being properly posted at the Commission office at least twenty-four (24) hours prior to the commencement of the meeting and notice being filed at least forty-eight (48) hours in advance with the Office of the Secretary of State, a special meeting of the Ethics Commission of the State of Oklahoma ["Commission"] was called to order on Friday, January 25, 2019, at 10:03 a.m. Chair Karen Long ["Long"] opened the meeting, which was held in Room 206, State Capitol Building, Oklahoma City, Oklahoma.

Determination of Quorum.

Roll was called to determine the existence of a quorum for the transaction of business. Commissioners answering present were: Chair Karen Long, Vice-Chair Charles Laster ["Laster"], John Hawkins ["Hawkins"], Holly Johnson ["Johnson"] and Cathy Stocker ["Stocker"]. A quorum of members was declared.

Staff & Visitors.

Commission staff members present at all or part of the meeting were Ashley Kemp ["Kemp"], Jan Preslar ["Preslar"], Stephanie Black ["Black"] and Ariel Koerner ["Koerner"].

Observing all or part of the meeting: Clint Colbert, OCPA; Ruth Jepson, Citizen; Barbara Bennett, Citizen; Bryce Smith, Citizen; Daniel McKenzie, Citizen; Glenn Coffee, Attorney; Cara Rodriguez, Attorney; A.J. Ferate, OK Republican Party; John Tidwell, Citizen; Adam Maxey, Citizen; Lauren McElfresh, LegisOK; Stacy Lubbers, Citizen; Hope Weber, Attorney; Scott Jessen, Citizen; Caroline Dennis, Senate; Arnelle Korges, Senate; Shawn Ashley, eCapitol; Dan Billingsley, OK Center for Nonprofits; David White, Citizen; Paul Monies, OK Watch; Alex Weintz, Citizen; Wayne Hill, Citizen; Charlie Potts, Citizen; Geoffrey Long, Attorney; Marla Peek, Citizen; Jay Steagall, Citizen; Barrett Brown, Senate; Joe Dorman, OICA; Matthew Campbell, Citizen; Patrick Gaines, Citizen; Ryan Kilpatrick, Citizen; David Finley, Citizen; Shawna Babin, Citizen; Melodye Blancett, Representative/Citizen; Belinda Barker, Citizen; Pamela Street, Citizen; Andy Fugate, Citizen; Caroline Halter, KGOU; Heather Carr, Citizen; Nolan Clay, The Oklahoman; Bobby Cleveland, Citizen; Douglas Tully, Citizen; Bryce Smith, Citizen; Trent England, OCPA; Don Spencer, OK2A; Sean Parnell, Philanthropy Round Table; Derrel Fincher, Representative/Citizen; Chris Moe, Cannabis Activist; Ryan Kiesel, ACLU; Amy Anderson, ALEC Action; Timothy Harper, Citizen; Deborah Holden-Martin, Citizen; John Frasure, OCTA.

Open Meeting Act Compliance.

In compliance with Open Meetings Act.

Introductions and Announcements. None.

This amendment modifies the Lobbyist Rules in Rule 5 of the Constitutional Ethics Rules concerning disclosure of source and funds used for communications to influence a vote of the legislature concerning pending legislation.

Explanation of Amendment 2019-02 by Executive Director Kemp.

Comments by Commissioner Long.

Public Comment.

**Douglas Tulley, Citizen:** Opposes the proposed amendment due to perceived burden on grassroots lobbyists.

**Bryce Smith, Citizen:** Opposes the proposed amendment; specifically, he opposes the \$500 threshold because it is easy to exceed.

**Trent England, OCPA:** Opposes the proposed amendment. He presented a petition with 3,225 signatures of citizens who also oppose the proposed amendment. Mr. England does not agree that the proposed amendment is narrow enough to be constitutional, and he continues to disagree with the Commission's jurisdiction in the matter.

