# The Tennessee Journal

The weekly insiders newsletter on Tennessee government, politics, and business

Vol. 46, No. 28 July 17, 2020

### Hagerty launches attack ad at Sethi on eve of early voting period

Former Ambassador Bill Hagerty's campaign has tried to maintain an air of inevitability about his U.S. Senate bid ever since President Donald Trump endorsed him to succeed retiring Lamar Alexander (R-Maryville) last year. But while Hagerty quickly locked down support among the GOP establishment and dominated the fundraising space, rival Republican Manny Sethi's underdog campaign has continued to plug away at trying to appeal to the GOP base.

After ignoring Sethi's gibes for most of the race so far, the Hagerty camp on Thursday launched a broadside at the Vanderbilt surgeon with an ad claiming he supported an organization now bankrolling Black Lives Matter protests around the country.

While the ad running around the state doesn't go into specifics, it appears to be referring to a \$50 donation Sethi made through the online fundraising site ActBlue in 2008. The money was earmarked for a Democratic congressional candidate in Virginia who defeated a sitting Republican that year. Sethi has made more than \$30,000 in political contributions since them, with all of the money going to GOP causes and candidates, including Rick Perry, Bob Corker, and Trump.

The Sethi campaign responded with an ad of its own in which the candidate asks: "Why is the establishment attacking a nice guy like me?" He concludes it's an effort to distract from Hagerty's past donations to the likes of Republican Mitt Romney and Democrat Al Gore, along with other alleged transgressions. The Sethi camp said the 2008 donation was to support a family friend.

To Sethi supporters, the attack ads lend credence to recent polls (one internal and another of uncertain provenance) suggesting the race is tighter than previously thought. To Hagerty backers, the spot is more reflective of a no-holds-barred approach to the final weeks of the primary. The pandemic has deprived Hagerty of a Trump rally, though a tele-town hall with the president was scheduled for Friday evening.

Crunch time is certainly here: Early and absentee voting accounted for 51% of the total ballots cast in the 2018 primary featuring open U.S. Senate and governor's

races, and those numbers could be even higher this year as voters wary of the coronavirus seek to avoid crowded polling places on Election Day.

**Senate fundraising.** Hagerty raised \$978,227 from outside donors and PACs in his final disclosure before the primary. He spent \$2.5 million on campaign operations in the quarter and ended the period with \$4.2 million on hand, including a \$2.5 million loan. Sethi raised \$432,797 in the quarter and made no more loans on top of the \$1.9 million he had earlier pledged to the campaign. He spent \$1.75 million during the period and had \$721,395 remaining.

Self-funder George Flinn ramped up his campaign activity in the second quarter, loaning his campaign another \$3.2 million to bring his total to \$4.75 million to date. The Memphis physician and broadcast company owner spent \$3.4 million in the period, most of it on advertising. Flinn in his latest spot notes that while his opponents "pledge total loyalty" to President Donald Trump, he would take a more nuanced approach. "President Trump isn't always right, and if I need to, I'll stand up to him to defend our values," Flinn says in the ad.

On the Democratic side, attorney James Mackler raised \$351,035 and spent \$269,935. He had \$607,059 remaining on hand.

**Roe seat.** The upcoming retirement of U.S. Rep. Phil Roe (R-Johnson City) has created the state's only open House race of the 2020 campaign. While 16 candidates are vying for the GOP nomination in the heavily Republican 1st District, seven have been the most active so far: Diana Harshbarger, Timothy Hill, Rusty Crowe, Steve Darden, John Clark, Josh Gapp, and David Hawk.

Harshbarger loaned her campaign \$686,428 during the quarter, bringing the total she has pledged to her campaign to \$936,428. The Kingsport pharmacist also raised \$112,619 and spent \$619,818, three-quarters of which went to television ad production and placement. She had \$232,674 remaining at the end of the period.

Hill, a state representative from Blountville, raised \$150,663 from outside sources, spent \$145,434, and had \$5,299 remaining. The House Freedom Fund

kicked in another \$32,982 in bundled contributions. The Club for Growth has pledged to spend \$550,000 in independent expenditures to support Hill's bid.

