

Minnesota

# ***Campaign Finance and Public Disclosure Board Meeting***

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Wednesday, June 6, 2018  
10:30 AM

St Croix Room  
Centennial Office Building  
St Paul MN

## **REGULAR SESSION AGENDA**

1. **Minutes**  
Regular session, May 2, 2018
2. **Chair's report**
  - A. Meeting schedule
3. **Executive director report**
4. **Summary of 2018 Minn. Laws Chapter 119**
5. **Administrative rule update**
6. **Enforcement report**
7. **Disclaimer penalties**
8. **Adviory Opinion Request 447**
9. **Legal report**
10. **Other business**

## **EXECUTIVE SESSION**

Immediately following regular session



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

.....  
**May 2, 2018**  
**St Croix Room**  
**Centennial Office Building**  
.....

**MINUTES**

The meeting was called to order by Chair Flynn.

Members present: Flynn, Haugen, Leppik, Moilanen, Rosen (arrived during executive director report)

Member absent: Swanson

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

**MINUTES** (April 4, 2018)

After discussion, the following motion was made:

Member Leppik's motion: To approve the April 4, 2018, minutes as drafted.

Vote on motion: Motion failed (3 ayes, 1 abstention).

**CHAIR'S REPORT**

**A. Meeting schedule**

The next Board meeting is scheduled for 10 a.m. on Wednesday, June 6, 2018.

**EXECUTIVE DIRECTOR REPORT**

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson told members that the bill containing the Board's legislative recommendations would be considered later that day on the house floor. Mr. Sigurdson also announced that staff would be offering campaign finance compliance training in Greater Minnesota in June. Mr. Sigurdson then introduced the new compliance officer, Melissa Stevens. Ms. Stevens described her past work experience, which primarily was in the commercial loan processing and refinancing sector. Members welcomed Ms. Stevens to the Board.

## **ENFORCEMENT REPORT**

### **A. Discussion items**

#### **1. Request to administratively terminate committee – Wade Fremling**

Ms. Pope told members that the Committee to Elect Wade Fremling House 3B was the principal campaign committee of candidate Wade Fremling. Ms. Pope said that the committee had filed its 2016 year-end report in June 2017. On the 2016 year-end report, Mr. Fremling had checked the box indicating that he was terminating his committee. Ms. Pope stated that staff could not process the termination, however, because the report showed that the committee had a balance of \$200, which was \$100 more than the maximum amount allowed under the statute for a terminating committee. In response to staff requests, Mr. Fremling submitted a bank statement showing that the committee actually had spent the \$200 in 2016 and had a zero balance, but he never amended the year-end report to show the additional \$200 in nonitemized expenditures. Ms. Pope said that Mr. Fremling had not responded to subsequent staff requests to file an amended 2016 report and had not filed a 2017 year-end report. Ms. Pope said that staff was asking the Board to administratively terminate the Fremling committee effective December 31, 2016. Ms. Pope told members that granting this request would eliminate the need for Mr. Fremling to file a 2017 year-end report and would allow staff to refer the matter to the Department of Revenue for collection of the \$1,000 in late fees and \$1,000 in civil penalties owed by the committee for the 2016 year-end report.

After discussion, the following motion was made:

Member Haugen's motion:	To administratively terminate the Committee to Elect Wade Fremling effective December 31, 2016.
Vote on motion:	Unanimously passed.

#### **2. Request to administratively terminate committee – Anne Nolan**

Ms. Pope told members that the Nolan (Anne) Campaign Committee was the principal campaign committee of candidate Anne Nolan. Ms. Pope said that Ms. Nolan had passed away in December 2012. Ms. Pope stated that from 2012 through 2016, the committee treasurer had filed no-change reports showing that the committee had a balance of \$253.60. The committee treasurer, however, had not filed a 2017 year-end report and had not responded to staff's attempts to contact him. Ms. Pope said that because the committee's last reported balance was only \$153.60 more than the \$100 allowed for a terminating committee, staff did not believe it would be an efficient use of the Board's resources to continue efforts to obtain the committee's 2017 year-end report. Ms. Pope said that staff therefore was asking the Board to administratively terminate the Nolan committee effective December 31, 2016. Ms. Pope told members that granting this request would eliminate the need for the committee to file a 2017 year-end report.

After discussion, the following motion was made:

Member Leppik's motion: To administratively terminate the Nolan (Anne) Campaign Committee effective December 31, 2016.

Vote on motion: Unanimously passed.

### **3. Request to refer matter to attorney general's office – Bryan Klabunde**

Ms. Pope told members that the Klabunde (Bryan) for MN House committee was the principal campaign committee of Bryan Klabunde. Ms. Pope stated that Mr. Klabunde was his own treasurer and had failed to file the committee's 2017 year-end report of receipts and expenditures. The committee last reported a cash balance of \$12,613.60 and received \$3,793.54 in public subsidy funds. Ms. Pope said that the committee had accrued \$1,000 in late fees for the year-end report and would reach the maximum civil penalty of \$1,000 on June 4, 2018. Ms. Pope stated that staff was asking the Board to refer the matter to the Attorney General's Office to seek an order compelling the filing of the report and a judgment for the accrued late filing fees and civil penalties.

After discussion, the following motion was made:

Member Rosen's motion: To refer the Klabunde (Bryan) for MN House committee to the Attorney General's Office to seek an order compelling the filing of the committee's 2017 report and a judgment for the accrued late filing fees and civil penalties.

Vote on motion: Unanimously passed.