**John Spencer, OK2A:** Mr. Spencer contends that the proposed amendment would and is already negatively affecting the Oklahoma 2<sup>nd</sup> Amendment Association directly and indirectly; consequently, he opposes the proposed rule amendment.

**Shawn Parnell, Philanthropy Round Table:** Mr. Parnell expressed concern over the proposed amendment's effect on donors to 501(c)(3) organizations; specifically, he believes that the proposed disclosure requirements would stop donors from giving to such charities. He also opposes the rule because he believes it will negatively affect small grassroots lobbyists.

**Derrell Fincher, Representative:** Mr. Fincher spoke as a citizen. He requests clarification from the Commission on how the proposed rule amendment would work because he believes there has been a large amount of miscommunication and misconception on this rule proposal.

**Chris Moe, Cannabis Activist:** He opposes proposed rule amendment because of the perceived chilling effect it may have and is already having on the public. He contends that citizens do not want to appear on lists, and such a rule would cause people to disengage in political activism. He also specifically opposed the \$500 threshold in the proposed rule, arguing that the threshold was too low.

**AJ Ferate, Citizen:** Opposes the proposed rule amendment. He explained that the proposed amendment has been related to tax requirements, but there are already disclosure requirements to the IRS that works differently than this proposed rule.

**Ryan Kiesel, ACLU:** Opposes the proposed rule amendment. He contends that, while the proposal has good intentions, it will have unintentional, detrimental consequences in Oklahoma. Mr. Kiesel explained that he believes the disclosure required by candidate committees is centered on protecting the citizens of Oklahoma; however, the proposed disclosure for indirect lobbying will merely empower and protect lawmakers. He concluded by stating that many members of organizations want to remain anonymous, and this proposed rule amendment would cause a chilling effect on citizens, particularly small groups, and potential Due Process issues as average citizens would not understand how to comply with the proposed rule.

**Amy Anderson, ALEC Action:** She opposes the proposed amendment and questioned the stats provided by the Commission on states that have enacted similar rules. Specifically, she argues that the rule proposal is not as narrowly tailored as other states and very few other states have donor disclosure requirements. She also believes the \$500 threshold is too low.

**Timothy Harper, Citizen:** He opposes the proposed rule amendment, stating that, while the rule has good intentions, it can lead to tyranny. He does not believe the problem the Commission states this rule amendment will address even exists.

**Debra Holden-Martin, Citizen:** Although she appreciates transparency, she believes this proposed rule amendment is overreaching. She continued by stating that she believed that the \$500 threshold was too low, and concluded by indicating the rule was unnecessary because she believes legislators have the responsibility of knowing who is talking to them.

**Joe Dorman, OICA:** He opposes the proposed rule amendment and suggested that its enactment would be serious for the non-profit world. Specifically, he is concerned about the cost it would take to keep his organization in compliance with the proposed rule.

**John Frasure, OCTA :** He opposes the proposed rule amendment because he believes it would require people like him, who traveled and educated the public on state question 788, to register as lobbyists. He is concerned that this would intimidate the public from giving and engaging in political activism.

Comments and discussion by Commissioners and staff. Comments by Stocker and Laster.

Discussion and possible action on Amendment 2019-02 of the Constitutional Ethics Rules.

No action taken.

Consideration, discussion and possible final action on the Commission's official promulgated rules for 2019.

Commissioner Laster moved:

1. Pursuant to Article 29, Section 3, of the Oklahoma Constitution, the Commission submit to each House of the Legislature and to the Governor, its promulgated Rules, including all Rules and amendments to Rules approved by the Commission as follows:
  - a. Amendment 2019-03 on September 14, 2018,
  - b. Amendments 2019-01 and 2019-04 on January 11, 2019;
2. The Commission authorizes the Chair or the Chair's designee to make typographical and non-substantive modifications and prepare such submission documents with language as may be necessary;
3. As a matter of courtesy, the Commission also provide the Chief Justice of the Supreme Court and the Attorney General copies of that which are submitted to the Legislature and the Governor; and
4. The Commission authorizes the Chair or the Chair's designee to approve the final draft of the promulgated Rules prepared by staff in accordance with today's vote.

