

BOARD OF CLAIMS
Minutes for the March 21, 2018 Meeting of the Board

Members Present:

David H. Lillard, Jr., State Treasurer, Chair
Justin Wilson, State Comptroller
Tre Hargett, Secretary of State
Rebecca Hunter, Commissioner of Human Resources
Larry Martin, Commissioner of Finance and Administration

Also Present:

Steve Summerall
Rodney Escobar, Director of Claims and Risk Management, Treasury Department
Mary Roberts-Krause, General Counsel, Treasury Department
Alison Cleaves, Legal Services Director
Amy Dunlap, Assistant Director of Claims and Risk Management, Treasury Department
Larissa Dills, Division of Claims and Risk Management
David Raybin, Attorney at Law
Jack Lowry, Attorney at Law
And other persons and interested parties

Call Meeting to Order

With a quorum present, Chairman Lillard, called the meeting to order at 9:30 a.m.

Review of Minutes of February 21, 2018 Meeting

The first item of business was review of the minutes for the Board of Claims meeting on February 21, 2018. A motion to approve was made by Comptroller Justin Wilson. The motion was seconded by Commissioner Rebecca Hunter. The motion passed unanimously approving the minutes.

Claim of Markese Osborne

Alison Cleaves, Legal Services Director presented the claim filed by Markese Osborne. Mr. Osborne is a correction officer with the Department of Correction. He, along with two (2) other correction officers, was sued in the United States District Court of the Middle District of Tennessee by an inmate alleging a civil right violation. The Attorney General's office declined to represent Mr. Osborne in the litigation and as a result, Mr. Osborne retained private counsel. The case was resolved with an Agreed Order of Compromise and Settlement entered on March 15, 2017. The Agreed Order provides that the claims filed against the defendant-officers are dismissed with prejudice and that each party shall bear his/her own discretionary costs and attorney's fees. At the conclusion of the case, Mr. Osborne requested reimbursement from the Board of Claims for his attorney's fees expended in defense of the allegations. The Agreed Order of Compromise and Settlement provides that each party is responsible for his or her own discretionary costs and attorney's fees. According to Ms. Cleaves due to the fact the attorney's fees in the litigation filed against Mr. Osborne were not awarded by judgment or settlement, the Board does not have the authority to reimburse Mr. Osborne for his attorney's fees. Therefore, staff's recommendation to the Board was to deny Mr. Osborne's claim based upon these facts. A motion to deny the claim was made by Chairman Lillard and was seconded by Commissioner Larry Martin. The motion for denial was passed unanimously.

Claim of Lawrence McKinney T20180860

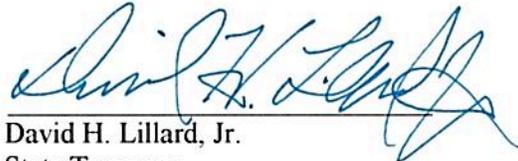
Mary Roberts-Krause, General Counsel for the Tennessee Treasury Department, presented the claim for Lawrence Edward McKinney. Mr. McKinney filed this claim requesting the Board of Claims to compensate him for damages based on his having served approximately thirty-one years in prison for crimes he did not commit. Mr. McKinney has proven he was wrongfully imprisoned and entitled to a damage award pursuant to Tennessee Code Annotated, Section 9-8-18(a)(7). Mr. McKinney has requested the Board of Claims to award him one million dollars due to his wrongful imprisonment for over thirty-one years. Ms. Roberts-Krause recommended the Board find that Mr. McKinney was a wrongfully imprisoned person pursuant to Tennessee Code Annotated, Section 9-8-108(a)(7) and is entitled to a compensation award of one million dollars. She also recommended that \$353,000 of said amount be paid in a lump sum as follows: (1) \$333,000 which represents full payment of the attorney fee debt owed by Mr. McKinney to be paid directly to his attorney, Mr. B.F. (Jack) Lowery, Sr.; (2) \$9,535, which represents full payment of his current consumer debts, to be paid directly to Mr. McKinney; and (3) \$10,465 to secure a reliable vehicle, to be paid directly to Mr. McKinney. She further recommended that the remaining \$647,000 be used to fund an annuity contract. A motion to approve the recommendation was made by Commissioner Rebecca Hunter and was seconded by Comptroller Justin Wilson. The motion passed unanimously

Adjournment

There being no further business, the meeting was adjourned at 9:50 a.m.



Rodney Escobar
Director of Claims and Risk Management
State of Tennessee, Treasury Department
Executive Secretary to the Board of Claims



David H. Lillard, Jr.
State Treasurer
Chairman, Board of Claims