### **4. Request to refer matter to attorney general's office – Sean White**

Ms. Pope told members that the Committee to Elect Sean White was the principal campaign committee of Sean White. Ms. Pope stated that Mr. White was his own treasurer and had failed to file the committee's 2017 year-end report of receipts and expenditures. The committee last reported a cash balance of \$3,949.89 and received \$4,187.11 in public subsidy funds. Ms. Pope said that the committee had accrued \$1,000 in late fees for the year-end report and would reach the maximum civil penalty of \$1,000 on June 4, 2018. Ms. Pope said that staff was asking the Board to refer the matter to the Attorney General's Office to seek an order compelling the filing of the report and a judgment for the accrued late filing fees and civil penalties.

Member Leppik's motion: To refer the Committee to Elect Sean White to the Attorney General's Office to seek an order compelling the filing of the committee's 2017 report and a judgment for the accrued late filing fees and civil penalties.

Vote on motion: Unanimously passed.

**B. Waiver requests**

<u>Name of Candidate or Committee</u>	<u>Late Fee &amp; 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>
Amy Filice, Designer Selection Board	\$100 LFF \$300 CP	2017 annual EIS	Official was out of town receiving medical treatment during filing period and was unable to file statement. Official filed statement as soon as she finished treatment and returned home.	Member Rosen	To waive the late filing fee	Passed unanimously
Rolf Hagen, Office of Administrative Hearings	\$100 LFF \$200 CP	2017 annual EIS	Official has been hospitalized since November with serious health condition and has been unable to complete statement. Board granted family's request to cease efforts to obtain statement and accrual of late fees and penalties while they obtained authority to act for official. Family filed statement immediately after obtaining authority to act.	Member Rosen	To waive the late filing fee	Passed unanimously
Justin Dagen, Kittson SWCD	\$20 LFF	2017 annual EIS	Official tried several times to file electronically but encountered problems. Official was able to file after he contacted staff for help.	Member Rosen	To waive the late filing fee	Passed unanimously
Shane Deal, Commerce	\$100 LFF	2017 annual EIS	Official did not receive notices because he left his public official position and the state in spring 2017. Official filed as soon as he learned of the requirement.	Member Rosen	To waive the late filing fee	Passed unanimously
SE MN DFL Senior Caucus	\$1,000 LFF \$200 CP	2017 year-end report	Chair assumed responsibility for report at the end of 2017. Chair's progressive illness then became worse and she passed away in March. Committee elected new treasurer who immediately filed report.	Member Rosen	To waive the late filing fee	Passed unanimously
Scott Sanders for Representative	\$600 LFF	Final report for special election cycle	Treasurer's mother entered hospital and then passed away shortly before report was due. Treasurer's daughter also had serious health issues during this time. Treasurer was busy caring for these family members and then resolving issues related to mother's death.	Member Rosen	To waive the late filing fee	Passed unanimously
Travis Silvers for MN House	\$275 LFF	2017 year-end report	Committee timely uploaded report but received error message, possibly due to internet connection issues. Candidate immediately tried to upload again and believed that he received message stating that report had already been uploaded. Candidate therefore believed that report had been filed. Candidate filed immediately after he received notice that report had not been received. Board records confirm that candidate attempted to upload report before deadline but show that file submitted was corrupted.	Member Rosen	To waive the late filing fee	Passed unanimously

Chris Hanson for 20A	\$900	2017 year-end report	Committee filed termination report in 2016 but could not terminate because reconciliation showed committee had received \$350 that was not reported. Staff worked with committee during 2017 but reconciliation issue remained unresolved. Because committee was on termination list, it was not sent a notice of the 2017 year-end report. Committee nonetheless completed report in December 2017 and candidate states that he mailed report during that month.	Member Rosen	To waive the late filing fee	Passed unanimously
Watonwan County DFL	\$500 LFF	2017 year-end report	Party unit treasurer took office at the February county convention. She immediately contacted the state and received information necessary to file report.	Member Rosen	To reduce the late filing fee to \$300	Passed unanimously
Glendon Braun, Le Sueur SWCD	\$55 LFF	2017 annual EIS	Official believed that he did not have to file annual EIS because he had not been elected in 2017. When official received late fee notice, he brought it to the SWCD where staff cleared up his confusion.	Member Rosen	To waive the late filing fee	Passed unanimously
Edward Ehlinger, Health	\$100 LFF	2017 annual EIS	Official believed that he did not have to file annual EIS because he had left his public official position. Official filed shortly after he learned otherwise.	Member Moilanen	To reduce the late filing fee to \$50	Passed unanimously
Dolan Media	\$300 LFF	3/15/2018 principal report	Person named as principal's contact left employment in June 2017 and did not tell anyone about reporting requirement or update contact information. Also, in 2017, principal was sold to another company and moved offices. Therefore, no one knew about report requirement or received report notices. Principal filed report promptly after learning report was due.	Member Rosen	To waive the late filing fee	Passed unanimously
Noor (Mohamud) for House	\$1,000 LFF, \$25 LFF	2016 year-end report, 2015 year-end report	Mr. Noor appeared at the meeting to address the Board. Mr. Noor said that he believed that he had timely faxed the 2016 report. When he learned that he had not, he submitted the report with a request that the fax logs be reviewed. Mr. Noor said that when he did not hear anything from staff, he assumed that the matter had been resolved in his favor. Mr. Noor did not address the late fee for the 2015 year-end report.	Member Rosen	To reduce the \$1,000 late filing fee to \$100 and to keep the \$25 late filing fee.	Passed unanimously

