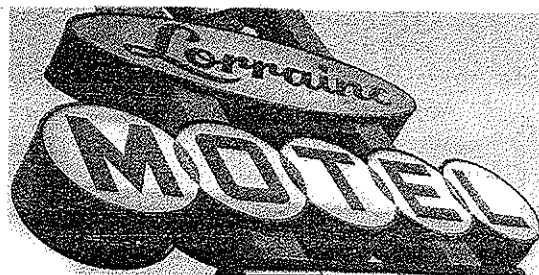


A museum reborn

The National Civil Rights Museum in Memphis reopens, and Atlanta's Center for Civil and Human Rights nears completion.



Mostly sunny
High: 69, Low: 48
0% chance of rain



Sunday: Afternoon rain, 67/50
Monday: Storms likely, 71/56
Tuesday: Cloudy, 64/49

Details on the back of Metro

SAURDAY, APRIL 5, 2014

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\$1

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Today's bonus:
Tour the Beltline

AJC multimedia photojournalist and distance runner Ben Gray spent a cold February day running the entire 22-mile Beltline, taking photos and videos along the way with three friends. Explore an interactive map of his journey at MyAJC.com/beltline-tour, and read more about his experience in Sunday's paper. Then visit MyAJC.com/beltline for more on the popular Atlanta attraction, a work in progress. You'll also have access to all of our in-depth news at MyAJC.com, including interactive content.

Shooter had been denied leave

When Army Spec. Ivan Lopez went on the shooting rampage Wednesday at Fort Hood, Texas, he had just learned that superiors in Washington had rejected his request to take a temporary leave to deal with matters related to his mother's death, A4

ajc Truth-O-Meter
PolitiFact Georgia

"Two-thirds of the people who receive the minimum wage are female."
— Cokie Roberts during an interview Monday on NPR's "Morning Edition," B1

NATION & WORLD

Hunt begins for flight's 'black boxes'

Two ships deployed sound locators in the southern Indian Ocean in a desperate attempt to find the missing Malaysia Airlines flight's recorders before their signal beacons fall silent, A2

BUSINESS

Judge delays ruling on recalled GM cars

General Motors may have to tell owners of more than 2 million cars with a defective ignition to not drive them until repaired, A6

METRO

Gwinnett County assessments rising

For the first time in five years, most Gwinnett County property owners will see higher values on the county property assessment notices mailed Friday, B1



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Dear Abby D3
Classifieds E1

Peach Buzz D2
Puzzles D3

The Atlanta Journal-Constitution

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ETHICS WATCH

Jury awards \$700K to ethics ex-chief

Verdict: Official forced from job for investigating Gov. Nathan Deal.

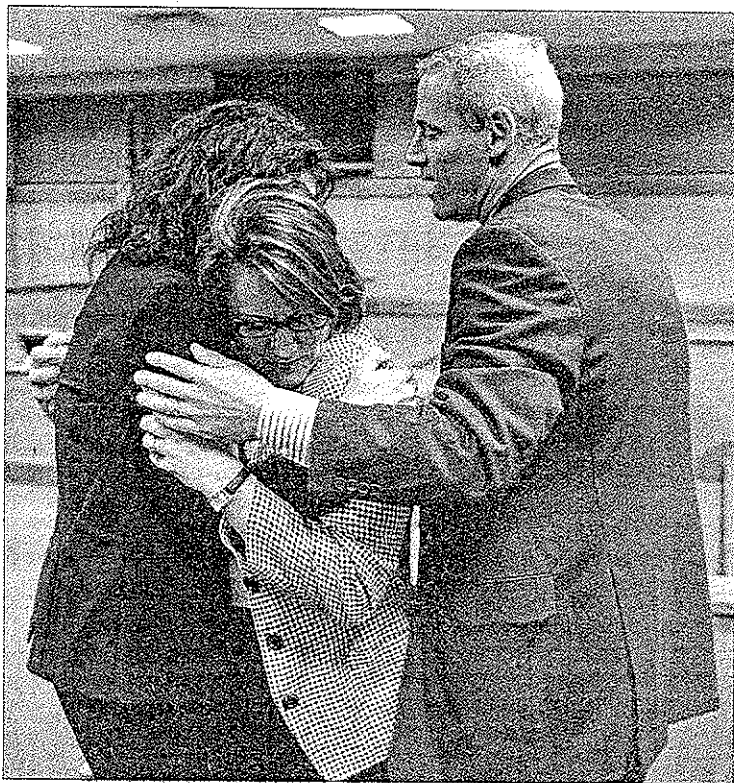
By Aaron Gould Sheinin
aaron.gouldsheinin@ajc.com

