

changes in leadership, etc. They don't have any activity so they just quit reporting altogether. The rule is further amended to include language that the Treasurer is given the obligation to update the Commission when there are changes to report.

Slater sent the proposed amendment to the Chairs of the Republican Party and the Democratic Party for review. He didn't hear from either party as to any objections. He has talked to both Chairs regarding this Amendment and they seem to be in favor of the Amendment.

Commissioner Walker will sponsor the Amendment. He will move for the adoption of the Amendment at the appropriate time. No questions by Commissioners.

No public comment was received. No further questions by Commissioners and staff.

Discussion and Possible Action on Amendment 2015-02.

Walker made the following motion:

Madam Chair, I move the Commission to approve the proposed Amendment 2015-02. Stocker seconded.

Madam Chair, I move the Commission to further amend the proposed Amendment 2015-02 to add the language on page 2, line 3, after the word "account". Language refers to the Treasurer having the responsibility to notify the Commission of any change in information and to file an Amended Statement of Organization within 10 days.

McKinney seconded.

Motion on Amendment to Amendment:

Walker – yes, Stocker – yes, McKinney – yes, Long – yes.

Motion carried.

Motion on Full Amendment:

Walker – yes, Stocker – yes, McKinney – yes, Long – yes.

Motion carried.

Consideration, Discussion and Possible Action on Minutes for Public Hearing, Regular Meeting and Executive Session held on October 10, 2014.

McKinney moved to approve minutes of the October 10, 2014, public hearing, regular meeting and executive session. Stocker seconded. Roll was called and the vote was as follows: McKinney – yes, Stocker – yes, Walker – yes, Long – yes.
Motion carried.

Consideration, Discussion and Possible Action on Ratification of Agency Expenditures for the month of October, 2014.

McKinney moved for ratification of the agency expenditures for October, 2014. Walker seconded.

Discussion:

Chair Long mentioned that the Commission is ratifying the expenses a month after they have actually occurred; the money has been spent. Slater has asked if the Commission would like to see the expenditures on the agenda as informational only. Commissioners can pose questions if they need clarification. Beginning with the December agenda, the expenditures will appear as an informational item only.

Slater mentioned that the Attorney General's counsel was reviewing the agenda; he brought up the issue of what would occur if the Commission failed to ratify the expenses when the expenses have already been paid. Chair Long mentioned that she would be in favor of the item being on the agenda as informational in nature and no vote would be taken.

McKinney suggested that the expenditure information be consolidated to one page to save on paper and to highlight the information. Currently, there are several pages of information.

Slater mentioned that the agency expenditures will appear the same month to month.

Roll was called on the motion and the vote was as follows: McKinney – yes, Walker – yes, Stocker – yes, Long – yes. **Motion carried.**

Consideration and Possible Action on Resolution 2014-01 recognizing the exemplary service of M. Robert McKinney.

Chair Long read Resolution 2014-01 recognizing the exemplary service of M. Robert McKinney as a member of the Oklahoma Ethics Commission and wishing him well in his future endeavors.

RESOLUTION 2014-1

A Resolution recognizing the exemplary service of M. Robert McKinney as a member of the Oklahoma Ethics Commission and wishing him well in his future endeavors.

WHEREAS, M. Robert McKinney was appointed as a member of the Oklahoma Ethics Commission on July 8, 2009, by the Honorable Glenn Coffee, President Pro Tempore of the Oklahoma State Senate; and

WHEREAS, Bob McKinney began his professional career after graduating from the University of Arkansas with a major in

banking and finance, to be followed by post-graduate studies at Rutgers University and the University of Colorado; and

WHEREAS, Bob McKinney brought to the Commission the business acumen and expertise he acquired during more than forty-five (45) years in the banking industry; and

WHEREAS, Bob McKinney retired as Senior Executive Vice President, Investment Officer, Trust Officer and Director of RCB Bank in April of 2013; and

WHEREAS, Bob McKinney has a distinguished record of service to his church, civic club and community, including service as President of the Rotary Club, member of the Claremore Chamber of Commerce Industrial Development Committee, chairman of the Claremore Area United Way, director of the Claremore Regional Hospital, board member of Big Brothers and Big Sisters, director of the Pryor Academic Excellence Foundation, director of the Pryor Area Chamber of Commerce and a member of the Mayes County Jail Committee; and

WHEREAS, Bob McKinney has capped off his admirable achievements of public service by serving as a member, Chair and Vice Chair of the Oklahoma Ethics Commission; and

WHEREAS, Bob McKinney has been a pillar of stability during difficult periods of transition for the Commission, never wavering from his good humor and good cheer and providing the Commission with his keen insight based on a lifetime in private business; and

WHEREAS, Bob McKinney has completed a five-year term as a member of the Commission, setting a standard of excellence for the people of Oklahoma; and

WHEREAS, Bob McKinney has chosen not to seek a second term on the Commission but rather to return to his native Arkansas; and

WHEREAS, Bob McKinney will be sorely missed by his fellow Commissioners, the Commission staff and those who rely on the Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE OKLAHOMA ETHICS COMMISSION:

THAT the Oklahoma Ethics Commission bids farewell to a friend and fellow member, Bob McKinney, and wishes him well as he embarks on a new adventure in life.