**Informational Items**

**A. Payment of a late filing fee for 2017 year-end report of receipts and expenditures**

- Friends of Andrew Brown, \$25
- Tarryl Clark for Senate, \$25
- Tony Cornish for State Rep, \$200
- Matthew Crouse for House, \$50
- Kip Fontaine for Senate, \$300

Brad Gerten for House, \$750  
Randy Gilbert for Auditor, \$50  
Sarah Hamlin for House, \$225  
CJ Holl for Minn Representative, \$75  
Committee to Elect Tom Jones, \$50  
Meg Litts for House 9A, \$25  
Neighbors for Ilhan Omar, \$50  
Leah Solo for Senate, \$325  
Neighbors for Ruben Vazquez, \$400  
Tim Walz for Governor, \$25  
Metro Grassroots Outreach, \$25  
Minn Jobs Coalition Legislative Fund, \$200  
Minneapolis Downtown Council, \$25  
Goodhue County RPM, \$50

**B. Payment of a late filing fee for 2017 annual statement of economic interest**

Medaria Arrandondo Peace Officer Standards Training, \$70  
Tyler Ask, Martin SWCD, \$10  
Scott Balstad, Sand Hill River WD, Polk East SWCD, \$5  
Dan Barka, Meeker SWCD, \$100  
Wayne Calander, Isanti SWCD, \$5  
Michael Christensen, Wild Rice WD, \$25  
Laurie Dahley, Board of Social Work, \$100  
Dan Deboer, Shell Rock River WD, \$100  
Penelope Dupris, Prof Educator Licensing and Standards Board, \$55  
Roger Froemming, Otter Tail County, \$10  
Lauren Gilchrist, MNSure DHS, \$5  
Randy Larson, Grant SWCD, \$5  
Mitch Lentz, Fillmore County, \$5  
Lon Moen, Big Stone SWCD, \$5  
William Parham, Medical Practice Board, \$15  
Michael Potter, Wright County, \$5  
Ed Radermacher, Lac qui Parle SWCD, \$10  
Nathan Redland, Norman County, \$30  
James Robinson, Barbers Examiner Board, \$5  
Tom Ronning, Sunrise River and Upper Rum River WMO, \$25  
Saraswati Singh Attorney General \$5  
George Sutton Perpich Center for Arts Education, \$25  
Philip Swenson, Sand Hill River WD, \$5  
Antonio Tejada, Office of Admin Hearings, \$20  
Kristin Tuenge, Carnelian-Marine St Croix WD, \$20  
Franklin Turnock, Aitkin SWCD, \$5  
Lisa Weed, Rehabilitation Review Panel, \$5  
Dobson West, Arts Board, \$10  
Alan Wilensky, Accounting Board, \$5  
Donald Wohlers, Stevens County, \$10



**C. Payment of a late filing fee for failure to file 2016 pre-primary-election report of receipts and expenditures**

Lawrence Patwin (candidate did not register committee) \$83.87 from Revenue Recapture

**D. Payment of a late filing fee for 24-hour notice of 2016 large pre-election contribution**

Coalition of MN Business IEPC, \$250

**E. Payment of a late filing fee for January 16, 2018, lobbyist disbursement report**

David Anderson, All Parks Alliance for Change, \$25  
Mark Anfinson, MN Newspaper Assn, \$25  
John Berns, Allied Waste, Fresh Energy, MOJO MN, \$75  
Jenna Duwenhoegger, Nurse Family Partnership, \$100

**F. Payment of a late filing fee for June 15, 2017, lobbyist disbursement report**

Tom Hackbarth, BPAM, Tattesall Distilling, \$550  
Elwin Tinklenberg, City of Ramsey, \$275

**G. Payment of a late filing fee for March 15, 2018, annual report of lobbyist principal**

Art Space Projects Inc, \$25  
Copia Interactive, \$50  
Friends of American Ski Jumping, \$275  
International Union of Operating Engineers Local 49, \$50  
LeadMN \$25  
MN Council on Foundations, \$25  
National Waste & Recycling Association, \$50  
Pacer Center, \$25  
Protein Sources LLP, \$175  
Workforce Home Ownership, \$25

**H. Payment of a late filing fee for failure to timely register**

Friends of William Brownell, \$1000

**I. Payment of a civil penalty for false certification**

Branden Petersen, \$280

**J. Deposit to the General Fund**

Jamie Malmberg for House, \$40 anonymous  
Paul Thissen Volunteer Committee, \$91.65 (unknown source)

**ADVISORY OPINION 446**

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson stated that the opinion had been requested by a legislator who did not wish to make the request public. Mr. Sigurdson said that that the request asked whether a legislator could use committee funds to pay for home security and identity theft protection services. Mr. Sigurdson stated that the draft opinion concluded that committee funds could not be used for those services because the connection between serving in office and the requested security services was indirect and those services could provide a personal benefit to the office holder. Consequently, the services could not be paid for as a cost of serving in office.

After discussion, the following motion was made:

Member Haugen's motion: To adopt the advisory opinion as drafted.

Vote on motion: Unanimously passed.

**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 had nothing to add to the provided report.

**OTHER BUSINESS**

There was no other business to report.

**EXECUTIVE SESSION**

The chair recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the regular session of the meeting was called back to order and the chair had the following to report into regular session:

Probable cause determination in complaint of Sorensen regarding Michael Northbird

Probable cause determination in complaint of Rosenow regarding Sandra Neren and St. Jude Medical Inc.