Crowe raised \$152,904 in the quarter and spent \$129,504, with about 54% of that amount going to former campaign consultant ShellMillerSebastian. Crowe, a longtime state senator from Johnson City, parted ways with the Kingsport-based firm last month and hired consultant Chip Saltsman to try to revive his bid. Crowe had \$218,358 remaining at the end of the period.

Darden, a former Johnson City mayor, gathered \$148,851 in outside contributions and loaned his bid \$30,000. He spent \$143,396 and had \$165,312 remaining. Clark, another former mayor from Kingsport, raised \$43,355 in the quarter and loaned his bid \$213,000. He spent \$349,166 and had \$27,724 left.

Gapp, a Knoxville dermatologist, loaned his bid \$540,000 and raised another \$1,230 in contributions. He spent \$511,149 and had \$30,081 remaining. Hawk, a state representative from Greeneville, raised \$52,250 and had \$22,872 in expenditures, leaving him with \$29,378 at the end of the quarter.

#### Legislative races

## Incumbents fret about campaign spending by anonymous groups

While the coronavirus pandemic may have discouraged some potential candidates from pursuing legislative bids, some spirited challenges are still being mounted around the state for open seats and against a handful of sitting members. An added wrinkle has been the emergence of outside committees trying to influence the outcome of GOP primary contests.

A shadowy group called the East Tennessee PAC has been sending mailers and running TV ads attacking Rep. Matthew Hill (R-Jonesborough). The PAC is registered in the state but has filed no spending disclosures. The House Republican Caucus on Thursday took aim at a group called National Gun Rights for sending out mailers attacking incumbents like Hill, Micah Van Huss of Jonesborough, and Rick Tillis of Lewisburg.

Tillis is also the subject of attack pieces sent out to voters in his district by a group calling itself Faith Family Freedom Fund. It has no connection to the national PAC of the same name, which is run by the Family Action Council. The group reported zero contributions or expenditures as of the end of the second quarter.

*House 92.* Tillis, who stepped down as House Republican whip amid an internal fight over an anonymous Twitter account, faces two primary challengers, Vincent Cuevas and Todd Warner. The latter has loaned his campaign \$80,100. Tillis raised \$28,609 in the quarter, including \$5,000 from U.S. Sen. Marsha Blackburn's PAC and \$3,426 from House Speaker Cameron Sexton (R-Crossville). Fellow Reps. Patsy Hazlewood, Jeremy Faison, Andrew Farmer, Pat Marsh, and Sam Whitson combined to give another \$6,200. Tillis spent \$45,293 and had \$56,988 left. Warner spent \$68,908 and had \$13,442 remaining. *House 6.* Tim Hicks, the Johnson City developer challenging Van Huss in the Republican primary, brought in \$64,375 in contributions in the quarter. His top donor was the Housing Industry PAC, which gave \$5,000. Hicks spent \$19,682 and had \$44,692 remaining. Van Huss brought in just \$3,870, with \$1,000 of that coming from the PAC of House Majority Leader William Lamberth (R-Portland). Van Huss spent \$15,298 in the quarter and had \$12,195 remaining.

**House** 7. Republican primary challenger Rebecca Keefauver Alexander outraised incumbent Matthew Hill \$50,470 to \$18,950. Alexander loaned her bid another \$20,000, spent \$20,863, and had \$49,607 remaining at the end of the period. Hill's total included \$3,000 from the Tennessee State Employees Association's PAC and a combined \$8,000 from fellow Reps. Clay Doggett, Rick Eldridge, Ron Gant, Johnny Garrett, Farmer, Sabi Kumar, Lamberth, and Chris Todd. Hill spent \$25,828 and had \$34,451 left on hand.

**House 18.** In the Republican race to succeed retiring Rep. Martin Daniel (R-Knoxville), former mayoral candidate Eddie Mannis brought in \$35,996, including \$7,317 in contributions from himself. Notable donations include \$3,200 each from developer Raja Jubran and Jenny Boyd, the wife of UT President Randy Boyd. Former Gov. Bill Haslam gave \$500, as did his father.

Primary opponent Gina Oster received \$20,040 in the quarter, including \$1,600 from furniture dealer Albert McCall II and \$1,500 from Lamberth. Oster loaned her campaign \$1,120, spent \$4,230, and had \$16,931 remaining. Mannis spent \$14,179 and had \$21,818 remaining on hand, though \$6,400 of that balance is reserved for the general election campaign.