All commissioners gave comment as to the service of Robert McKinney.

McKinney gave comment as to his time of service to the Oklahoma Ethics Commission.

Walker moved for approval of Resolution 2014-01. Stocker seconded.

Roll was called on the Resolution and the vote was as follows
Walker – yes, Stocker – yes, McKinney – abstain, Long – yes.

Motion carried.

Administration of Oath of
Office to Commissioner
Hawkins

Former Commissioner M. Robert McKinney conducted the Oath of Office presentation, swearing in John C. Hawkins as a Commissioner appointed by the President Pro Tempore, Senator Brian Bingman, for the term of November 2014 to October, 2019.

John Hawkins enters the meeting as a new Commissioner.
[“Hawkins”]

Executive Director's
Report.

Slater complimented staff members Suzi Bryan, Roberta Hale and Pam Williams for their commendable work in handling more than 323 calls during the candidate filing period and week thereafter, 254 calls during the pre-primary filing period, 242 calls during the pre-runoff primary filing period and 212 calls during the pre-general filing period.

Slater said that he had presented a continuing legal education class on the new Ethics Rules for state officers and employees to the Oklahoma Bar Association Government and Administrative Law Section on October 27, a program attended by approximately 100 attorneys.

He said the Commission's first continuing education class on the new Ethics Rules regulating lobbyists and legislative liaisons on November 5 drew 145 participants and a second class on November 13 was attended by 104.

Slater reported that the Commission had obtained consent from Enoch Kelly Haney for use of The Guardian logo for its new software reporting system.

Kemp reported that software development continues. There are a lot of moving parts and entities to coordinate for a successful implementation. Initially the software we'll implement two aspects of the system, the administrative ability for our staff, as well as registration functionality for lobbyists. Yesterday we gained access to the testing environment and we will begin testing the software today and report all issues we encounter to Quest. The instruction to the staff was to try to break the system. Our timeline is tight and we intend for the software to be available the first week of December. Due to issues with payment processing it may go live without it, and while the system may not be perfect we expect it to be functional.

Slater said he spoke to the Oklahoma City Downtown Rotary Club at its northwest Oklahoma City location on October 16 and that he was the keynote speaker for the annual meeting of Common Cause Oklahoma on October 25.

Kemp reported that all of the financial statements and all of the paper campaign filings physically located in the Ethics Commission office were digitized in October. OMES set up an online application and all filings are accessible via the internet. As paper filings come into the office they will be scanned into the application.

General Counsel's Report

General Counsel Long briefly discussed pending campaign finance issues in various courts around the country. He stated that staff would continue to monitor pending case law for any impact the cases might have on Oklahoma ethics rules.

Demonstration of new Commission Website

Pamela Williams demonstrated the new Oklahoma Ethics Commission website. www.ok.gov/ethics. Ms. Williams reviewed the website through all the different areas:

- Campaign Finance Reporting
- Lobbyists & Liaisons Reporting
- Financial Disclosure
- Ethics Laws, Guides and Forms
- County, City and School Reporting
- Agency Information

Website was launched on November 14, 2014.

Presentation and Explanation of proposed Amendment 2015-03 to the Constitutional Ethics Rules.

Slater discussed that Amendment 2015-03 is a correction and miscellaneous Amendment. He also mentioned that This is the last Amendment being considered by commission staff.

Section 1 discusses the prohibition of the use of public funds, property or time to solicit funds for a state committee. This Amendment will preclude the use of public funds, property or time for all federal, state and political subdivision committees rather than just state committees. No one anticipated that any state facilities would be used for federal and county candidate fundraisers.

Section 2 is a result of one officeholder's request to have a period of time to close down a previous candidate committee in addition to an open committee for a future election. The request is for a transition period to wrap up the business of the first committee and doing business in the second committee. This would allow two committees to be active at the same time on the reporting software. Slater will check with the software vendor to see if any modifications need to be made to accommodate this request and provide a follow-up to the commission at a later date.

Section 3 provides for the continual existence of a political action committee rather than to reorganize every year. This will allow the current political action committees a renewal process for the continuing organizations. In addition, if a committee is delinquent in filings, they are prohibited from filing a renewal of the statement of organization.