A Fulton County jury sided Friday with the former director of the state ethics commission when it ruled she was forced from her job for aggressively investigating Gov. Nathan Deal, throwing the already troubled commission into deeper turmoil.

The outcome is bad news for state officials, who for nearly three years said Stacey Kalberman's departure from the agency had nothing to do with her desire to issue subpoenas for records in an investigation into Deal's 2010 campaign. It also bodes ill for the state's case in two additional whistleblower suits against the commission dealing with many of the same issues.

The jury, after deliberating 2½ hours, ordered the state to pay the former ethics commission director \$700,000. That

Ethics continued on A5



Stacey Kalberman (center) is hugged by attorney Kimberly Worth and husband Neil after winning a whistleblower lawsuit against the state ethics commission. BRANT SANDERLIN / BSANDERLIN@AJC.COM

ajc.com

The AJC has been following the ethics commission controversy since the very beginning. Log on to MyAJC.com, where you can explore an interactive graphic of who's who in the Deal ethics controversy and see how they relate to each other.

Coming Sunday

Gov. Nathan Deal has claimed his office had little to do with the ethics commission turmoil. But Friday's legal victory by the former ethics chief makes the task of separating himself from the agency more problematic.

ECONOMY

U.S. finally regains jobs lost in recession

6.7% jobless rate shows more people looking for work, experts say.

By Christopher S. Rugaber
Associated Press

WASHINGTON — The U.S. economy has reached a milestone: It has finally regained all the private-sector jobs it lost dur-

Businesses and nonprofits shed 8.8 million jobs during the 2007-09 recession; they have since hired 8.9 million. But because the population has grown since the big downturn, the economy is still millions of jobs short of where it should be by now.

Also, government jobs are still 535,000 below the level they were at when the recession began in December 2007.

HEALTH CARE LAW

Medicaid stance makes inmate care cost more

Expansion could save Ga. \$20M a year on prison medical needs.

By Rhonda Cook
rcook@ajc.com

Georgia's decision against expanding Medicaid under the Affordable Care Act is costing the state a chance to save

So far, about 25 states have used expanded Medicaid to offset inmate hospitalization costs, according to published reports.

Georgia cannot do so because it is not part of the broader Medicaid expansion, which extends the program to more residents based on

Inmates continued on A8

AJC WATCHDOG

Food stamp backlog reduced

But without more change, state could still lose \$76M in funding.

By Craig Schneider
cschneider@ajc.com

Georgia's top food stamp official said the state has made great progress toward eliminating a huge backlog of food stamp applications, but must do more to eliminate the threatened loss of up to \$76 million in federal funding.

State Human Services Commissioner Keith Horton said Friday that his agency's full-court press in recent months — including an intensive overtime program and the hiring of a few hundred extra workers — has reduced the backlog of cases from about 65,000 in late February to about 5,500.

"We've made great strides over the past month," Horton said during a news conference, "but we are not out of the woods yet."

Federal officials have said Georgia must fully resolve the backlog of food stamp cases that are overdue for action by

Backlog continued on A8

ajc.com

Last year, Georgia wasted about \$138 million in overpayments to people who receive food stamps. Learn why this waste has gotten dramatically worse in recent years. Only on MyAJC.com.

