

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

.....
May 1, 2019
Room G-6
Minnesota Judicial Center
.....

MINUTES

The meeting was called to order by Chair Leppik.

Members present: Flynn, Haugen, Leppik, Moilanen, Rosen (by telephone – joined meeting during waiver request section of enforcement report), Swanson

Others present: Sigurdson, Engelhardt, Olson, Pope, staff; Hartshorn, counsel

MINUTES (April 3, 2019)

After discussion, the following motion was made:

Member Moilanen's motion: To approve the April 3, 2019, minutes as drafted.

Vote on motion: Unanimously passed.

CHAIR'S REPORT

A. Meeting schedule

The next Board meeting is scheduled for 10:30 a.m. on Wednesday, June 5, 2019.

EXECUTIVE DIRECTOR REPORT

Mr. Sigurdson told members that the house omnibus state government finance bill included the Board's budget requests. Mr. Sigurdson said that the house bill also included several election and campaign finance policy provisions but none of the Board's 2019 legislative recommendations. Mr. Sigurdson said that the senate omnibus state government finance bill did not include any additional funds for the Board or any election/campaign finance policy provisions. Mr. Sigurdson said that a conference committee would be appointed to resolve the differences between the house and senate bills.

ENFORCEMENT REPORT

A. Consent Items

1. Administrative termination of lobbyist Ryan Hamilton (2744)

Mr. Olson told members that the MN Assn of Realtors had requested that the registration of Mr. Hamilton be terminated effective June 1, 2018, and had filed a termination statement signed by its designated lobbyist. The principal stated that Mr. Hamilton was aware of the need to file a termination statement but had not done so. Mr. Olson said that Board staff had administratively terminated Mr. Hamilton's lobbyist registration effective June 1, 2018, and that the principal's reporting lobbyist had filed disbursement reports including Mr. Hamilton through 2018.

2. Request to withdraw registration of lobbyist Eric Hyland (2986)

Mr. Olson told members that Mr. Hyland had registered as a lobbyist for the Coalition of Interlock Manufacturers on March 7, 2019. On March 12, 2019, Mr. Hyland submitted a lobbyist termination statement pertaining to the same principal. Mr. Olson said that after discussing the matter with Board staff, Mr. Hyland instead had asked to withdraw his registration because he had never engaged in lobbying on behalf of the Coalition of Interlock Manufacturers.

B. Discussion Items

1. Request for retroactive termination of lobbyist Peter Nelson (2346)

Mr. Olson told members that Mr. Nelson had filed a lobbyist termination statement and was requesting that the termination be retroactive to December 3, 2017, as he was no longer employed by the Center for the American Experiment as of December 4, 2017. Mr. Olson said that the principal's reporting lobbyist had filed disbursement reports including Mr. Nelson through 2018.

2. Request for retroactive termination of lobbyist Leili Fatehi (4195)

Mr. Olson told members that Friends of the Mississippi River had submitted a lobbyist termination statement signed by Ms. Fatehi requesting that the termination be retroactive to June 27, 2017. Mr. Olson said that the principal's reporting lobbyist had filed disbursement reports including Ms. Fatehi through 2018.

After discussion, the following motion was made:

Member Flynn's motion:

To approve consent items A and B and discussion items A and B.

Vote on motion:

Unanimously passed.

C. Waiver requests

<u>Name of Candidate or Committee</u>	<u>Late Fee & Civil Penalty Amount</u>	<u>Reason for Fine</u>	<u>Factors for waiver</u>	<u>Board Member's Motion</u>	<u>Motion</u>	<u>Vote on Motion</u>
IBEW Local 292 Political Education Fund (30119)	\$150 LFF	24-hour notice due 11/2/2018	Treasurer tried to submit 24-hour notice via CFR software but notice was sent to a file on his computer rather than to Board's FTP server. He contacted Board staff after realizing notice was not received and it was filled 11/6/2018.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Hockey Modernization Minnesota (7306)	\$375 LFF	2018 principal report	Individual responsible for filing report had surgery with serious medical complications and was recovering in Florida when report came due. Principal did not incur any lobbying expenses in 2018 and its sole lobbyist terminated in May 2018.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Jeffrey Waldhalm (Pine SWCD)	\$100 LFF	2018 EIS	We had incorrect address for official and he was traveling near filing deadline. He thought he had submitted EIS to us via email. Official has been busy dealing with family issues including brother's terminal illness.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Jerry Tveit (Upper Rum River WMO)	\$100 LFF	2018 EIS	Official did not have access to email address on file as he was no longer a city council member, thus he didn't receive reminder emails and couldn't reset password to log in to online reporting system. He also was busy caring for his wife who underwent major surgery just prior to filing deadline. He has since resigned from WMO. EIS was filed 3/25/2019.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Paul DeGree (Clearwater River WD)	\$100 LFF	2018 EIS	Official tried to email EIS in January or February before late fee began to accrue, but email was never transmitted.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.