Section 4 provides new language that any committee that files more than one report late is deemed to have intentionally failed to file the report and is violation of these Rules. So this will be consistent with the lobbyist rules that speak to a secondary late filing as a deliberate intentional violation of the Rules.

In addition, the new language will permit judicial candidates to refrain from filing reports during the 60-day period following an election until such time they are permitted to solicit and accept contributions prior to the next filing period under the Code of Judicial Conduct.

Section 5 adds the new language for candidate committees regarding the second late filing of a report as a deliberate intentional violation of the Rules.

Section 6 adds new language relating to the reports of electioneering communications. The current rule requires that the filer indicate that they support or oppose a candidate. This would only require that they identify the candidate in the electioneering communication.

Section 7. New language that refers to when a state officer, employee or a state agency sponsors in part or in whole a conference, seminar, meeting or other event for which a state officer or employee solicits funds, goods or services to assist with expenses associated with the event, the sponsoring officer or agency shall create a special committee for that purpose. The committee registers and makes one report of contributions and expenditures within 180 days after the event is held. Definition of sponsors means to permit the name of the state officer or employee or state agency to be used in promoting the event.

Section 8 will repeal the call back language in the campaign finance reporting rules. The call back period is defined as the six month period that requires be calculated for maximum contribution amounts. Slater spoke with people affected by the Rule. One of the concerns is that it is difficult to keep track of the first committee's contributions. In addition, some people have found ways to go around the rule to maximize their contributions. Slater mentioned that he believes it is worth trying to see if it helps with some of the concerns.

Section 9 will discuss a matter which has become a common practice occurring today. The rule will allow a state officer or employee to accept a scholarship, a similar grant or subsidy to attend a conference. The sponsoring organization provides a scholarship for the state officer or employee to participate with all the costs being paid by the sponsoring organization. This practice is only permitted if the chief administrative officer of the agency that employs the state officer or employee certifies in writing to the Ethics Commission that the educational or training event will significantly assist the state officer or employee is discharging his or her duties in addition other requirements.

Section 10 is a correction to the Rule. A family relationship will operate as a waiver of some of the restrictions. The restriction between a state officer or employee and a person whose status restricts or prohibits certain activities under these Rules shall not apply when the two are family members.

Section 11 adds new language. The current rule allows a lobbyist principal to provide food and beverage for any event held within the Capitol building to which all members of a committee of subcommittee of either house of the Legislature. The new language states that the provision does not apply to legislators who are not members of the committee or subcommittee, nor shall it apply to legislative staff members who do not officially or regularly provide staff services for the committee or

subcommittee. So the folks that eat free meals when food is around can still eat but the lobbyist will have the obligation to report the meal as an individual recipient.

Section 12 also discusses the family relationship waiver. The restrictions between a state officer or employee and a legislative liaison, legislative lobbyist or executive lobbyist shall not apply when the two are family members.

Section 13 adds new language regarding concerns of complaints filed with the Commission. This language will require that a person who files a written complaint alleging a violation of any Rules to cite the Rule or Rules alleged to have been violated, to describe in detail the facts alleged to have caused a violation of a Rule to occur and the name of any individual involved in the alleged violation. In addition, the person needs to certify the he or she has personal knowledge of the facts alleged. It shall be a violation of the Rule for any person to willfully, knowingly and without probable cause to make a false complaint alleging a violation of these Rules. A frivolous complaint means the complaint was knowingly asserted in bad faith, was unsupported by any credible evidence, was not grounded in fact, or was unwarranted by existing law.

Commissioner Long will sponsor the Amendment.

Walker asked a question regarding the sponsorship of conferences. Does this rule apply to a conference sponsored by a professional organization of the employees of a state agency which is endorsed by the executive head of the agency? The Oklahoma Corrections Association is comprised of employees of the Department of Corrections. National Guard Association is comprised of employees of the National Guard. The name of the agency to be used in promoting the conference. If the director is endorsing the conference and his name is being used, then it is permitted.

Walker asked a question regarding Section 1 and whether candidate committees would be included. Director Slater will revise the language to list all candidate committees, political action committees, political party committees, etc.

Consideration, Discussion and Possible Action to commence and continue rule making under the Oklahoma Administrative Code.

General Counsel Long discussed rulemaking as to the revocation of the administrative rules found in Title 258, Chapter 1, Chapter 20, and Chapter 25. The Commission does not have any administrative rule authority under the Statutes anymore. It creates a problem when people call in with questions on old rules

regarding the Administrative Procedure Act (APA) rules.

