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**BEFORE THE  
STATE OF FLORIDA  
COMMISSION ON ETHICS**

CONFIDENTIAL

**In re: Jennie Blackburn,**

**Respondent.**

**Complaint No.: 22-146**

**ADVOCATE'S RECOMMENDATION**

The undersigned Advocate, after reviewing the Complaint, Response to Complaint, and Report of Investigation filed in this matter, submits this Recommendation in accordance with Rule 34-5.006(3), F.A.C.

**RESPONDENT/COMPLAINANT**

Respondent, Jennie Blackburn, served as a Commissioner for the Town of Redington Shores, Florida. Complainant is Mary F. Palmer of St. Petersburg, Florida.

**JURISDICTION**

The Executive Director of the Commission on Ethics determined that the Complaint was legally sufficient and ordered a preliminary investigation for a probable cause determination as to whether Respondent violated Section 112.3145, Florida Statutes. The Commission on Ethics has jurisdiction over this matter pursuant to Section 112.322, Florida Statutes.

The Report of Investigation was released on January 20, 2023.

## **ALLEGATION ONE**

Respondent is alleged to have violated Section 112.3145, Florida Statutes, by filing an inaccurate CE Form 1, "Statement of Financial Interests," for the year 2020.

## **APPLICABLE LAW**

Section 112.3145, Florida Statutes, provides in part:

(2)(a) A person seeking nomination or election to a state or local elective office shall file a statement of financial interests together with, and at the same time he or she files, qualifying papers. When a candidate has qualified for office prior to the deadline to file an annual statement of financial interests, the statement of financial interests that is filed with the candidate's qualifying papers shall be deemed to satisfy the annual disclosure requirement of this section. The qualifying officer must record that the statement of financial interests was timely filed. However, if a candidate does not qualify until after the annual statement of financial interests has been filed, the candidate may file a copy of his or her statement with the qualifying officer.

\* \* \*

(c) Beginning January 1, 2023, an incumbent in an elective office or a candidate holding another position subject to an annual filing requirement may submit a copy of the statement of financial interests filed with the commission, or a verification or receipt of the filing, with the officer before whom he or she qualifies. A candidate not subject to an annual filing requirement does not file with the commission, but may complete and print a statement of financial interests to file with the officer before whom he or she qualifies.

(d) State officers and specified state employees shall file their statements of financial interests with the commission. Local officers shall file their statements of financial interests with the supervisor of elections of the county in which they permanently reside. Local officers who do not permanently reside in any county in the state shall file their statements of financial interests with the supervisor of elections of the county in which their agency maintains its headquarters. Persons seeking to qualify as candidates for local public office shall file their statements of financial interests with the officer before whom they qualify.

(e) Beginning January 1, 2023, all statements filed with the commission must be filed electronically through an electronic filing system that is created and maintained by the commission as provided in s. 112.31446.

(3) The statement of financial interests for state officers, specified state employees, local officers, and persons seeking to qualify as candidates for state or local office shall be filed even if the reporting person holds no

financial interests requiring disclosure in a particular category, in which case that section of the statement shall be marked "not applicable." Otherwise, the statement of financial interests must include the information under paragraph (a) or paragraph (b). The reporting person must indicate on the statement whether he or she is using the reporting method under paragraph (a) or paragraph (b). Beginning January 1, 2023, only the reporting method specified under paragraph (b) may be used.

(a)1. All sources of income in excess of 5 percent of the gross income received during the disclosure period by the person in his or her own name or by any other person for his or her use or benefit, excluding public salary. However, this shall not be construed to require disclosure of a business partner's sources of income. The person reporting shall list such sources in descending order of value with the largest source first;

2. All sources of income to a business entity in excess of 10 percent of the gross income of a business entity in which the reporting person held a material interest and from which he or she received an amount which was in excess of 10 percent of his or her gross income during the disclosure period and which exceeds \$1,500. The period for computing the gross income of the business entity is the fiscal year of the business entity which ended on, or immediately prior to, the end of the disclosure period of the person reporting;