Stacy Harwell Hoschka (Bassett Creek WMO)	\$100 LFF \$300 CP	2018 EIS	Official relies on WMO administrator to notify her of need to file EIS and she never received notice from administrator. We sent letter regarding need to file EIS before due date, however, no reminder emails were sent. She was traveling and then busy with family obligations and repairing flood damage to her home, which delayed her response to certified letter informing her of civil penalty. EIS was filed 4/15/19.	Member Swanson	To waive the late filing fee and civil penalty	Roll call vote taken. All members voted in the affirmative.
Raymond Gustafson (Watowan County)	\$100 LFF	2018 EIS	Official, who first took office in December 2011, thought that form titled "Disclosure of Economic Interest" that he signed 2/5/2019 and submitted to Watowan County was same as EIS required to be filed with Board.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
ACLU of MN Political Action Fund (30706)	\$1,000 LFF	24-hour notice due 11/3/2018	Deputy treasurer tried to submit notice via CFR software 11/2/2019. She provided screenshot showing that on her end, software showed contribution was entered. Staff has no record of notice being filed.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
ACLU of MN Political Action Fund (30706)	\$1,000 LFF	24-hour notice due 10/27/2018	Deputy treasurer tried to submit notice via CFR software 11/1/2019. She provided screenshot showing that on her end, software showed contribution was entered and notice was filed. Staff has no record of notice being filed. If notice had been received 11/1/2019, late fee would have been \$200.	Member Swanson	To reduce the late filing fee to \$200	Roll call vote taken. All members voted in the affirmative.
Amy Bacigalupo (Lac qui Parle SWCD)	\$25 LFF	Original EIS	Newly elected official didn't understand how to complete her EIS. She lost initial letter we mailed and sought assistance from SWCD staff, but did not know how to get in contact with Board staff.	Member Flynn	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Ronald Bunjer (Lincoln SWCD)	\$100 LFF	2018 EIS	Official did not realize he needed to file EIS every year and was traveling in January. He states the first notice he received was certified letter informing him of LFF.	Member Flynn	To reduce the late filing fee to \$50	Roll call vote taken. All members voted in the affirmative.

Ronald Anderson (Kittson SWCD)	\$100 LFF	2018 EIS	Official thinks he contacted us regarding his 2018 EIS via email or phone. He didn't think he was required to file an EIS because he did not seek reelection in 2018.	Member Flynn	To reduce the late filing fee to \$50	Roll call vote taken. All members voted in the affirmative.
Pediatric Home Service PAC (41064)	\$2,000 LFFs	2 24-hour notices due 7/25/2018 and 8/10/2018	Treasurer erred in failing to file 24-hour notices. Going forward, she will use CFR software and enter contributions in timely manner. Board typically reduces 24-hour notice late fees for first-time violations to \$250 per violation.	Member Leppik	To reduce the late filing fees to \$500	Roll call vote taken. All members voted in the affirmative.
UTU PAC-MN (30019)	\$1,000 LFF	24-hour notice due 7/31/2018	Treasurer didn't realize that 24-hour notice was required for transfer of money from supporting association to political fund. Board typically reduces 24-hour notice late fees for first-time violations to \$250.	Member Leppik	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.
Amalgamated Transit Union Local 1005 (30074)	\$1,000 LFF	24-hour notice due 10/31/2018	Treasurer didn't realize that 24-hour notice was required for transfer of money from supporting association to political fund. Board typically reduces 24-hour notice late fees for first-time violations to \$250.	Member Leppik	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.
Iron Workers Local 512 (30092)	\$1,000 LFF	24-hour notice due 10/30/2018	Treasurer thought 24-hour notice was not required for transfer of money from supporting association to political fund. Fund did file a 24-hour notice for separate contribution from its supporting association on 7/31/2018. Board typically reduces 24-hour notice late fees for first-time violations to \$250.	Member Leppik	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.
Flippable - MN Victory Fund (70055)	\$1,000 LFF	24-hour notice due 7/26/2018	Committee didn't make any significant expenditures until after primary and has since retained new outside compliance firm to ensure more accurate and timely reporting. Board typically reduces 24-hour notice late fees for first-time violations to \$250.	Member Leppik	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.