We have begun the procedure to officially repeal all of the APA rules. We have filed a Notice of proposed Permanent rulemaking with the Secretary of State. Informal hearing has been scheduled on December 19, 2014. In January, the Commission will formally promulgate the rulemaking process and then the Commission can submit their promulgated rules to the Legislature. This is a procedure to get the rules out of the Register.

Hawkins made a motion to begin the procedure of rulemaking regarding the APA rules. Stocker seconded.

General Counsel Long mentioned that the public can make comment at the December hearing. Any public comment will be recorded. The Commission can review any public comment at the January hearing.

Roll was called on the motion and the vote was as follows: Hawkins – yes, Stocker – yes, Walker – yes, Long – yes. **Motion carried.**

Consideration, Discussion and Possible Action on Equal Employment Opportunity and Non-Discrimination Policy and Procedures.

General Counsel Long explained the Equal Employment Opportunity & Non-Discrimination Policy and Procedures. This sets out the policy for the Commission and sets out the procedures for anyone that needs to make a complaint under this policy.

Commissioner Long stated that some agencies are adding the language “sexual orientation” to the list of prohibited areas of discrimination. She commented that she appreciated the work of the General Counsel in developing the policy. If approved, the words “sexual orientation” would be added to the list of the areas under Definitions and also in the first paragraph list of the Policy.

Walker made a motion for the Commission to approve the Equal Employment Opportunity & Non-Discrimination Policy and Procedures as proposed in writing. Stocker seconded.

Walker specified his motion was for the policy to be approved as written and to not include the suggested language of “sexual orientation”.

Roll was called on the motion and the vote was as follows: Walker –yes, Stocker – yes, Hawkins – yes, Long – yes. **Motion carried.**

Consideration, Discussion and
Proposed Action on
Closed/Executive Session

Walker moved to go into Closed/Executive session. Stocker seconded. Roll was called and the vote was as follows: Walker – yes, Stocker – yes, Hawkins – yes, Long – yes.

Motion carried to go into Executive/Closed session at 11:50 a.m.

Executive session was held in the Conference Room located within the Ethics Commission office in the Capitol basement, Rm. B-5.

Possible Action to Return to
Open Session

Walker moved to reconvene in open session at **12:55 p.m.** Stocker seconded. Roll was called and the vote was as follows: Walker – yes, Stocker – yes, Hawkins – yes, Long – yes.

Motion carried.

13-731

Commissioner Walker made the following motion: Madam Chair, I move the Commission find that the Respondent in Information 13-731 is in complete compliance with Commission rules and the matter be dismissed.

Stocker seconded.

Roll was called and the vote was as follows: Walker – yes, Stocker – yes, Hawkins – yes, Long – yes.

Motion carried. 13-731 is dismissed.

14-014

Commissioner Walker made the following motion: Madam Chair, I move the Commission find that the information it has received provides an adequate basis for the belief that a violation of this Title may have occurred and that an investigation of the suspected violation is warranted and therefore, an investigation be warranted.

Hawkins seconded. Roll was called and the vote was as follows: Walker – yes, Hawkins – yes, Stocker – yes, Long – yes.

Motion carried.

Commissioner Walker made the following motion: Madam Chair, I move the Commission to accept the proposed Settlement Agreement to resolve Information 14-014.

Hawkins seconded. Roll was called and the vote was as follows: Walker – yes, Hawkins – yes, Stocker – yes, Long – yes.

Motion carried.

Consideration, Discussion and Possible Action on Dates for Regular Meetings of the Commission in 2015

Stocker made a motion to approve the 2015 proposed meeting dates. Walker seconded.

2015 Dates:

- January 9, 2015
- February 13, 2015
- March 13, 2015
- April 10, 2015
- May 8, 2015
- June 12, 2015
- July 10, 2015
- August 14, 2015
- September 11, 2015
- October 9, 2015
- November 13, 2015
- December 11, 2015

Stocker – yes, Walker – yes, Hawkins – yes, Long yes.

Motion carried.

New Business

Reporter requested clarification as to 14-010. No action was taken on 14-010.

No new business.

Adjournment

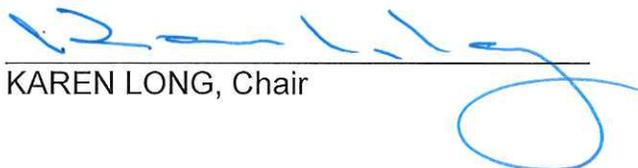
Stocker moved to adjourn. Walker seconded. Roll was called and the vote was as follows: Stocker - yes, Walker – yes, Hawkins – yes, Long – yes. **Motion carried.**

Meeting ended at **12:59.**



LEE SLATER, Executive Director

Approved on Behalf of the Commission:



KAREN LONG, Chair