FROM PAGE ONE

TIMELINE

November 2010:

Republican Nathan Deal is elected governor.

January-May 2011:

The top two staff members of the state ethics commission, director Stacey Kalberman and her deputy, Sherilyn Streicker, open an investigation into the Deal campaign. They meet with federal prosecutors and the FBI. The two draw up subpoenas for Deal and others and prepare to serve them.

June 2011:

Kalberman and Streicker are gone from their jobs. Streicker's job is eliminated. Kalberman's salary is cut from \$120,000 to \$85,000, and she resigns. The chairman of the ethics commission, Patrick Millsaps, says he needed to cut costs.

August 2011:

Holly LaBerge is hired as the commission's new director.

June 2012:

Kalberman and Streicker file separate whistleblower lawsuits against the state.

July 23, 2012:

The state ethics commission clears Deal of major ethics violations while finding he made "technical defects" in a series of personal financial and campaign finance reports. Deal agrees to pay \$3,350 in fees.

September 2013:

The AJC reports that two staff members of the state ethics commission accused LaBerge of improperly intervening in the probe of Deal. Staff attorney Elisabeth Murray-Oberteint and IT specialist John Hair made the accusations in sworn testimony. Hair said LaBerge ordered him to destroy documents in the Deal file. Murray-Oberteint said LaBerge bragged that Deal "owed" her for making his legal troubles go away. LaBerge has denied those accusations in her own testimony. Deal also has denied any wrongdoing.

Oct. 10, 2013:

The AJC reports that the FBI has interviewed Murray-Oberteint.

Oct. 22, 2013:

The commission votes to have the state auditor investigate the agency.

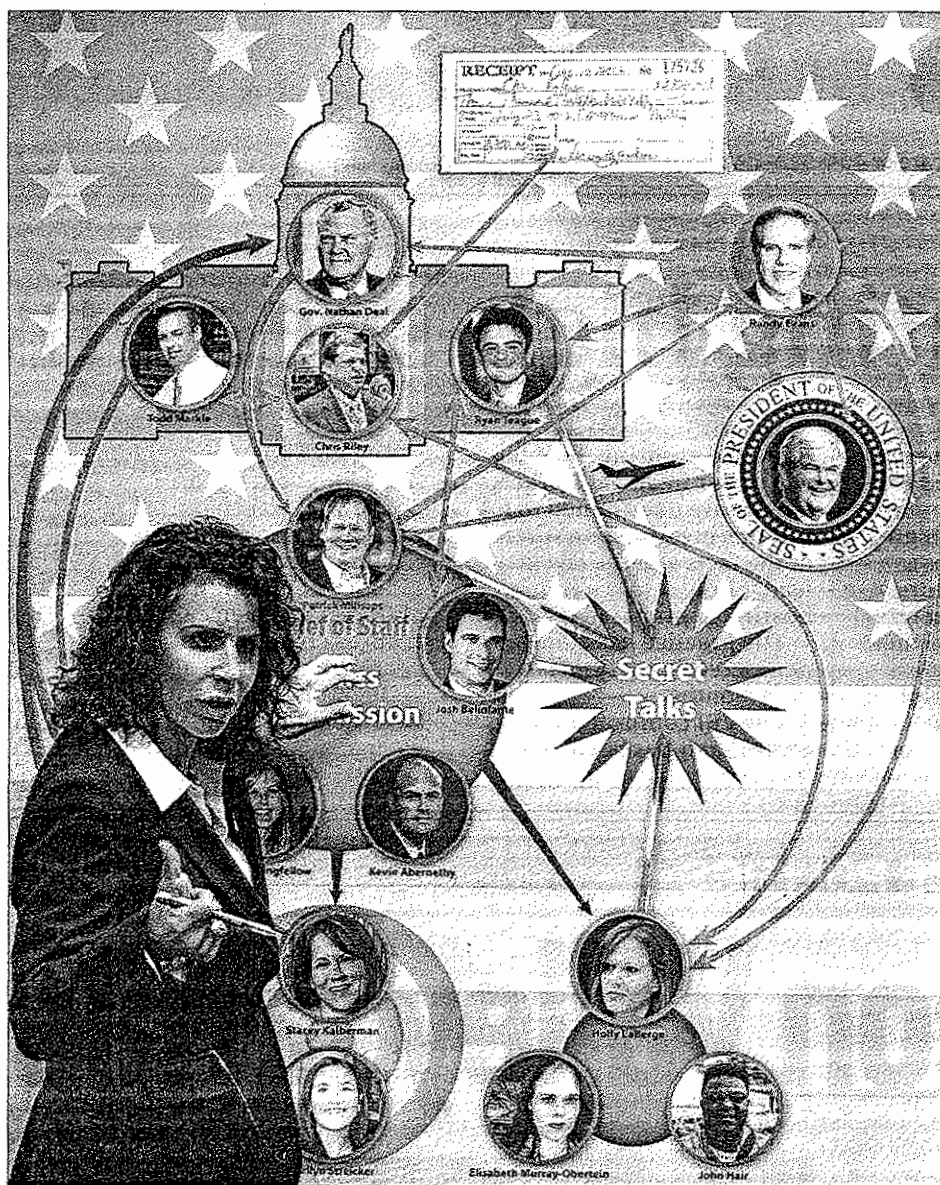
Dec. 11, 2013:

