

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

CONCILIATION AGREEMENT

In the matter of the Minnesota DFL State Central Committee (20003);

1. The Minnesota DFL State Central Committee is a party unit registered with the Campaign Finance and Public Disclosure Board. The Minnesota DFL State Central Committee's 2019 year-end report disclosed a \$500 contribution given by the Communications Workers of America Minnesota State Council (CWA MN State Council) on June 20, 2019. The CWA MN State Council is a labor union. Although the CWA MN State Council had a political fund registered with the Board, that fund's registration was terminated on September 20, 2016. Therefore, at the time of the 2019 contribution, the CWA MN State Council was not registered with the Board. On September 18, 2020, the executive director opened a staff review of the matter because the contribution appeared to have been accepted in violation of Minnesota Statutes section 10A.27, subdivision 13.
2. Minnesota Statutes section 10A.27, subdivision 13, prohibits a party unit from accepting a contribution that exceeds \$200 from an association not registered with the Board, unless the contribution is accompanied by a written disclosure statement that satisfies the requirements of Minnesota Statutes section 10A.20, and that statement is filed with the recipient's next report. The CWA MN State Council did not provide the required disclosure statement with its contribution. A contribution that is not returned within 90 days of being deposited is deemed to be accepted under Minnesota Statutes section 10A.15, subdivision 3.
3. In response to the staff review, Ken Martin, chair of the Minnesota DFL State Central Committee, stated that the \$500 check was received "amongst contributions from an event." Mr. Martin said that the name and address on the check matched the name and address of a former contributor in the NGP software that the party unit uses for its campaign finance reports. The party unit "also expected that unions – being subject to regulations regarding political giving – would not try to make an improper contribution." Mr. Martin said that for these reasons, "at the time, there was no perceived reason to doubt the legitimacy of the check."
4. The parties agree that the Minnesota DFL State Central Committee accepted a contribution in excess of \$200 without the required disclosure statement in violation of Minnesota Statutes section 10A.27, subdivision 13. This is the party unit's first violation of the disclosure requirement for contributions from unregistered associations since 2010.
5. To avoid a similar violation in the future, the Minnesota DFL State Central Committee agrees that it will not accept a contribution in excess of \$200 from an association without also obtaining the association's current Board registration number, a disclosure statement in the form required by statute if the association is not registered with the Board, or advice from Board staff.

6. The Minnesota DFL State Central Committee agrees that within 90 days of the date the agreement is signed by both parties, it will return \$300 to the CWA MN State Council and provide documentation that the CWA MN State Council has deposited the returned funds.

7. The Minnesota DFL State Central Committee agrees to the imposition of a civil penalty in the amount of \$300 for accepting a contribution in excess of \$200 without the disclosure statement required by Minnesota Statutes section 10A.27, subdivision 13. The civil penalty is the amount of the contribution that exceeded \$200. Of this amount, \$100 is due within 30 days of the date the agreement is signed by both parties. The remaining \$200 of the penalty is, by the terms of this agreement, stayed until January 1, 2023. If the Minnesota DFL State Central Committee violates Minnesota Statutes section 10A.27, subdivision 13, before January 1, 2023, the outstanding civil penalty is due immediately. If the Minnesota DFL State Central Committee does not violate Minnesota Statutes section 10A.27, subdivision 13, before January 1, 2023, the outstanding civil penalty is waived.

8. If the Minnesota DFL State 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/ Ken Martin
Ken Martin
Chair, Minnesota DFL State Central Committee

Dated: October 13, 2020

/s/ Gary Haugen
Gary Haugen, Chair
Campaign Finance and Public Disclosure Board

Dated: October 7, 2020