Findings of fact, conclusions of law, and order in the matter of the Vote Jerry Loud Committee

**MINUTES** (April 4, 2018)

After discussion, the following motion was made:

Member Leppik's motion: To approve the April 4, 2018, minutes as drafted.

Vote on motion: Motion passed (4 ayes, 1 abstention).

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

Respectfully submitted,

Jeff Sigurdson  
Executive Director

Attachments:

Memorandum regarding executive director report

Memorandum regarding advisory opinion request

Draft public advisory opinion

Legal report

Probable cause determination in complaint of Sorensen regarding Michael Northbird

Probable cause determination in complaint of Rosenow regarding Sandra Neren and St. Jude Medical Inc.

Findings of fact, conclusions of law, and order in the matter of the Vote Jerry Loud Committee

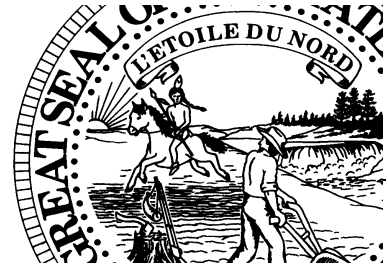
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# Campaign Finance and Public Disclosure Board

190 Centennial Bldg, 658 Cedar St, St Paul, MN 55155

[www.cfboard.state.mn.us](http://www.cfboard.state.mn.us)



## **Board Meeting Dates for Calendar Year 2018**

Meetings are at **10:00 A.M.** unless otherwise noted.

### **2018**

Wednesday, July 11

Wednesday, August 1

Wednesday, September 5

Wednesday, October 3

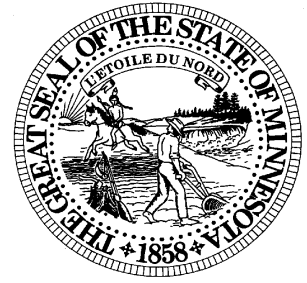
Wednesday, November 7

Wednesday, December 5



Minnesota

# *Campaign Finance and Public Disclosure Board*



**Date:** March 28, 2018

**To:** Board Members

**From:** Jeff Sigurdson, Executive Director

**Telephone:** 651-539-1189

**Re:** Executive Director's Report – Board Operations

## **Program Updates**

**Lobbying Program.** The lobbyist disbursement report covering the period of January 1, 2018, through May 31, 2018, is due on June 15, 2018. Disbursement reports are expected from 835 lobbyists.

## **Campaign Finance Program.**

The second report of receipts and expenditures for constitutional candidates, appellate court candidates, political committees and funds, political party state central committees and legislative caucuses is due June 14, 2018. The report covers the period January 1, 2018 through May 31, 2018. Approximately 450 reports are expected. House candidates, district court judges, and all other party units file their first report on July 30, 2018.

## **Economic Interest Program.**

Constitutional and House candidates must file an economic interest statement within 14 days after filing and affidavit of candidacy to appear on the ballot. Staff is busy providing support to candidates who are completing an economic interest statement for the first time, and reminding candidates who have not filed of the deadline. The filing period to appear on the 2018 ballot runs from May 22 to June 5, 2018.

## **Personnel**

Staff has forwarded the position description for the open legal analyst position to Human Resources for review. I expect that the position will be posted during the week of June 4<sup>th</sup>.

## **Public Subsidy Program**

On May 17, 2018, staff issued the first estimate of public subsidy payments that will be available to qualified candidates. The estimate will be updated in June when the final number of candidates who filed for office will be known. A copy of the estimate is attached for member review.



# MINNESOTA CAMPAIGN FINANCE BOARD

**PUBLIC SUBSIDY ESTIMATES - 2018 ELECTION** available from the State Elections Campaign Fund for:

- **Candidates for Constitutional Office and State House of Representatives**

May 17, 2018

**TO:** Filing Officers

**FROM:** Minnesota Campaign Finance and Public Disclosure Board

**SUBJECT:** Notice of 2018 Public Subsidy **ESTIMATE** – for Constitutional Office or House of Representatives candidates who qualify for a public subsidy payment.

**PARTY ACCOUNT ESTIMATE** - The amount listed in the Party Account column of this publication is the estimated amount that a qualified candidate of that party may expect to receive from the Democratic-Farmer-Labor (DFL), Republican Party of Minnesota (RPM), Green Party of Minnesota (GPM), Grassroots-Legalize Cannabis Party (GRP), Independence Party of Minnesota (IPMN), Libertarian Party of Minnesota (LPM), or the Legal Marijuana Now Party (LMNP) party account if the candidate's name appears on the General Election ballot in 2018 as the nominee of that party. Candidates who are not affiliated with any of the parties listed above are not eligible to receive a party account payment.

**GENERAL ACCOUNT ESTIMATE** – The amount listed in the General Account column of this publication is the estimated amount that qualified candidates affiliated with one of the two major parties (RPM, DFL) may expect to receive if the candidate's name appears on the General Election ballot in 2018 as the nominee of that party. Only candidates who file with the designation of a major political party are eligible for the general account payment. Because the other political parties listed on the estimate are defined as minor political parties under Minnesota Statutes the candidates who file with a minor party designation are not eligible to receive a general account payment as a part of a public subsidy payment.