Emily's List - Minn (40847)	\$1,000 LFF	24-hour notice due 7/28/2018	Committee didn't realize contribution in question triggered 24-hour notice requirement. It will train staff about 24-hour notice periods and triggering amounts going forward. Board typically reduces 24-hour notice late fees for first-time violations to \$250. Although this is committee's second violation, it did not request waiver and paid entire LFF of \$1,000 for previous violation in 2016.	Member Leppik	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.
Marcus Harcus (2632)	\$1,200 LFFs	Both 2018 lobbyist reports	Principal's sole lobbyist experienced number of personal issues that caused his lobbyist disbursement reports to be filed late. He drafted principal's report but initially forgot to send email containing report.	No motion		
MN Campaign for Full Legalization (7379)	\$275 LFF	2018 principal report		No motion		
Minneapolis Federation of Teachers-Local 59 (930)	\$25 LFF	2018 principal report	There was change in leadership. Principal thought contact information for new leadership had been updated. New COPE chair was not aware of need to file report until day it was due.	No motion		
Patrick Murray (2945)	\$25 LFF	2nd 2018 lobbyist report	There was change in principal's designated lobbyist. New designated lobbyist was unaware of due date until due date arrived and he was out of town that day. Former designated lobbyist filed termination statement 12/19/2018.	No motion		
MENd Correctional Care LLC (7142)	\$300 LFF	2018 principal report	Principal did not incur any lobbying expenses in 2018 and its lobbyists terminated in May 2018. Principal wasn't sure whether principal report needed to be filed given that no expenses were incurred.	Member Flynn	To reduce the late filing fee to \$150	Roll call vote taken. All members voted in the affirmative.
28th Senate District DFL (20719)	\$250 LFFs \$250 CPs (reduced from total of \$3,300 in April 2019)	2018 pre-primary; 2018 pre-general	New treasurer said there was considerable confusion when he took office in 2018 and he had difficulty accessing and using CFR software. He states he sent paper pre-primary report, which Board staff has no record of receiving. Pre-general report was filed 12/28/2018 and pre-primary report was filed 1/15/2019. Party unit chair is asking Board to reconsider previous reduction to \$500 total as party unit has less than \$300 and minimal fundraising capacity.	No motion		

MN State Bldg & Construction Trades Cncl Pol Fund (30608)	\$1,000 LFF	24-hour notice due 10/31/2018	Treasurer states that they did not realize that contribution from supporting association would trigger 24-hour notice requirement. Fund has filed four 24-hour notices triggered by contributions from supporting association over last seven years and paid reduced LFF in 2017 for failure to file 24-hour notice required for contribution from supporting association in 2016.	No motion		
Scott Bruns (Cass County)	\$100 LFF	2018 EIS	Official, who first took office in 2015, didn't update his email address and thus didn't receive emails reminding him of filing deadline and had difficulty logging in to online reporting system. EIS was filed 3/27/2019.	No motion		
Steven Connelly (Olmsted SWCD)	\$100 LFF	2018 EIS	Official has limited internet access and thought he satisfied EIS requirement by calling and speaking with Board staff by phone. EIS was filed 3/26/2019. Official still owes LFFs of \$20 and \$5 from his 2017 and 2016 EISs, respectively.	No motion		
LeRoy Carriere (Roseau River WD)	\$100 LFF	2018 EIS	Official notes that he was appointed, not elected, to his position. EIS was filed 3/26/2019.	No motion		
Alkermes, Inc (7162)	\$50 LFF	2018 principal report	Principal was confused as to who was supposed to file report.	No motion		
Intl Council of Shopping Centers (3868)	\$50 LFF	2018 principal report	Principal terminated relationship with lobbyists as of 9/30/2018 and thought all reporting obligations had been fulfilled for 2018.	No motion		

D. Informational Items

1. Payment of late filing fee for EIS

Dan Barka, \$100
 Alicia Belton, \$100
 Jason Beyer, \$100
 Clifford Peterson, \$100
 Kathryn Sieben, \$20

2. Payment of late filing fee for lobbyist disbursement report due 1/15/19

William Haas Jr., \$75
 John Kaul, \$25

3. Payment of late filing fee for lobbyist principal report due 3/15/19

All Terrain Vehicle Assn of MN, \$125
Citizens League, \$25
Perham Area Family & Wellness Center, \$25
Woodbury Capital LLC, \$150