Federal investigators issue subpoenas to at least five current and former ethics commission staff members. They are seeking documents related to the Deal probe to present to a grand jury.

Dec. 19, 2013:

The ethics commission votes unanimously to hire veteran lawyer Robert Constantine to oversee operations at the agency from January to May.

Jan. 6, 2014: Relying on personnel files obtained through an open records request, the AJC reports that Constantine was fired in August 2013 as a judge on the state Board of Workers' Compensation for "failure to meet performance expectations."



Plaintiff's attorney Kimberly Worth uses a chart to help deliver closing arguments in the whistleblower lawsuit brought by former state ethics commission executive director Stacey Kalberman. BRANT SANDERLIN / BSANDERLIN@AJC.COM

Ethics

continued from A1

figure will climb once back pay and attorneys' fees are settled.

"I very honestly and truly believed what happened to me was wrong," Kalberman told reporters after the verdict was read. "More than that, the justice systems allowed me to tell my story and I didn't have to walk away from something I thought was wrong."

Lauren Kane, a spokeswoman for Attorney General Sam Olens, who defended the commission in the case, declined to comment because of the other lawsuits still pending.

Kalberman's departure launched a period of great tumult at the agency, which has seen tremendous turnover, internal strife and allegations of impropriety that have called into question its ability to enforce the state's ethics laws. It also is facing at least two state investigations and a federal grand jury's subpoenas.

The state and federal investigations follow investigations by The Atlanta Journal-Constitution.

Kalberman's attorneys worked all week to show that the commission's decisions in June 2011 to cut her salary by \$35,000 and to eliminate the job of her top deputy, Sherilyn Streicker, were a response to the pair's desire to issue subpoenas for records in the investigation. Jurors heard three days of testimony from current and former commissioners and employees, culminating Thursday night with several hours of testimony from Kalberman herself.

Attorneys for the commission, meanwhile, tried to establish that the agen-

"That, ladies and gentlemen, is pretext," Worth said. "The very first witness. It doesn't add up."

Jurors agreed. Forewoman Allison Pecquet, a 25-year-old account manager, said Millsaps was a key to their decision.

"It was Millsaps," she said. "When he told (Kalberman) not to say anything about the Deal investigation right before the May 3 meeting. We had it circled 10 times on the board."

