

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

.....
**September 4, 2024
Blazing Star Room
Centennial Office Building**
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MINUTES

The meeting was called to order by Chair Asp.

Members present: Asp, Flynn, Kleis, Rashid (arrived during Executive Director's Report), Soule, Swanson

Others present: Sigurdson, Engelhardt, Johnson (remotely), Olson, staff; Nathan Hartshorn, counsel

MINUTES (August 7, 2024)

The following motion was made:

Member Flynn's motion: To approve the August 7, 2024, minutes as drafted.

Vote on motion: Unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson provided an update to the Board on the following:

Staffing

- Ploua Lor has been hired as the Lobbying Program Analyst starting August 28, 2024. She holds a Bachelor's degree in Management Information Systems and is pursuing a Master's degree in Data Analytics.

Report to the Legislature – Lobbying of Political Subdivisions

- The Board is studying whether lobbying laws should differentiate between public and local officials. The focus is on definitions of "lobbyist," "local official," etc., from Chapter 10A. The findings and possible recommendations will be reported in January 2025.
- A public hearing on August 19, 2024, involved presentations and written comments from various organizations. Key suggestions included:
 - Defining "local lobbyist" more narrowly.
 - Excluding experts offering specific guidance from being considered lobbyists.
 - Requiring registration and reporting at the local level.
 - Revising gift prohibition rules for township officials.
 - Distinguishing between policy and quasi-judicial decisions in lobbying.
 - Addressing concerns about nonprofit tax status and local government collaboration.
 - Modifying the lobbyist registration threshold to include time spent on lobbying.

Political Contribution Refunds in 2023

The Political Contribution Refund (PCR) program allows eligible voters to get refunds for contributions to certain candidates and parties. In 2023, \$2,064,734 in refunds were issued by the Department of Revenue.

2024 Post-Primary Public Subsidy Payments

- On August 26, 2024, \$2,093,920 was issued in public subsidies to 230 House candidates. Payments come from two sources: political party check-offs and general fund appropriations. The general account payment per candidate in 2024 is significantly higher than in 2022. The final smaller payment will be made in December based on additional tax form check-offs. Total payments were \$1,232,495 for DFL candidates and \$861,425 for RPM candidates.

ENFORCEMENT REPORT

A. Discussion Items

Referral to Attorney General's Office – Margaret Meyer (4636)

Margaret "Maggie" Meyer was the executive director of, and a registered lobbyist for, Pro-Choice Minnesota starting in 2019. Currently, Meyer owes \$4,025 in late filing fees and civil penalties, including \$2,000 for the lobbyist report due in June 2024, which was never filed, \$2,000 for the lobbyist report due in January 2024, which was never filed, and \$25 for the lobbyist report due in June 2023, which was filed one day late. Despite attempts by Board staff to contact her about the outstanding reports and balance owed, no response has been received. Pro-Choice Minnesota requested that the Board terminate her lobbyist registration retroactive to May 24, 2024, the date her employment ended, but the Board declined and has asked Pro-Choice Minnesota to make more concerted efforts to reach her. Board staff is now asking for the matter to be referred to the Attorney General's Office for action compelling Ms. Meyer to file the two outstanding reports and pay the balance owed.

The following motion was made:

Member Soule's motion: To approve the referral request.

Vote on motion: Unanimously approved.

B. Waiver Requests

HDR, Inc. Employee Owners PAC - 41349						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Flynn moves to waive the fee. Unanimously approved.
June 2024	6/14/24	6/21/24	\$200 LFF	No.	Waive.	
<p>The committee uses Aristotle, which is a software package that complies with the Board's XML standards to file a report. An employee of Aristotle International, Stephanie Ming, states that on June 14th, she transferred what she believed was the correct file using a software application known as an FTP client, and received only a 'successful transfer' notification within that application. On June 20th the committee was informed that the report had not been filed. After contacting CFB staff, they were informed that the file uploaded to the Board was a PDF file rather than the required XML file. The XML file was then promptly uploaded. Ming states that the committee is a federal PAC and that this report did not include any activity specific to Minnesota. Ming is exploring alternative FTP clients for future filings. Ending cash balance as of 7/22/24: \$1,574,727.</p>						