3. The location or description of real property in this state, except for residences and vacation homes, owned directly or indirectly by the person reporting, when such person owns in excess of 5 percent of the value of such real property, and a general description of any intangible personal property worth in excess of 10 percent of such person's total assets. For the purposes of this paragraph, indirect ownership does not include ownership by a spouse or minor child; and

4. Every individual liability that equals more than the reporting person's net worth; or

(b)1. All sources of gross income in excess of \$2,500 received during the disclosure period by the person in his or her own name or by any other person for his or her use or benefit, excluding public salary. However, this shall not be construed to require disclosure of a business partner's sources of income. The person reporting shall list such sources in descending order of value with the largest source first;

2. All sources of income to a business entity in excess of 10 percent of the gross income of a business entity in which the reporting person held a material interest and from which he or she received gross income exceeding \$5,000 during the disclosure period. The period for computing the gross income of the business entity is the fiscal year of the business entity which ended on, or immediately prior to, the end of the disclosure period of the person reporting;

3. The location or description of real property in this state, except for residence and vacation homes, owned directly or indirectly by the person reporting, when such person owns in excess of 5 percent of the value of

such real property, and a general description of any intangible personal property worth in excess of \$10,000. For the purpose of this paragraph, indirect ownership does not include ownership by a spouse or minor child; and

4. Every liability in excess of \$10,000.

### **ANALYSIS**

Complainant alleges Respondent failed to select or disclose the following on her CE Form 1s: a manner of calculating reportable interests in 2020; income from Oversight Capital, LLC and Blackburn Coastal Services, LLC in 2020 and 2021;<sup>1</sup> checking and savings accounts in 2020 and 2021; major customers and clients of Oversight Capital, LLC and Blackburn Coastal Services, LLC in 2020 and 2021; a mortgage exceeding \$500,000 with Quicken Loans as a liability in 2021; and, capitalized items from a loan modification exceeding \$10,000 with Quicken Loans as income in 2021.

Subsequent to the instant complaint, Respondent filed a CE Form 1X, "Amendment to Statement of Financial Interests," for the years 2020 and 2021. (ROI 4, Exhibit C, Exhibit D)

The instructions for CE Form 1 reflect that a filer is required to indicate which method of calculating reportable interests is being used by checking the appropriate box (i.e., Comparative (Percentage) Threshold or Dollar Value Threshold). (ROI 6, Exhibit A1) Respondent acknowledged that she failed to select a manner of calculating reportable interests on her 2020 form. (ROI 8) On her 2020 amended form, Respondent selected "Dollar Value Thresholds." (ROI 7, Exhibit C1)

Part A, "Primary Sources of Income," requires the disclosure of any income that exceeded \$2,500 received under the Dollar Value Threshold. (ROI 9) Among other disclosures, Respondent listed "Blackburn Coastal Realty" as a source of income on her 2020 form. (ROI 9)

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<sup>1</sup> Respondent advised she is a 50% partner in Oversight Capital, LLC, doing business as Blackburn Coastal Realty. (ROI 4)

On her 2021 form, Respondent disclosed “Oversight Capital, LLC, d/b/a Blackburn Coastal Realty.” (ROI 9)

On her 2020 amended form, Respondent modified the relevant disclosure to read, “Oversight Capital, LLC, d/b/a Blackburn Coastal Realty.” (ROI 10) She advised that she originally listed Blackburn Coastal Realty because that is how the business is commonly known. (ROI 10, 14) As such, Respondent did not fail to disclose a primary source on either original form.

Part B, “Secondary Sources of Income,” requires the disclosure of major customers, clients, and other sources of income to businesses in which the filer owns an interest. (ROI 20) On her 2021 form, Respondent disclosed “Oversight Capital, LLC, d/b/a Blackburn Coastal Realty,” but she did not disclose a major customer. (ROI 13) Respondent confirmed that “Michael Saunder & Co.” met the criteria for disclosure on her 2021 form but was not disclosed. (ROI 21) On her amended form, Respondent disclosed Michael Saunder & Co. (ROI 13, 21) As such, Respondent failed to disclose a secondary source of income on her original 2021 form.

