

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

**CONCILIATION
AGREEMENT**

In the Matter of Schmit (Matt) for Senate (17328);

1. At its meeting of October 7, 2015, the Board approved a conciliation agreement regarding an aggregate special source limit violation by the Schmit for Senate committee during the 2013-2014 non-election segment. That agreement was signed by Matt Schmit on October 27, 2015. By this agreement, the Parties rescind the prior agreement and instead agree to the following.
2. The Schmit for Senate committee (Committee) is the principal campaign committee of Matt Schmit (Candidate). On its 2013 amended year-end Report of Receipts and Expenditures and its 2014 amended year-end Report of Receipts and Expenditures, the Committee reported that it had accepted \$9,475 in total contributions from special sources. These sources include registered lobbyists, from whom the Committee accepted \$2,975, and political committees or political funds, from which the Committee accepted \$6,500. The total amount of these contributions exceeds the applicable limit on aggregate contributions from special sources during the 2013-2014 non-election segment, which is \$6,000 for a state senate candidate. The \$3,475 that exceeded the limit was not returned within 90 days, and was therefore deemed accepted under Minnesota Statutes section 10A.15, subdivision 3.
3. The Candidate informed Board staff that the violation occurred because the Committee mistakenly deposited a number of contributions received at a fundraiser that were, in fact, for the 21st Senate District DFL. The Committee has returned the excess contributions to special source contributors.
4. Board records indicate that this is the first instance in which the Committee reported the acceptance of contributions that exceeded the special source limit. The Committee registered with the Board on January 3, 2012.
5. The parties agree that the Committee accepted excessive contributions from special sources in violation of Minnesota Statutes section 10A.27, subdivision 11, during the 2013-2014 non-election segment.
6. To resolve this matter informally, and to avoid these violations in the future, the Candidate and the Committee agree that they will:
 - a. Begin using the Board's Campaign Finance Reporter software beginning on the Committee's 2015 year-end report;
 - b. Ensure that the Committee's treasurer reviews and enters contributions into the Campaign Finance Reporter software within 60 days of receipt;
 - c. Run a batch compliance report after each time contributions are entered and take steps to remedy any violations the software identifies so that problems may be resolved within the 90 days that statutes provide for the return of a contribution before it is deemed accepted; and

d. Update the Campaign Finance Reporter software whenever the software notifies the user that an update is available.

7. The Candidate agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of \$3,475 against the Candidate for accepting contributions in excess of the limit imposed by Minnesota Statutes section 10A.27, subdivision 11. \$868.75 of the penalty is due within 30 days of the date the agreement is signed by both parties. \$2,606.25 of the penalty is, by the terms of this agreement, stayed until January 1, 2017. If the Committee violates Minnesota Statutes section 10A.27, subdivision 11 before January 1, 2017, the outstanding civil penalty is due immediately. If the Committee does not violate Minnesota Statutes section 10A.27, subdivision 11 within that timeframe, the outstanding civil penalty is waived.

8. If the Candidate or the Committee does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Matt Schmit Dated: 2/21/2016
Matt Schmit
Schmit for Senate

/s/ Gary Goldsmith Dated: 2/16/2016
Gary Goldsmith, Executive Director
Campaign Finance and Public Disclosure Board

Agreement approved by Board at meeting of 4/5, 2016

/s/ Christian Sande
Christian Sande, Chair
Campaign Finance and Public Disclosure Board