Maria Jensen - 5493						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Soule moves to waive the fee. Unanimously approved.
June 2024 LDR	6/17/24	8/21/24	\$1,000 LFF	No.	No recommendation.	
<p>Maria Jensen is the only registered lobbyist for Recycling Electronics for Climate Action. Jensen misunderstood the reporting schedule, believing the reporting requirement was annual, and thus did not expect to report again until 2025, as she had submitted a report in January 2024. Jensen missed reminder emails from the Board on June 5th, 12th, and 18th because they were sent to a personal email that is in the process of being phased out. Jensen anticipated that communications would be sent to her work email, which was used to set up her account on the Board's website. Jensen states that the organization is a small startup nonprofit with limited funding, and the \$1,000 fee represents a significant financial burden. She has now completed the report and updated her contact information, removing the outdated email address to prevent future issues.</p>						

Pam Marshall - 8735						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Soule moves to waive the fee. Unanimously approved.
June 2024 LDR	6/17/24	8/14/24	\$1,000 LFF	No.	No recommendation.	
<p>Pam Marshall was the executive director, and a lobbyist for, Energy CENTS Coalition. Ms. Marshall terminated her lobbyist registration on February 6, 2024, and ended her 30-year tenure as executive director. Geroge Shardlow, the new executive director of the association, states that the organization is a small nonprofit and that in the transition to a new executive director the report got lost in the shuffle.</p>						

Conservation Minnesota Voter Fund – 80008						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Flynn moves to waive the fee. Unanimously approved.
2024 1st Quarter	4/15/24	6/27/24	\$1,000 LFF	Yes. \$350 LFF waived in 2010 due to a software issue.	No recommendation.	
<p>Treasurer Paul Austin thought the report was filed before the April 15, 2024 deadline, but he mistakenly filed another copy of the fund's 2023 year-end report instead. Upon discovering the mistake, the correct report was promptly filed. Austin acknowledges the error was entirely his own. Ending cash balance as of 7/22/24: \$2,021.</p>						

C. Informational Items

1. Late filing fee - 2024 candidate EIS

Chris Swedzinski, \$30

2. Late filing fee - June 2024 lobbyist report

Sarah Erickson, \$600

Luke Rollins, \$25

Larry Johnson, \$25

Joseph Richardson, \$950

3. Late filing fee - 2023 lobbyist principal report

All Energy Solar, \$275

LeadMN, \$50

American Council of Engineering Companies of Minnesota (ACEC/MN), \$50

4. Late filing fee - 2019 lobbyist principal report

All Energy Solar, \$25

5. Late filing fee - 2024 June campaign finance report

Faith in Minnesota Fund, \$50

Minnesota Young Republicans Victory Fund, \$50

TreePAC, \$50

ACEC/MN Political Action Committee, \$500

6. Late filing fee - 2024 1st Quarter campaign finance report

Minnesota Young Republicans Victory Fund, \$100

7. Payment of civil penalty for failure to timely register committee

Gary Steuart for Minnesota, \$400

ADVISORY OPINION 464

Mr. Olson presented the Board with two versions of a draft advisory opinion outlined in the attached memo.

After discussion including suggested changes from Member Swanson, the following motion was made:

Member Flynn's motion: To approve version one of the advisory opinion, with the following changes (page, line, and paragraph numbers below pertain to the public version of the draft opinion):

Page 3, first full paragraph, line 5: change "persuasive" to "instructive".

Page 6, first full paragraph, line 3: strike "is a close call, and"

Page 7, last paragraph, line 3: strike "is a close call, and"

Vote on motion: Members Flynn, Kleis, Rashid, Soule, and Swanson voted to approve the motion. Member Asp voted no. Motion passes.

ADMINISTRATIVE RULEMAKING UPDATE

Mr. Olson presented the Board with an update on administrative rulemaking. Mr. Olson explained that some of the rule parts and subparts have been renumbered to comply with the policy of the Revisor's Office. Mr. Olson said that the rule language was approved as to form by the Revisor's Office on August 21, 2024. Mr. Olson stated that Board staff will contact the Office of Administrative Hearings to schedule a date for a possible hearing and draft a notice regarding the proposed rules that will be published in the State Register, starting the formal 30-day comment period.

PRIMA FACIE DETERMINATIONS

Ms. Engelhardt presented the Board with a memo regarding the below matters. Both matters were dismissed due to Board's lack of jurisdiction over the statutes that might give rise to the violations alleged in the complaints.

A. Complaint of Kevin Sethre regarding the Mark Westfahl for Mayor Committee.

B. Complaint of Cory Johnson regarding the People for (Gregory) Davids Committee

LEGAL REPORT

Mr. Hartshorn updated the Board on the Mariani matter.

EXECUTIVE SESSION

Chair Asp recessed the regular session of the meeting and called to order the executive session. Upon adjournment of the executive session, the chair reported into regular session the Board's approval of a probable cause determination in the Matter of the Complaint of Parisa Rouzegar regarding the Angeline (Anderson) for Minnesota committee.

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

