



STATE ETHICS COMMISSION
Memorandum

To: Rick Thompson
Executive Secretary

Thru: Kay Baker
Deputy Executive Secretary

From: Tom Plank *TP*

Date: March 25, 2008

Re: In the Matter of Lorraine Green
Case No. 2008-0031
Recommendation for Dismissal

Pursuant to SEC Rule 189-2-.03(5), it is recommended that this matter be administratively dismissed because the evidence does not support finding a violation of the Ethics in Government Act (Act). The allegations and findings are summarized herein.

Respondent is the Gwinnett County Commissioner for District 1 and was elected in 2004. The complaint alleges that during the 2004 campaign for office, Respondent received contributions from affiliated corporations that violated Rule 189-6-.03 because, when aggregated, they exceeded the contribution limits.

The Act defines "affiliated corporation" to include any corporation under the "common ownership or control" of another. Prior to January 1, 2001, the Act expressly stated that affiliated corporations were to be considered as one corporation for the purposes of contribution limits. On January 1, 2001, reference to affiliated corporations was removed from the Act although the definition of an "affiliated corporation" remained.

In 2001, the Commission adopted Rule 189-6-.03, which mimicked the Act's pre-2001 language and treated contributions from affiliated corporations as if they were one corporation for the purpose of contribution limits. Effective January 9, 2006, language expressly treating contributions from affiliated corporations as if they were one corporation for the purpose of contribution limits was again written into the Act.

At the September 2007 Commission meeting, the Commission dismissed an allegation in a separate matter that the acceptance of contributions from affiliated corporations in 2005 was a violation of the Act, reasoning that although such



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affiliated contributions violated Rule 189-6-.03, between 2001 and 2006 this Rule exceeded the scope of the Act.

In addition, the complaint alleges that Respondent received contributions in violation of the Act's contribution limits by accepting a \$2,000 contribution from H. Carson Smith and another \$1,000 contribution from Smith & Johnson, LLC. However, neither the Act nor Commission Rules require that contributions from individuals be aggregated with contributions from corporations under those individuals' ownership or control.

Based upon the foregoing analysis, it is recommended that this case be administratively dismissed pursuant to SEC Rule 189-2-.03(5).