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Donors didn't know checks aided Decker

Campaign finance methods might have broken laws. Speaker Jim Black did nothing wrong, his lawyer says

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Until investigators came calling, Benson optometrist Max Raynor said, he had no idea who state Rep. Michael Decker was or whether Decker could promote his profession's interests in the legislature.

In 2002, Raynor gave a dozen checks to the optometrists' state political action committee to support its political efforts. Months later, in April 2003, Decker cashed four of those checks, each for \$100. They did not go into Decker's campaign account, and they are not recorded in his campaign finance reports.

"If someone walked up to the bank teller and cashed that check, stuck it in his billfold and used it to go to the movies, would you consider that to be a proper use of your monies?" state elections board chairman Larry Leake asked.

"No sir," Raynor replied.



Former Rep. Michael Decker, right, listens during a State Board of Elections hearing. According to testimony, Decker received checks from an optometrist PAC in 2003 after switching parties to help Jim Black, an optometrist, keep power.

Staff Photo by Chris Seward

Raynor and 11 other optometrists testified at a formal inquiry by the State Board of Elections on Wednesday that they gave campaign checks to the N.C. State Optometric Society's political action committee that left blank the date they signed them and the line indicating the recipient.

Someone later filled in those details, providing a few thousand dollars worth of checks that Decker cashed and several others that he deposited in his campaign account.

Other checks went into the campaigns of other lawmakers, including House Speaker Jim Black, a Mecklenburg County Democrat and an optometrist. It was not clear, based on Wednesday's testimony, who filled in the missing details.

Raynor and the other optometrists testified that they entrusted the PAC's treasurer, Michael Scott Edwards, a Murfreesboro optometrist, to decide how to distribute the political dough. But the practice, which some testified had gone on for years, appeared to run afoul of several state election laws covering the disclosure of campaign money and contribution limits.

Edwards, who has been

What state elections law says and how it might relate to some of the testimony offered Wednesday. Any violation is a misdemeanor.

STATE LAW: The treasurer of a political committee shall keep detailed accounts of all contributions received and all expenditures made.

TESTIMONY: Optometrists from across the state said they gave checks with the dollar amount filled in but the payee line blank to the N.C. State Optometric Society political action committee. The PAC held the checks for months without keeping a record of them.

STATE LAW: The campaign treasurer's statement of receipts and expenditures shall list the name and complete mailing address of each contributor of more than \$100, the amount contributed, the principal occupation of the contributor and the date such contribution was received. The total sum of all contributions to date shall be plainly exhibited.

TESTIMONY: Optometrists said they gave stacks of checks -- many for \$100 -- to the optometrists' political action committee, which doled them out to candidates. In many cases, more than one check from an individual optometrist went to former state Rep. Michael Decker, putting that contributor over the \$100 threshold for disclosure. They were not disclosed.

STATE LAW: No political committee shall contribute to any candidate more than \$4,000 in any election.

State law also says no candidate shall accept any contribution from any political committee in excess of \$4,000 for that election.

TESTIMONY: The optometric society PAC gave Decker \$4,000 in late January 2003. The next month, the PAC apparently gave more contributions to Decker using checks from optometrists that were written for \$100 or less but did not have a payee written in.

STATE LAW: It is unlawful for any committee to solicit or receive contributions for the purpose of supporting a candidate without first clearly advising those solicited as follows:

subpoenaed to testify but was not called Wednesday, declined to comment.

Bob Hall, research director for Democracy North Carolina, a nonprofit campaign finance watchdog that initiated the inquiry, said the PAC found a way to funnel thousands of dollars to candidates without the public finding out. Donors of \$100 or less do not have to be identified on campaign reports.

"The public is going to think this is a totally corrupt organization," Hall said. "The whole thing just smells bad."

Political action committees are private groups organized to elect or defeat government officials in order to promote legislation, often supporting the group's special interests.

Decker, who lost his seat representing Forsyth County in the 2004 Republican primary, received the checks after he had switched political parties just before the start of the 2003 legislative session. By joining the Democratic Party, Decker deadlocked the state House and allowed Black to retain the speakership in a powersharing agreement with Republican state Rep. Richard Morgan of Moore County.

Wednesday's testimony -- the opening day of the board's inquiry into possible illegal campaign activity -- centered on the financial windfall that came to Decker and his campaign in early 2003.

* The name of the candidate(s) for whom the contribution will be used; or

* The name of the political committee or party for which the funds will be used; or

* That a decision will be reached later as to the candidate(s) to be supported and that the contributions solicited will be spent for a purpose to be determined at a future date but no later than 20 days prior to the pending primary or general election.

TESTIMONY: The state's optometric society PAC solicited and received contributions but waited months before giving them to a candidate. Decker received funds in this manner after the general election.

In addition to the optometrists' contributions, four lawyers with ties to the video poker industry testified that they either gave or helped raise \$2,500 for Decker at the time of the switch.

Those donations appeared on Decker's campaign reports.

The lawyers all work for Womble Carlyle Sandridge & Rice, one of the state's largest law firms. Its clients have included a major video poker operator and the industry's association.

"The checks came in, and I transmitted them to the speaker, to the best of my knowledge," said Alexander "Sandy" Sands, a former state lawmaker who now works as a lobbyist for the firm.

Mark Poovey, one of the lawyers, testified that Sands asked him to raise money for Decker.

The inquiry, held in a makeshift hearing room at a downtown Raleigh hotel, attracted media from across the state, as well as state and federal investigators who are doing separate probes involving Decker; the creation of the state lottery; the work of Black's former political director, Meredith Norris; and campaign contributions from the video poker industry.

Norris, who has been subpoenaed to testify at the election board hearing, showed up after lunch and sat quietly with her attorneys.

The inquiry could lead to a finding that no laws have been broken, or a public rebuke, fines or a referral of election law violations to the district attorney for criminal investigation. The board could also issue suggestions to lawmakers to tighten state election laws.

Black and Decker have been subpoenaed for the hearings, and they were offered seats at tables in the front of the room.

Decker sat several rows back in the audience and hung his head during much of the hearing. He chewed at his fingernails and said little to those around him.

Black said he would not comment on the hearings until after he testified. But he said some of Wednesday's testimony was "quite misleading."

His lawyer, Kenneth Bell of Charlotte, said none of the testimony showed that Black or his staff did anything wrong.

Elections board members often sounded incredulous as they took in the testimony. They wondered why Sands sent Black the campaign money for Decker when Sands couldn't recall being asked by the speaker to raise it.

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