*House 16.* In the Republican primary to succeed retiring Rep. Bill Dunn (R-Knoxville), County Commissioner Michele Carringer raised \$14,500, spent \$6,904, and had \$24,035 remaining. Her opponent, school board member Patti Bounds, raised \$9,934, including \$1,000 from the Tennessee Education Association (TEA). She spent \$9,632 and had \$9,580 left.

**House 76.** The top fundraiser among the five Republicans vying for the nomination to succeed retiring Rep. Andy Holt (R-Dresden) was Weakley County businessman Tandy Darby, who brought in \$52,009. Top donations included \$5,000 from the TEA and \$2,500 from former U.S. Rep. Stephen Fincher. Dennis Doster received \$7,675 and loaned \$7,700, John McMahan raised \$27,622 and loaned his campaign another \$6,000, and Keith Priestley raised \$12,203. David Hawks reported no fundraising activity. McMahan was the biggest spender in the quarter with \$31,963. Darby had the most cash remaining with \$32,110, while the other three each had less than \$2,000 left.

*House 3.* The Republican race for the seat vacated by Rep. Timothy Hill running for Congress features former Rep. Scotty Campbell and National Guard Lt. Col. Neal Kerney. Campbell raised \$18,917 from outside donors and loaned his bid \$15,000. His contributions include \$3,000 from the liquor wholesalers' PAC and \$1,000 each from Sen. Jon Lundberg of Bristol, Lam-

### Tennessee News Digest

• General fund revenues fell \$6 million short of budgeted estimates in June. Sales tax collections missed projections by \$14 million and were 1.3% lower than the same month last year. General fund revenues have fallen \$302 million short of projections through the first 11 months of the budget year.

• Gov. Bill Lee awarded Tennessee Army National Guard Sgt. 1st Class Patrick Shields with the soldier's medal for disarming a teenager who had opened fire during a high school football game at Haywood High School in 2018.

• A lawsuit over adequate state funding for urban school districts has been set for trial in Nashville in October 2021. Shelby County Schools sued the state in 2015, and Metro Nashville Public Schools joined the case two years later.

• Volkswagen said 31 employees and contractors have tested positive for

COVID-19 since the German automaker reopened its Chattanooga plant in May.

Shelby County prosecutor Amy Weirich declined to bring charges against U.S. marshals who fatally shot 20-yearold Brandon Webber after he rammed their vehicles and pointed a rifle at them.
Accountant Herb Miller of Hixson was listed in a federal database as receiving more than \$2 million in PPP loans. The actual amount was \$3,700.

berth, and the TEA. Another \$750 came from Sen. Rusty Crowe (R-Johnson City), who is running against Hill for the Republican congressional nomination.

Kerney loaned his campaign \$16,694, but raised just \$1,300 from outside donors, including \$500 from Rep. Bud Hulsey of Kingsport. Campbell spent \$12,821 and had \$21,095 remaining. Kerney spent \$16,618 and had a remaining balance of \$2,441.

**House 52.** House Democratic Caucus Chairman Mike Stewart was the most prolific fundraiser among incumbents, collecting \$78,270 in outside donations and lending his bid \$4,228. Top donors included fellow Nashville Democratic Reps. Bill Beck, Jason Powell, and Bo Mitchell, each of whom gave \$3,000. James Turner II, an African-American pastor, is challenging Stewart, who is white, in the primary. Turner raised \$27,830 in the quarter, including \$9,771 in unitemized contributions. Turner had \$14,609 on hand at the end of the period, while Stewart had about \$34,000 remaining.

**House 97.** Two Republicans and four Democrats are vying for the respective nominations to succeed retiring Rep. Jim Coley (R-Bartlett). Republican John Gillespie, who has Coley's endorsement, brought in \$12,350 in the quarter, including \$1,000 from Faison, the House GOP caucus chairman. He spent \$12,877 and had \$52,317 remaining. Opponent Brandon Weise hadn't filed a second quarter report at the deadline.

On the Democratic side, Gabby Salinas raised \$20,090 including \$5,000 from the Teamsters, Laborers, and Office and Professional Employees unions. Allan Creasy, who lost to Coley in 2018, collected \$14,320 and loaned his bid \$3,500; Ruby Powell-Dennis raised \$23,340, including \$1,477 from herself; and Clifford Stockton brought in \$4,647, including \$961 from himself. The remaining cash balances were \$53,666 for Salinas, \$19,129 for Creasy, \$12,285 for Powell-Dennis, and \$3,085 for Stockton.

