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March 27, 2014

Mr. Thomas G. Buchanan
Attorney at Law
217 West 2nd Street
Suite 115
Little Rock, Arkansas 72201

Re: Case No. 2014-CO-015

Dear Mr. Buchanan:

This letter serves to confirm receipt of your citizen complaint against Mike Maggio. That complaint was brought against Judge Maggio in his capacity as a candidate for the Arkansas Court of Appeals during the 2014 election cycle.

It has been determined that said complaint meets the requirements set forth in subparagraph A(3) of Section V of the Ethics Commission's Rules of Practice and Procedure. Accordingly, an investigation is being commenced.

Briefly restated, the essential allegations of your complaint are as follows:

1. In connection with the 2014 election cycle, an article published by the *Arkansas Democrat Gazette* reported that 'campaign contributions totaling \$21,000.00 were made on July 8, 2013, to seven political action committees by Michael Morton and businesses he owns'.
2. The aforementioned news article reported that, [i]n December of 2013 and January of 2014, these same seven PAC's all made contributions to Judge Mike Maggio's Court of Appeals [c]ampaign'; however, 'none of the PAC's had been registered with the [S]tate of Arkansas at the time of the contributions'.

The Ethics Commission's investigation will focus on whether or not, in connection with Judge Maggio's campaign for the Arkansas Court of Appeals during the 2014 election cycle, he violated (i) Ark. Code Ann. § 7-6-203(a) by accepting campaign contributions in excess of two thousand dollars (\$2,000) per election from any person, and/or (ii) Ark. Code Ann. § 7-6-203(e) by accepting a campaign contribution from a prohibited political action committee.

The first statute, Ark. Code Ann. § 7-6-203(a), provides, in pertinent part, that "[i]t shall be unlawful for any candidate for any public office...or for any person acting on the candidate's behalf to accept campaign contributions in excess of two thousand dollars (\$2,000) per election from any person."

The second statute, Ark. Code Ann. § 7-6-203(e), provides, in pertinent part, that "[i]t shall be unlawful for any candidate for any public office or any person acting in the candidate's behalf to accept any contribution from a prohibited political action committee for any election."

It is noted that the term "prohibited political action committee" is defined in Ark. Code Ann. § 7-6-201(15), in pertinent part, as follows:

- (A) 'Prohibited political action committee' means any person that receives contributions from one (1) or more persons in order to make contributions to candidates...but that does not meet the requirements of an approved political action committee.
- (B) 'Prohibited political action committee' shall not include: (i) A political party that meets the definition of a political party under § 7-1-101 or a political party that meets the requirements of § 7-7-205; (ii) The candidate's own campaign committee; (iii) A county political party committee; (iv) An exploratory committee; or (v) A ballot or legislative question committee[.]

In addition, the term "approved political action committee" is defined in Ark. Code Ann. § 7-6-201(1), in pertinent part, as follows:

- (A) 'Approved political action committee' means any person that: (i) Receives contributions from one (1) or more persons in order to make contributions to candidates.... (ii) Does not accept any contribution or cumulative contributions in excess of five thousand dollars (\$5,000) from any person in any calendar year; and (iii) Registers pursuant to § 7-6-215 prior to making contributions.

March 27, 2014

Page 3

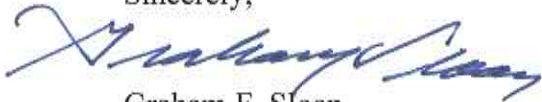
- (B) 'Approved political action committee' does not include an organized political party as defined in § 7-1-101, a county political party committee, the candidate's own campaign committee, an exploratory committee, or a ballot question committee or legislative question committee as defined in § 7-9-402[.]

It is noted that the complaint also alleges that Judge Maggio's campaign solicited campaign contributions more than six (6) months before the 2014 nonpartisan general election. It appears that particular allegation relates to Rule 4.4(B)(2) of the Arkansas Code of Judicial Conduct which provides that a judicial candidate shall direct his or her campaign committee "not to solicit or accept contributions...more than 180 days before the applicable election". That particular provision falls under the jurisdiction of the Arkansas Judicial Discipline and Disability Commission instead of the Arkansas Ethics Commission. Accordingly, it will not be made a part of the investigation in these proceedings.

In accordance with Section VI(3) of the Ethics Commission's Rules of Practice and Procedure, I am requesting that you submit any and all evidence which you may have concerning the allegations set forth on page 1 of this letter.

If you should have any questions or comments, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Graham F. Sloan", is written over a horizontal line.

Graham F. Sloan
Director