

**STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

**Findings in the Matter of a Contribution to the Vote (Dawn) Hennessy Committee from
Trailside Liquor**

Summary of the Facts

Pursuant to Minnesota Statutes, Section 10A.27, subdivision 13, candidates, political party units, and political committees registered with the Campaign Finance and Public Disclosure Board (“the Board”) may not accept a contribution in excess of \$100 from an association that is not registered with the Board unless the contribution is accompanied by financial disclosure of the donating association’s receipts and expenditures in the form specified by statute. A committee that accepts a contribution in excess of \$100 without the required disclosure is subject to a civil penalty of up to four times the amount in excess of \$100.

Minnesota Statutes, Section 10A.27, subdivision 13(b), prohibits an association that is not registered with the Board from making a contribution in excess of \$100 to a candidate, political party unit, or political committee that is registered with the Board unless, at the time the contribution was made, the unregistered association provides the recipient with disclosure of the unregistered association’s receipts and expenditures in the form specified by statute. An unregistered association that fails to provide the appropriate disclosure with the contribution is subject to a civil penalty of up to \$1,000.

In the 2010 pre-general-election Report of Receipts and Expenditures filed with the Board, the Vote (Dawn) Hennessy Committee disclosed receipt of a contribution on September 2, 2010, in the amount of \$2,000 from Trailside Liquor, an association not registered with the Board. No financial disclosure was provided. The contribution was not returned within sixty days, and is therefore considered accepted under the provisions of Minnesota Statutes, Section 10A.15, subdivision 3.

In a response dated December 1, 2010, Dawn Hennessy acknowledged receiving the contribution. Ms. Hennessy returned \$2,000 to Trailside Liquor and provided a copy of the check and letter used to return the contribution.

By letter dated November 17, 2010, Trailside Liquor was notified of the statutory provision that appeared to be violated. No response was received. For the purposes of Minnesota Statutes Chapter 10A, Trailside Liquor is an unregistered association subject to the provisions of Minnesota Statute, Section 10A.27, subdivision 13.

The Board recognizes that provisions of Minnesota Statutes Chapter 211B prohibit corporation contributions entirely. The enforcement of Chapter 211B is outside of the Board’s authority.

This matter was considered by the Board in executive session on January 10, 2010. The Board’s decision was based upon correspondence from Ms. Hennessy and Board records.

Based on the information outlined in the above Summary of the Facts and Relevant Statutes, the Board makes the following:

Findings Concerning Probable Cause

1. There is probable cause to believe that the Vote (Dawn) Hennessy Committee violated Minnesota Statutes, Section 10A.27, subdivision 13, when it accepted a contribution in excess of \$100 from an unregistered association without receiving the appropriate disclosure with the contribution.
2. There is probable cause to believe that Trailside Liquor violated Minnesota Statutes, Section 10A.27, subdivision 13 (b), when it made a contribution in excess of \$100 to the Vote (Dawn) Hennessy Committee without providing the required disclosure.
3. There is probable cause that the contribution was not returned within 60 days as permitted under Minnesota Statutes, Section 10A.15, subdivision 3.

Based on the above Findings Concerning Probable Cause, the Board issues the following:

ORDER

1. The Board imposes a civil penalty of \$1,900, one times the amount by which the contribution exceeded \$100, on the Vote (Dawn) Hennessy Committee for accepting and depositing a contribution from an unregistered association without the disclosure required by Minnesota Statutes, section 10A.27, subdivision 13.
2. The Vote (Dawn) Hennessy Committee is directed to forward to the Board payment of the civil penalty by check or money order payable to the State of Minnesota within thirty days of receipt of this order.
3. The Board imposes a civil penalty of \$1,000, on Trailside Liquor for making a contribution in excess of \$100 to a principal campaign committee without the disclosure required by Minnesota Statutes, section 10A.27, subdivision 13 (b).
4. Trailside Liquor is directed to forward to the Board payment of the civil penalty by check or money order payable to the State of Minnesota within thirty days of receipt of this order.
5. If the Vote (Dawn) Hennessy Committee or Trailside Liquor does not comply with the provisions of this order, the Board's Executive Director may request that the Attorney General bring an action for the remedies available under Minnesota Statutes, section 10A.34.

6. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minnesota Statutes, section 10A.02, subdivision 11, and upon payment by the civil penalties imposed herein, this matter is concluded.

Dated: January 10, 2011

/s/ John Scanlon
John Scanlon, Chair
Campaign Finance and Public Disclosure Board

Relevant Statutes

10A.27, subdivision 13. Unregistered association limit; statement; penalty. (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$100 from an association not registered under this chapter unless the contribution is accompanied by a written statement that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the board. This subdivision does not apply when a national political party contributes money to its affiliate in this state.

(b) An unregistered association may provide the written statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

(1) fails to provide a written statement as required by this subdivision; or

(2) fails to register after giving the written statement required by this subdivision to more than three committees, funds, or party units in a calendar year.

(c) The treasurer of a political committee, political fund, principal campaign committee, or party unit who accepts a contribution in excess of \$100 from an unregistered association without the required written disclosure statement is subject to a civil penalty up to four times the amount in excess of \$100.