**House 90.** The Democratic Party's removal of longtime Rep. John DeBerry of Memphis from the primary ballot left three candidates seeking the nomination: Torrey Harris, Anya Parker, and Catrina Smith. Parker's \$11,678 was largely made up by a \$7,037 contribution from Our Children, Our Choice TN, a group funded by a national charter school advocate. Smith raised \$12,020, with \$6,640 coming from the TEA, \$3,000 from the Teamsters, and \$1,850 from herself. Harris had not yet filed a second quarter report. DeBerry, who under a last-minute law change is planning to run as an independent, had \$173,778 on hand after bringing in \$8,000 during the quarter. Eight GOP lawmakers — Sen. Frank Niceley and Reps. Mike Carter, Rick Eldridge, Dan Howell, Hulsey, Curtis Johnson, Timothy Hill, and Jason Zachary— combined to give him \$6,500. State Veterans Services Commissioner Courtney Rogers kicked in another \$1,000.

*House leadership donations.* Lamberth distributed \$46,500 from his PAC among or on behalf of 14 Republican candidates, including two running in contested primaries for open seats (Oster and Campbell). He spent \$7,500 each on Reps. Paul Sherrell of Sparta and Kirk Haston of Lobelville. Speaker Sexton gave \$19,353, or about \$3,000 each to Reps. Kent Calfee of Kingston, Haston, Mary Littleton of Dickson, Bob Ramsey of Maryville, Tillis, and Mark White of Memphis.

**Senate 26.** This year's only Senate vacancy has been created by the retirement of Sen. Dolores Gresham (R-Somerville). The GOP primary features former Agriculture Commissioner Jai Templeton of McNairy County and former state Rep. Page Walley of Hardeman County. Templeton collected \$87,838 in donations in the quarter and loaned his campaign another \$15,000. Top contributions included \$10,000 from the TEA and \$7,000 from Senate incumbents Mike Bell, Gresham, Ferrell Haile, and Dawn White.

Templeton spent \$89,306 in the quarter and had \$54,535 remaining. Walley, who has been endorsed by the Tennessee State Employees Association, raised \$33,925 in the quarter, spent \$36,038, and had \$48,757 left on hand for the final weeks of the race.

*Senate 20.* Among candidates vying for the Democratic nomination to challenge Sen. Steve Dickerson (R-Nashville), Oak Hill Mayor Heidi Campbell raised \$76,595 from outside donors, including nearly \$20,000 in unitemized contributions, while education consultant Kimi Abernathy raised \$45,445. Campbell spent \$63,724 and had \$75,789 on hand. Abernathy had \$32,690 in expenditures and had \$63,240 remaining.

*Senate 22.* Sen. Bill Powers (R-Clarksville) raised \$13,9745 in the quarter, while primary opponent Doug Englen brought in \$26,305, including \$1,000 from himself. Powers spent \$33,640 and had a remaining balance of \$136,204. Englen, a retired Army chief warrant officer, spent \$35,904 and had \$13,919 on hand.

### Tennessee Notes & Quotes \_\_\_\_

■ Republican lawmakers and candidates denounced a federal judge's decision to grant a temporary restraining order against enforcing a law banning most abortions in Tennessee within an hour of Gov. **Bill Lee** signing the measure into law on Monday. State Senate Majority Leader **Jack Johnson** (R-Franklin) decried the move by what he called an "activist judge." U.S. Senate candidate **Many Sethi** said the judge had "barely waited until the ink was dry to promote his own pro-choice view," while rival Republican **Bill Hagerty** said the decision was wrong and that he would always "vote to confirm constitutionalist judges."

■ So who was the jurist who caused all the GOP heartache? U.S. District Judge **Chip Campbell**, who was appointed to the bench by President **Donald Trump** in 2018. Campbell is the son of Republican National Committee member **Beth Campbell**.

■ "Activist judge? Aside from being a Trump appointee, he's a U.S. Naval Academy grad, retired Marine Corps captain. I sat in an office next to him for a few years. We didn't agree on much politically. But like his background would suggest, you can count on him to follow the law." — Nashville Metro Councilman **Bob Mendes**, who once worked alongside Campbell at the Frost Brown Todd law firm.