Commissioner Hawkins seconded.

Roll was called and the vote was as follows: Laster - yes, Hawkins - yes, Long - yes, Johnson - yes, Stocker - yes.

**Motion carried.**

Consideration, discussion, and possible action on minutes for the regular meeting, public hearing, and executive session held January 11, 2019.

Commissioner Stocker moved to approve the minutes for the regular meeting, public hearing, and executive session held January 11, 2019.

Commissioner Johnson seconded.

Roll was called and the vote was as follows: Stocker - yes, Johnson - yes, Long - yes, Laster - yes, Hawkins - yes.

**Motion carried.**

Consideration, discussion, and possible action on request for waiver of Ethics Rule 5, Lobbyist Registration and Reporting, based upon a pre-existing relationship pursuant to Rule 5.25.

W-19-01, Request by Ms. Samantha Davidson for a waiver of Rules for preexisting relationship with Spencer Guinn.

Commissioner Laster moved to grant waiver request W-19-01 for the preexisting relationship between Samantha Davidson and Spencer Guinn based on a finding that the purpose of the ethics rules will not be impeded or hindered by the waiver.

Commissioner Hawkins seconded.

Roll was called and the vote was as follows: Laster - yes, Hawkins - yes, Long - yes, Johnson - yes, Stocker - yes.

**Motion carried.**

Executive Director's Report.

Report was provided by Executive Director Kemp on FY 20 budget and education programs and compliance.

Consideration, discussion, and possible action on Closed/Executive session.

Commissioner Laster moved that pursuant to counsel's advice as set forth in the agenda, the Commission go into executive session in the Commission offices in Room G-27 to discuss the items listed in agenda item 9(c).

Commissioner Stocker seconded.

Discussion or comments by commissioners. None.

Roll was called and the vote was as follows: Laster - yes, Stocker - yes, Long - yes, Hawkins - yes, Johnson - yes.

**Motion was carried to go into Executive/Closed session at 11:54 a.m.**

**Executive session was held in the conference room located within the Ethics Commission office on the ground floor of the Capitol, Rm. G-27.**

Possible action to return to Open Session.

**Commissioner Laster moved to reconvene in Open Session at 12:13 p.m.**

Commissioner Stocker seconded.

Discussion or comments by Commissioners. None.

Roll was called and the vote was as follows: Laster - yes, Stocker - yes, Long - yes, Hawkins - yes, Johnson - yes.

**Motion carried.**

Consideration, discussion and possible action on items considered in executive session.

Commissioner Laster moved the Commission approve the proposed settlement agreement to resolve Case No. 2016-01, and Oklahoma Ethics Commission v. Blackwell, et al., Case No. CJ-2016-2342, in the District Court of Oklahoma County, State of Oklahoma.

Commissioner Johnson seconded.

Roll was called and the vote was as follows: Laster - yes, Johnson - yes, Long - yes, Hawkins - yes, Stocker - yes.

**Motion carried.**

New Business.

None.

Adjournment.

Commissioner Laster moved to adjourn.

Commissioner Johnson seconded.

Roll was called and the vote was as follows: Laster - yes, Johnson - yes, Long - yes, Hawkins - yes, Stocker - yes.

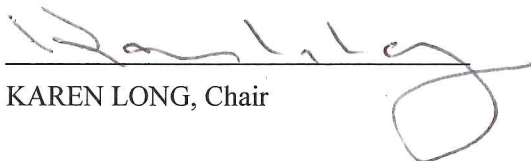
**Motion carried.**

Meeting ended at 12:15 p.m.



ASHLEY KEMP, Executive Director

Approved on Behalf of the Commission:

  
KAREN LONG, Chair