That May 3, 2011, meeting was when Kalberman first presented draft subpoenas for records in the Deal case to the commission. When Kalberman earlier told Millsaps about the extent of their investigation, and that the FBI was interested, Millsaps told her to keep it silent, according to testimony.

Juror Kurt Pinniger, 43, a software developer, said the fact that the only two attorneys at the commission "got fired" sealed the verdict.

"If they had taken 10 percent pay cuts across the board, that might have been something," Pinniger said. "But they got rid of the two attorneys who were investigating Nathan Deal."

Deal spokesman Brian Robinson said the governor's office had nothing to do with this case.

"Today's verdict involved an internal dispute between former employees and former commissioners of the Georgia Government Transparency and Campaign Finance Commission, which is a body that operates independently of elected officials," Robinson said in a statement. "There's a reason no member of the governor's staff was called to testify: because there's no connection to

called LaBerge, while LaBerge testified this week that she did not remember who called her. Jurors didn't believe her.

"That was a laughable point that she would say she didn't remember who had called her," Pecquet, the jury forewoman, said.

The verdict's timing complicates Deal's reelection bid. With a GOP primary in May and a well-financed Democrat waiting in November, his opponents moved to seize on the verdict.

Former Dalton Mayor David Pennington, who's running against Deal in the primary, said it was a symbol of the "abuses of power, ethics flaws and strong-arm, good ol' boy politics." And Democrat Jason Carter said the trial "opened a new window into the ethical culture" of Deal's administration.

Assistant attorneys general Bryan Webb and Laura McDonald spent the week trying to convince jurors the budget crisis was genuine and Kalberman showed poor management skills during it.

In his closing argument, Webb hammered at Kalberman. He said during that key May 3, 2011, meeting — before Kalberman and Streicker presented the commission draft subpoenas for records in the Deal investigation — Kalberman acknowledged the agency had major budget problems.

Then "she went into executive session and asked for a raise," Webb said. "She had the gall to say the sky is falling, we're going to run out of money and you know what? I want \$5,000 more for myself."

That — not the Deal investigation — was what led to the decision to reduce her salary, Webb

Key players in ethics trial

STACEY KALBERMAN

The former executive director of the state ethics commission was awarded \$700,000 when jurors decided Friday that she had been forced out of her position in 2011 for aggressively investigating ethics complaints against Gov. Nathan Deal's 2010 campaign. Kalberman filed her whistleblower lawsuit in June 2012, about a year after she resigned after the commission, citing a budget crisis, cut her salary by \$35,000, or 30 percent. The move came about a month after she and her top deputy, Sherilyn Streicker, asked the commission to issue subpoenas in the Deal investigation.

During the trial: Kalberman testified Thursday that she thought the budget crisis was only a cover. "I said I believe this has nothing to do with the budget," Kalberman said she told one of the commissioners at the time.

HOLLY LABERGE

LaBerge was appointed executive director of the state ethics commission in August 2011. She was a lobbyist for the state Public Defenders Standards Council when the governor's chief counsel, Ryan Teague, contacted her about replacing Kalberman — before Kalberman's salary was cut and her top aide, Sherilyn Streicker, was dismissed.

During the trial: LaBerge testified that when she took over, she found no budget crisis at the ethics commission.

SHERILYN STREICKER

Streicker was Kalberman's top assistant and the investigator in the complaints against Deal. Like Kalberman, she has filed a whistleblower suit against the commission.

During the trial: She said, "I knew the commissioners weren't going to move forward with (the Deal investigation), just seeing the way they handled the previous cases."

PATRICK MILLSAPS

Millsaps was chairman of the commission when it cut Kalberman's pay by 30 percent and eliminated Streicker's position.

During the trial: He acknowledged under cross-examination that if the governor's office assisted in the recruitment of LaBerge to succeed Kalberman, "it doesn't pass the smell test."