■ Nashville Chancellor **Ellen Hobbs Lyle** found the state was not violating her absentee balloting ruling by continuing to require people who register online to vote in person. Lyle last month ordered the state to allow anyone fearful of getting infected with COVID-19 to vote by mail. But she said the plaintiffs hadn't requested to block the separate law covering first-time voters. The judge said she'd consider a motion to amend her ruling, but that the state would be given a "full opportunity" to respond. The subject is also being challenged in federal court. The deadline to request mail-in ballots is July 30.

• "There has been an awful lot of political talk about masks. This mask right here is not conservative, it's not liberal. Shaming someone for wearing a mask or shaming someone for not wearing a mask is just not something that Tennesseans ought to be in the business of doing." – Gov. **Bill Lee** at a Tuesday press conference.

■ Five people at the Tennessee General Assembly were under quarantine this week after testing positive for COVID-19. Legislative officials wouldn't say whether they were lawmakers or staffers. It's unclear whether that total includes Rep. **Kent Calfee** (R-Kingston), who divulged on Facebook that he and his wife had tested positive. Former Rep. **Kevin Brooks** (R-Cleveland) was released from the hospital this week after testing positive for COVID-19 and contracting pneumonia in both lungs. Brooks, who is the mayor of Cleveland, delivered the invocation on the House floor on June 22. Columbia Mayor **Chaz Molder** also tested positive.

■ Google co-founder **Eric Schmidt** gave \$61,400 to the Tennessee Democratic Party in the second quarter.

■ When **Jennifer King** stepped down after just nine days as a chancellor last year, she said it was because of an effort spearheaded by freshman Rep. Bruce Griffey (R-Paris) and his wife, Rebecca, to deny her the ability to stand for election as a Republican. The lawmaker had lobbied Gov. Bill Lee to select Rebecca Griffey, a member of the state Republican Party's executive committee, for the bench in the 24th Judicial District comprising Benton, Carroll, Decatur, Hardin, and Henry counties. When Lee instead chose King, the Griffeys and other area Republicans moved to hold a nominating caucus instead of a primary for the August election to serve out the remaining two years of the term. King stepped down after determining she couldn't win a contest dominated by party activists and Griffey allies. Paris Municipal Judge Vicki Hoover won the caucus, giving her the heavy advantage of running under the GOP banner. But she won't be unchallenged. Savannah attorney **Ben Harmon** is mounting an independent bid for the chancellorship once held his father, Ron Harmon, who died in 2013.

■ **Harmon** raised \$55,966 for his Chancery Court bid in the second quarter. He spent \$43,961 and had \$16,662 remaining. **Hoover**, who had earlier taken out a \$25,000 bank loan to fund her campaign, received \$7,331 in donations during the period, including \$500 from **Bruce Griffey.** She spent \$18,995 during the period and had \$14,229 remaining.

■ Former state Supreme Court Chief Justice **Gary Wade** has retired as dean of the Duncan School of Law at Lincoln Memorial University. He is now a partner at the Knoxville healthcare law firm London Amburn.

■ Comptroller **Justin Wilson** gave \$25,000 to the PAC of his deputy, **Jason Mumpower**, a former state House Republican leader. Wilson has also given MUMPAC \$49,000 over the previous three years.

■ Former Lady Vols standout **Kara Lawson** has been named head coach of the Duke women's basketball team. Lawson serves on the UT Board of Trustees.

■ According to state law, Monday was **Nathan Bedford Forrest** Day in Tennessee. But Gov. **Bill Lee** was no longer required to sign an annual proclamation declaring it so. Lee signed legislation to that effect on June 22. That's not to be confused with a different bill aimed at giving the General Assembly more appointees to the State Capitol Commission in an effort to stack the panel against proposals to remove the Forrest bust from the statehouse. Lee delayed signing that measure into law before convening the panel last week to recommend moving the bust to the Tennessee State Museum.

■ About 20,000 people, including **Lee**, attended the NASCAR All-Star race in Bristol on Wednesday. A plane pulling a Confederate banner circled the speedway in a protest of NASCAR's ban on the stars-and-bars flag.

■ Gee, wasn't there something **Lee** could have signed or maybe not signed to head off that bit of bad publicity?