**QUALIFYING CONTRIBUTIONS** - In addition to filing a Public Subsidy Agreement, a candidate must file an Affidavit of Contributions with the Board stating that during the period January 1, 2017, through July 23, 2018, the candidate's committee has accumulated cash contributions from individuals eligible to vote in the state in the following amounts, counting no more than \$50 per individual contributor:

\$35,000 for Governor/Lt. Governor                      \$6,000 for Secretary of State                      \$1,500 for a House of Representatives candidate.

\$15,000 for Attorney General                      \$6,000 for State Auditor

The candidate or the candidate's treasurer must submit the affidavit required to the Board by July 30, 2018.

**PAYMENT SCHEDULE** - Payment to qualified candidates will be mailed no later than August 28, 2018.



**2018 Public Subsidy Payments - May Estimate**

**Constitutional Office**

<b>Office</b>	<b>DFL</b>			<b>RPM</b>			<b>IPMN</b>			<b>GPM</b>		
	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>
<b>Governor</b>	\$224,026	\$254,349	\$478,375	\$103,740	\$254,349	\$358,089	\$22,028	\$0	\$22,028	\$6,110	\$0	\$6,110
<b>Attorney General</b>	\$44,805	\$50,870	\$95,675	\$20,748	\$50,870	\$71,618	\$4,406	\$0	\$4,406	\$4,484	\$0	\$4,484
<b>Secretary of State</b>	\$25,603	\$29,069	\$54,672	\$11,856	\$29,069	\$40,925	\$2,518	\$0	\$2,518	\$698	\$0	\$698
<b>State Auditor</b>	\$25,603	\$29,069	\$54,672	\$11,856	\$29,069	\$40,925	\$2,518	\$0	\$2,518	\$698	\$0	\$698

<b>Office</b>	<b>GRP</b>			<b>LPM</b>			<b>LMNP</b>		
	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>	<b>Party Account</b>	<b>General Account</b>	<b>Total</b>
<b>Governor</b>	\$4,259	\$0	\$4,259	\$6,180	\$0	\$6,180	\$4,171	\$0	\$4,171
<b>Attorney General</b>	\$851	\$0	\$851	\$1,236	\$0	\$1,236	\$834	\$0	\$834
<b>Secretary of State</b>	\$487	\$0	\$487	\$706	\$0	\$706	\$477	\$0	\$477
<b>State Auditor</b>	\$487	\$0	\$487	\$706	\$0	\$706	\$477	\$0	\$477

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
1A	\$594	\$2,073	\$2,667	\$536	\$2,073	\$2,610	\$43	\$0	\$43	\$22	\$0	\$22	\$12	\$0	\$12	\$43	\$0	\$43	\$23	\$0	\$23
1B	\$980	\$2,073	\$3,053	\$650	\$2,073	\$2,723	\$68	\$0	\$68	\$17	\$0	\$17	\$30	\$0	\$30	\$21	\$0	\$21	\$47	\$0	\$47
2A	\$1,505	\$2,073	\$3,579	\$796	\$2,073	\$2,869	\$82	\$0	\$82	\$45	\$0	\$45	\$15	\$0	\$15	\$15	\$0	\$15	\$58	\$0	\$58
2B	\$1,202	\$2,073	\$3,276	\$833	\$2,073	\$2,906	\$105	\$0	\$105	\$30	\$0	\$30	\$14	\$0	\$14	\$19	\$0	\$19	\$49	\$0	\$49
3A	\$2,918	\$2,073	\$4,992	\$797	\$2,073	\$2,871	\$143	\$0	\$143	\$114	\$0	\$114	\$36	\$0	\$36	\$29	\$0	\$29	\$72	\$0	\$72
3B	\$3,091	\$2,073	\$5,164	\$919	\$2,073	\$2,992	\$140	\$0	\$140	\$122	\$0	\$122	\$37	\$0	\$37	\$44	\$0	\$44	\$45	\$0	\$45
4A	\$1,848	\$2,073	\$3,921	\$773	\$2,073	\$2,846	\$145	\$0	\$145	\$55	\$0	\$55	\$26	\$0	\$26	\$67	\$0	\$67	\$64	\$0	\$64
4B	\$1,549	\$2,073	\$3,623	\$836	\$2,073	\$2,909	\$146	\$0	\$146	\$39	\$0	\$39	\$19	\$0	\$19	\$47	\$0	\$47	\$55	\$0	\$55
5A	\$1,787	\$2,073	\$3,861	\$914	\$2,073	\$2,987	\$89	\$0	\$89	\$75	\$0	\$75	\$24	\$0	\$24	\$30	\$0	\$30	\$66	\$0	\$66
5B	\$1,607	\$2,073	\$3,680	\$1,014	\$2,073	\$3,088	\$78	\$0	\$78	\$75	\$0	\$75	\$36	\$0	\$36	\$48	\$0	\$48	\$58	\$0	\$58
6A	\$2,511	\$2,073	\$4,584	\$801	\$2,073	\$2,874	\$125	\$0	\$125	\$73	\$0	\$73	\$35	\$0	\$35	\$35	\$0	\$35	\$70	\$0	\$70
6B	\$2,918	\$2,073	\$4,991	\$926	\$2,073	\$2,999	\$121	\$0	\$121	\$100	\$0	\$100	\$40	\$0	\$40	\$36	\$0	\$36	\$91	\$0	\$91
7A	\$3,634	\$2,073	\$5,708	\$720	\$2,073	\$2,793	\$159	\$0	\$159	\$203	\$0	\$203	\$43	\$0	\$43	\$53	\$0	\$53	\$63	\$0	\$63
7B	\$3,095	\$2,073	\$5,168	\$631	\$2,073	\$2,704	\$112	\$0	\$112	\$154	\$0	\$154	\$36	\$0	\$36	\$36	\$0	\$36	\$78	\$0	\$78
8A	\$1,103	\$2,073	\$3,176	\$1,025	\$2,073	\$3,099	\$105	\$0	\$105	\$26	\$0	\$26	\$22	\$0	\$22	\$36	\$0	\$36	\$27	\$0	\$27
8B	\$1,031	\$2,073	\$3,105	\$1,123	\$2,073	\$3,197	\$139	\$0	\$139	\$38	\$0	\$38	\$19	\$0	\$19	\$85	\$0	\$85	\$43	\$0	\$43
9A	\$855	\$2,073	\$2,929	\$1,031	\$2,073	\$3,104	\$86	\$0	\$86	\$46	\$0	\$46	\$26	\$0	\$26	\$44	\$0	\$44	\$39	\$0	\$39
9B	\$742	\$2,073	\$2,816	\$788	\$2,073	\$2,861	\$83	\$0	\$83	\$36	\$0	\$36	\$18	\$0	\$18	\$21	\$0	\$21	\$29	\$0	\$29
10A	\$1,627	\$2,073	\$3,700	\$1,243	\$2,073	\$3,316	\$131	\$0	\$131	\$76	\$0	\$76	\$46	\$0	\$46	\$53	\$0	\$53	\$62	\$0	\$62
10B	\$1,396	\$2,073	\$3,469	\$1,082	\$2,073	\$3,156	\$103	\$0	\$103	\$66	\$0	\$66	\$33	\$0	\$33	\$31	\$0	\$31	\$43	\$0	\$43