Part D, “Intangible Personal Property,” requires the disclosure of intangible personal property worth more than \$10,000 during the disclosure period. (ROI 16) On her 2020 form, Respondent wrote “NA.”<sup>2</sup> (ROI 17, Exhibit A2) On her 2022 form, Respondent wrote, “cash on hand.” (ROI 18, Exhibit B2) On her 2020 and 2021 amended forms, Respondent disclosed intangible personal property as a personal checking/savings account, a business checking/savings account, and a money market account. (ROI 19, Exhibit C1, Exhibit D1) As such, Respondent failed to disclose intangible personal property on her original 2020 and 2021 forms.

Part E, “Liabilities,” requires the disclosure of the name and address of each creditor to whom the filer owes more than \$10,000 at any time during the disclosure period. (ROI 22) The

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<sup>2</sup> Filers are instructed to write “none” or “n/a” if they have nothing to report.

filer is not required to disclose credit card debt and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. (ROI 22) On Respondent's 2020 CE Form 1, she wrote, "Rocket Mortgage, Detroit, MI." (ROI 23, Exhibit A2) On her 2022 form, Respondent wrote "none." (ROI 24, Exhibit B2)

On Respondent's 2020 and 2021 1Xs, Respondent disclosed Rocket Mortgage LLC and Bank of America as creditors to whom she owed more than \$10,000. (ROI 25, Exhibit C2, Exhibit D2) While Rocket Mortgage was disclosed on her 2020 form, it was not disclosed on her 2021 form due to her misinterpreting the instructions. (ROI 26) The Bank of America disclosures were credit card debt and, as noted above, were not required to be disclosed. (ROI 26) As such, Respondent failed to disclose a secondary source of income on her original 2021 form.

Regarding the capitalized items from a loan modification, Respondent explained when there are capitalized funds, the mortgage company must provide an Internal Revenue Service (IRS) Form 1099-C, specifically related to the cancellation of debt. (ROI 27) She said there was no forgiven debt, and, therefore, she never received an IRS Form 1099-C and had nothing to report for 2020 or 2021. (ROI 27) As such, Respondent did not fail to disclose the capitalized items on either original form.

While Respondent has provided additional information after the instant complaint was filed with the Commission, the public was deprived of the information to which it was entitled with the 2020 original filing.

Therefore, based on the evidence before the Commission, I recommend that the Commission find probable cause to believe that Respondent violated Section 112.3145, Florida Statutes.

## **ALLEGATION TWO**

Respondent is alleged to have violated Section 112.3145, Florida Statutes, by filing an inaccurate CE Form 1, "Statement of Financial Interests," for the year 2021.

## **APPLICABLE LAW**

Section 112.3145, Florida Statutes, is set forth under Allegation One.

## **ANALYSIS**

The underlying facts and circumstances relating to this allegation are contained above in Allegation One. See the Analysis in Allegation One.

While Respondent has provided additional information after the instant complaint was filed with the Commission, the public was deprived of the information to which it was entitled with the 2021 original filing.

Therefore, based on the evidence before the Commission, I recommend that the Commission find probable cause to believe that Respondent violated Section 112.3145, Florida Statutes.

## **RECOMMENDATION**

It is my recommendation that:

1. There is probable cause to believe that Respondent violated Section 112.3145, Florida Statutes, by filing an inaccurate CE Form 1, "Statement of Financial Interests," for the year 2020.
2. There is probable cause to believe that Respondent violated Section 112.3145, Florida Statutes, by filing an inaccurate CE Form 1, "Statement of Financial Interests," for the year 2021.

Respectfully submitted this 1<sup>st</sup> day of February, 2023.

A handwritten signature in cursive script that reads "Melody Hadley". The signature is written in dark ink and is positioned above a horizontal line.

MELODY A. HADLEY

Advocate for the Florida Commission  
on Ethics

Florida Bar No. 0636045

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