4. Payment of late filing fee for 2018 year-end report of receipts and expenditures

60th Senate District DFL, \$400
Mark Bartusek, \$550
Tori Hill, \$125
Elizabeth Paulson, \$25

5. Payment of civil penalty for 2018 year-end report of receipts and expenditures

60th Senate District DFL, \$200

6. Return of public subsidy to the extent it exceeded expenditures

Matt Christensen, \$627.03

7. Return of public subsidy due to exceeding carryforward limit

Kelly Moller, \$6,743.64

8. Payment of late filing fee for 24-hour notice

Coalition of MN Business IEPC, \$50
Planned Parenthood MN PAC, \$150

PRIMA FACIE DETERMINATION FINDING NO VIOLATION

Ms. Pope presented member with a memorandum regarding this matter that is attached to and made a part of these minutes. Ms. Pope said that when the chair dismisses a complaint at the prima facie stage, the dismissal must be reported to the full Board at its next meeting. Ms. Pope said that since the last meeting, the chair had dismissed the complaint listed in the memorandum because it concerned a local candidate and therefore did not state a prima facie violation of a statute under the Board's jurisdiction.

LEGAL COUNSEL'S REPORT

Mr. Hartshorn presented members with a legal report that is attached to and made a part of these minutes. Mr. Hartshorn told members about recent developments in the Brown, Meyer, Schoen, and Thao matters.

OTHER BUSINESS

There was no other business to report.

There being no other business, the meeting was adjourned by the chair.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Sigurdson". The signature is written in a cursive style with a large initial "J".

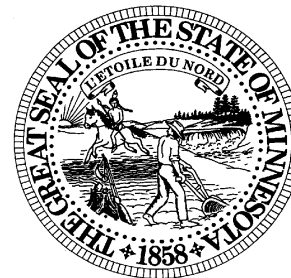
Jeff Sigurdson
Executive Director

Attachments:

Memorandum regarding prima facie determination finding no violation
Legal report

Minnesota

*Campaign Finance and
Public Disclosure Board*



Date: April 24, 2019

To: Board members

From: Jodi Pope, Legal/Management Analyst

Telephone: 651-539-1183

Re: Prima facie determination finding no violation

Complaints filed with the Board are subject to a prima facie determination made by the Board chair in consultation with staff. If the Board chair determines that the complaint states a violation of Chapter 10A or the provisions of Chapter 211B under the Board's jurisdiction, the complaint moves forward to a probable cause determination by the full Board.

If the chair determines that the complaint does not state a prima facie violation, the chair must dismiss the complaint without prejudice. When a complaint is dismissed, the complaint and the prima facie determination become public data. The following complaint was dismissed by the chair and the prima facie determination is provided here as an informational item to the other Board members. No further action of the Board is required.

Complaint regarding three Prior Lake-Savage Area School Board candidates

On April 15, 2019, the Board received a complaint from Kathy LaFond regarding Stacey Ruelle, Michael Nelson, and Jonathan Drewes. The complaint stated that these three individuals were candidates in an election for seats on the Prior Lake-Savage Area School Board. The complaint alleged that the candidates' campaign material did not include a disclaimer documenting their endorsement by a local education association and that the lack of this disclaimer violated Minnesota Statutes section 211B.04.

The chair concluded that because the complaint concerned candidates running for a local office, the Board had no jurisdiction over their disclaimer requirements. The chair therefore determined that the complaint did not state a prima facie violation of the disclaimer requirement.

Attachments:

Prima facie determination

Complaint

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD
May 2019**

ACTIVE FILES

Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status
Jamal Abdulahi	Resilient PAC	2018 pre-primary; 2018 pre-general; Amended 2018 report	\$1,000 LF \$1,000 CP \$1,000 LF \$1,000 CP Accruing LF Accruing CP	2/19/19	3/27/19			Board is working on the matter. Placed on hold.
Chilah Brown Michele Berger	Brown (Chilah) for Senate	Unfiled 2016 Year- End Report of Receipts and Expenditures Unpaid late filing fee on 10/31/16 Pre- General Election Report	\$1,000 LF \$1,000 CP \$50 LF	3/6/18	8/10/18			Board is working on the matter. Placed on hold.
Brenden Ellingboe	Ellingboe (Brenden) for House	Unfiled 2015 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	11/29/16	5/26/17			Placed on hold by Board
Richard Hamer		2017 Annual Statement of Economic Interest	\$100 LF \$1,000 CP	1/28/19	3/27/19			Returned the Acknowledgment of Receipt