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
11A	\$2,155	\$2,073	\$4,228	\$709	\$2,073	\$2,783	\$187	\$0	\$187	\$72	\$0	\$72	\$39	\$0	\$39	\$52	\$0	\$52	\$84	\$0	\$84
11B	\$1,111	\$2,073	\$3,185	\$663	\$2,073	\$2,737	\$145	\$0	\$145	\$37	\$0	\$37	\$33	\$0	\$33	\$45	\$0	\$45	\$57	\$0	\$57
12A	\$1,061	\$2,073	\$3,135	\$757	\$2,073	\$2,830	\$78	\$0	\$78	\$33	\$0	\$33	\$9	\$0	\$9	\$53	\$0	\$53	\$31	\$0	\$31
12B	\$964	\$2,073	\$3,037	\$963	\$2,073	\$3,037	\$84	\$0	\$84	\$20	\$0	\$20	\$29	\$0	\$29	\$60	\$0	\$60	\$41	\$0	\$41
13A	\$1,332	\$2,073	\$3,405	\$957	\$2,073	\$3,031	\$88	\$0	\$88	\$35	\$0	\$35	\$38	\$0	\$38	\$42	\$0	\$42	\$40	\$0	\$40
13B	\$1,224	\$2,073	\$3,297	\$936	\$2,073	\$3,009	\$98	\$0	\$98	\$47	\$0	\$47	\$40	\$0	\$40	\$52	\$0	\$52	\$50	\$0	\$50
14A	\$1,748	\$2,073	\$3,822	\$707	\$2,073	\$2,781	\$92	\$0	\$92	\$49	\$0	\$49	\$37	\$0	\$37	\$76	\$0	\$76	\$53	\$0	\$53
14B	\$1,588	\$2,073	\$3,661	\$589	\$2,073	\$2,663	\$94	\$0	\$94	\$69	\$0	\$69	\$31	\$0	\$31	\$87	\$0	\$87	\$88	\$0	\$88
15A	\$1,153	\$2,073	\$3,226	\$907	\$2,073	\$2,980	\$95	\$0	\$95	\$23	\$0	\$23	\$27	\$0	\$27	\$49	\$0	\$49	\$45	\$0	\$45
15B	\$1,094	\$2,073	\$3,167	\$1,241	\$2,073	\$3,315	\$117	\$0	\$117	\$40	\$0	\$40	\$34	\$0	\$34	\$58	\$0	\$58	\$52	\$0	\$52
16A	\$922	\$2,073	\$2,995	\$598	\$2,073	\$2,671	\$62	\$0	\$62	\$11	\$0	\$11	\$11	\$0	\$11	\$35	\$0	\$35	\$20	\$0	\$20
16B	\$934	\$2,073	\$3,007	\$883	\$2,073	\$2,956	\$47	\$0	\$47	\$44	\$0	\$44	\$26	\$0	\$26	\$33	\$0	\$33	\$37	\$0	\$37
17A	\$693	\$2,073	\$2,766	\$527	\$2,073	\$2,600	\$46	\$0	\$46	\$8	\$0	\$8	\$16	\$0	\$16	\$30	\$0	\$30	\$46	\$0	\$46
17B	\$1,284	\$2,073	\$3,357	\$845	\$2,073	\$2,918	\$88	\$0	\$88	\$38	\$0	\$38	\$7	\$0	\$7	\$20	\$0	\$20	\$19	\$0	\$19
18A	\$794	\$2,073	\$2,868	\$742	\$2,073	\$2,816	\$101	\$0	\$101	\$16	\$0	\$16	\$43	\$0	\$43	\$39	\$0	\$39	\$46	\$0	\$46
18B	\$750	\$2,073	\$2,823	\$917	\$2,073	\$2,991	\$108	\$0	\$108	\$17	\$0	\$17	\$38	\$0	\$38	\$53	\$0	\$53	\$31	\$0	\$31
19A	\$1,756	\$2,073	\$3,829	\$889	\$2,073	\$2,963	\$125	\$0	\$125	\$75	\$0	\$75	\$24	\$0	\$24	\$66	\$0	\$66	\$74	\$0	\$74
19B	\$1,924	\$2,073	\$3,997	\$615	\$2,073	\$2,688	\$106	\$0	\$106	\$72	\$0	\$72	\$33	\$0	\$33	\$79	\$0	\$79	\$67	\$0	\$67
20A	\$1,355	\$2,073	\$3,428	\$1,300	\$2,073	\$3,373	\$117	\$0	\$117	\$47	\$0	\$47	\$15	\$0	\$15	\$63	\$0	\$63	\$43	\$0	\$43
20B	\$3,235	\$2,073	\$5,309	\$844	\$2,073	\$2,918	\$136	\$0	\$136	\$85	\$0	\$85	\$28	\$0	\$28	\$53	\$0	\$53	\$64	\$0	\$64
21A	\$1,816	\$2,073	\$3,889	\$1,063	\$2,073	\$3,136	\$135	\$0	\$135	\$81	\$0	\$81	\$16	\$0	\$16	\$81	\$0	\$81	\$37	\$0	\$37