NATHAN DEAL

The governor faced complaints that he personally profited from his campaign's aircraft rentals from a company he partly owned, that he illegally used state campaign funds for legal bills related to a federal ethics investigation when he was a member of Congress and that he accepted campaign contributions that exceeded limits. The state ethics commission cleared Deal of major ethics violations in July 2012 while finding he made "technical defects" in a series of personal financial and campaign finance reports. Deal agreed to pay \$3,350 in fees. Deal was originally on the witness list in the trial of Kalberman's suit, but Judge Ural Glanville granted the state's motion to quash the subpoena.

During the trial: "I'd answer whatever question they'd ask me," Deal told The AJC. "I just can't imagine that they could ask me much. I don't know very much about what they're concerned with."

ELISABETH MURRAY-OBERTEIN

Murray-Oberteint was hired by LaBerge to serve as the ethics commission's staff attorney. In sworn testimony leading up to the case, she claimed that LaBerge intervened in Deal's case and bragged that Deal owed her after his case was settled. Murray-Oberteint was later dismissed from her position in January after a Capitol police officer said he smelled alcohol on her on the morning of a workday. The jury, however, did not hear about her dismissal after both sides agreed not to mention it in court.

During the trial: She testified that LaBerge told her that commissioners felt Kalberman and Streicker "were delving into the (Deal) investigation too deeply."

JOHN HAIR

Hair is a former information technology specialist with the commission. He also filed a whistleblower lawsuit against the commission after he claimed he was fired for "frivolous" reasons for refusing to remove documents from Deal's ethics case file.

During the trial: He testified that LaBerge often asked him to alter or remove files from commission computer servers and put them on a removable hard drive that he would hand-deliver to her. That happened, he said, only with files related to Deal.

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February: Deal and two top aides are subpoenaed by Streicker and could testify in her lawsuit. A Fulton County Superior Court judge hears arguments on whether to allow Kalberman's case to move forward but does not immediately issue a ruling. The commission also cuts ties to Constantine, voting to conclude his services while agreeing to pay the full \$16,000 of his original agreement.

March: Hair files a third whistleblower lawsuit. He claims he was fired after refusing orders from LaBerge to alter or remove documents.

Friday: A Fulton County jury awards \$700,000 to Kalberman in her suit claiming she was forced out as executive director of the commission for investigating Deal's campaign.

to establish that the agency's budget was in crisis and that, along with Kalberman's request for a pay raise, was what motivated the decision to cut her pay and dismiss her deputy.

Kalberman attorney Kim Worth said in her closing argument that the commission's defense was full of inconsistencies. Defense witnesses, Worth said, testified that with the help of the governor's office they recruited Holly LaBerge to replace Kalberman while Kalberman was still in her job and before they announced plans to cut her salary and eliminate Streicker's job.

Worth said even former commission Chairman Patrick Millsaps, who engineered the plan to cut Kalberman's salary, acknowledged under cross-examination that the recruitment of LaBerge by Deal's office "doesn't pass the smell test."

there's no connection to this office."

But it was Deal's executive counsel, Ryan Teague, who called LaBerge in mid-May to gauge her interest in Kalberman's job before it was open. Jurors said that point was key, too. Deal's office has confirmed it was Teague who

'There's a reason no member of the governor's staff was called to testify.'

Brian Robinson
Gov. Nathan Deal
spokesman

duce her salary, Webb said.

"Kalberman took actions that made commissioners begin to question her abilities," he said.

Worth acknowledged that the budget wasn't perfect but said it was no surprise.

"Budgets are always a problem in state agencies," Worth said. "They're always an issue."

In fact, Worth said, almost immediately after taking the job, LaBerge hired a staff attorney and a receptionist. LaBerge testified that when she took over she found no budget crisis.

"The reason they made the personnel decisions they did was because they wanted to take the attorneys out," Worth said.

"They wanted to remove the attorneys from the commission."

Staff writer Greg Bluestein contributed to this article.

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