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
21B	\$1,392	\$2,073	\$3,466	\$1,052	\$2,073	\$3,126	\$109	\$0	\$109	\$68	\$0	\$68	\$25	\$0	\$25	\$47	\$0	\$47	\$34	\$0	\$34
22A	\$818	\$2,073	\$2,891	\$722	\$2,073	\$2,795	\$52	\$0	\$52	\$6	\$0	\$6	\$31	\$0	\$31	\$8	\$0	\$8	\$25	\$0	\$25
22B	\$690	\$2,073	\$2,764	\$658	\$2,073	\$2,732	\$66	\$0	\$66	\$30	\$0	\$30	\$14	\$0	\$14	\$17	\$0	\$17	\$28	\$0	\$28
23A	\$641	\$2,073	\$2,715	\$844	\$2,073	\$2,918	\$44	\$0	\$44	\$14	\$0	\$14	\$15	\$0	\$15	\$25	\$0	\$25	\$47	\$0	\$47
23B	\$961	\$2,073	\$3,034	\$876	\$2,073	\$2,949	\$99	\$0	\$99	\$36	\$0	\$36	\$27	\$0	\$27	\$23	\$0	\$23	\$51	\$0	\$51
24A	\$1,128	\$2,073	\$3,201	\$918	\$2,073	\$2,991	\$145	\$0	\$145	\$39	\$0	\$39	\$23	\$0	\$23	\$57	\$0	\$57	\$56	\$0	\$56
24B	\$1,952	\$2,073	\$4,025	\$957	\$2,073	\$3,031	\$142	\$0	\$142	\$62	\$0	\$62	\$23	\$0	\$23	\$52	\$0	\$52	\$77	\$0	\$77
25A	\$1,852	\$2,073	\$3,925	\$1,297	\$2,073	\$3,370	\$229	\$0	\$229	\$39	\$0	\$39	\$16	\$0	\$16	\$82	\$0	\$82	\$50	\$0	\$50
25B	\$2,720	\$2,073	\$4,793	\$1,270	\$2,073	\$3,344	\$204	\$0	\$204	\$58	\$0	\$58	\$24	\$0	\$24	\$81	\$0	\$81	\$64	\$0	\$64
26A	\$2,680	\$2,073	\$4,753	\$937	\$2,073	\$3,010	\$165	\$0	\$165	\$54	\$0	\$54	\$21	\$0	\$21	\$65	\$0	\$65	\$51	\$0	\$51
26B	\$2,489	\$2,073	\$4,562	\$1,705	\$2,073	\$3,779	\$207	\$0	\$207	\$46	\$0	\$46	\$27	\$0	\$27	\$83	\$0	\$83	\$62	\$0	\$62
27A	\$1,134	\$2,073	\$3,207	\$578	\$2,073	\$2,652	\$50	\$0	\$50	\$32	\$0	\$32	\$10	\$0	\$10	\$59	\$0	\$59	\$12	\$0	\$12
27B	\$3,206	\$2,073	\$5,279	\$819	\$2,073	\$2,892	\$148	\$0	\$148	\$47	\$0	\$47	\$33	\$0	\$33	\$52	\$0	\$52	\$38	\$0	\$38
28A	\$1,869	\$2,073	\$3,943	\$735	\$2,073	\$2,808	\$84	\$0	\$84	\$113	\$0	\$113	\$34	\$0	\$34	\$46	\$0	\$46	\$48	\$0	\$48
28B	\$1,233	\$2,073	\$3,307	\$523	\$2,073	\$2,597	\$91	\$0	\$91	\$58	\$0	\$58	\$28	\$0	\$28	\$21	\$0	\$21	\$61	\$0	\$61
29A	\$1,254	\$2,073	\$3,328	\$1,297	\$2,073	\$3,370	\$157	\$0	\$157	\$39	\$0	\$39	\$27	\$0	\$27	\$44	\$0	\$44	\$67	\$0	\$67
29B	\$1,199	\$2,073	\$3,273	\$1,160	\$2,073	\$3,233	\$134	\$0	\$134	\$35	\$0	\$35	\$25	\$0	\$25	\$40	\$0	\$40	\$58	\$0	\$58
30A	\$1,359	\$2,073	\$3,433	\$1,314	\$2,073	\$3,387	\$122	\$0	\$122	\$32	\$0	\$32	\$29	\$0	\$29	\$71	\$0	\$71	\$84	\$0	\$84
30B	\$1,179	\$2,073	\$3,252	\$1,369	\$2,073	\$3,443	\$166	\$0	\$166	\$35	\$0	\$35	\$28	\$0	\$28	\$47	\$0	\$47	\$44	\$0	\$44
31A	\$1,241	\$2,073	\$3,314	\$1,645	\$2,073	\$3,718	\$153	\$0	\$153	\$36	\$0	\$36	\$29	\$0	\$29	\$65	\$0	\$65	\$78	\$0	\$78
31B	\$1,739	\$2,073	\$3,812	\$1,952	\$2,073	\$4,025	\$186	\$0	\$186	\$46	\$0	\$46	\$39	\$0	\$39	\$93	\$0	\$93	\$74	\$0	\$74

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
32A	\$1,100	\$2,073	\$3,174	\$1,119	\$2,073	\$3,193	\$113	\$0	\$113	\$29	\$0	\$29	\$23	\$0	\$23	\$60	\$0	\$60	\$63	\$0	\$63
32B	\$1,429	\$2,073	\$3,502	\$1,070	\$2,073	\$3,143	\$129	\$0	\$129	\$43	\$0	\$43	\$50	\$0	\$50	\$74	\$0	\$74	\$78	\$0	\$78
33A	\$2,811	\$2,073	\$4,884	\$2,883	\$2,073	\$4,957	\$291	\$0	\$291	\$118	\$0	\$118	\$73	\$0	\$73	\$212	\$0	\$212	\$19	\$0	\$19
33B	\$3,109	\$2,073	\$5,182	\$2,198	\$2,073	\$4,271	\$260	\$0	\$260	\$117	\$0	\$117	\$57	\$0	\$57	\$199	\$0	\$199	\$37	\$0	\$37
34A	\$2,880	\$2,073	\$4,954	\$2,581	\$2,073	\$4,655	\$283	\$0	\$283	\$119	\$0	\$119	\$67	\$0	\$67	\$110	\$0	\$110	\$20	\$0	\$20
34B	\$3,680	\$2,073	\$5,754	\$2,357	\$2,073	\$4,430	\$297	\$0	\$297	\$130	\$0	\$130	\$71	\$0	\$71	\$129	\$0	\$129	\$22	\$0	\$22
35A	\$1,859	\$2,073	\$3,933	\$1,673	\$2,073	\$3,746	\$187	\$0	\$187	\$74	\$0	\$74	\$36	\$0	\$36	\$95	\$0	\$95	\$103	\$0	\$103
35B	\$1,908	\$2,073	\$3,981	\$1,877	\$2,073	\$3,950	\$236	\$0	\$236	\$51	\$0	\$51	\$38	\$0	\$38	\$95	\$0	\$95	\$54	\$0	\$54
36A	\$2,778	\$2,073	\$4,851	\$1,764	\$2,073	\$3,837	\$232	\$0	\$232	\$117	\$0	\$117	\$50	\$0	\$50	\$100	\$0	\$100	\$52	\$0	\$52
36B	\$3,548	\$2,073	\$5,622	\$1,592	\$2,073	\$3,666	\$266	\$0	\$266	\$96	\$0	\$96	\$55	\$0	\$55	\$88	\$0	\$88	\$47	\$0	\$47
37A	\$2,427	\$2,073	\$4,500	\$1,202	\$2,073	\$3,276	\$200	\$0	\$200	\$64	\$0	\$64	\$35	\$0	\$35	\$188	\$0	\$188	\$70	\$0	\$70
37B	\$2,611	\$2,073	\$4,685	\$1,506	\$2,073	\$3,580	\$250	\$0	\$250	\$49	\$0	\$49	\$39	\$0	\$39	\$102	\$0	\$102	\$71	\$0	\$71
38A	\$2,148	\$2,073	\$4,221	\$1,668	\$2,073	\$3,742	\$224	\$0	\$224	\$47	\$0	\$47	\$37	\$0	\$37	\$104	\$0	\$104	\$74	\$0	\$74
38B	\$3,693	\$2,073	\$5,766	\$2,247	\$2,073	\$4,321	\$177	\$0	\$177	\$142	\$0	\$142	\$57	\$0	\$57	\$129	\$0	\$129	\$95	\$0	\$95
39A	\$2,503	\$2,073	\$4,576	\$1,829	\$2,073	\$3,903	\$126	\$0	\$126	\$69	\$0	\$69	\$35	\$0	\$35	\$85	\$0	\$85	\$55	\$0	\$55
39B	\$2,738	\$2,073	\$4,812	\$1,743	\$2,073	\$3,816	\$136	\$0	\$136	\$73	\$0	\$73	\$34	\$0	\$34	\$83	\$0	\$83	\$58	\$0	\$58
40A	\$3,432	\$2,073	\$5,505	\$797	\$2,073	\$2,871	\$122	\$0	\$122	\$100	\$0	\$100	\$44	\$0	\$44	\$43	\$0	\$43	\$30	\$0	\$30
40B	\$3,598	\$2,073	\$5,671	\$888	\$2,073	\$2,962	\$140	\$0	\$140	\$147	\$0	\$147	\$47	\$0	\$47	\$51	\$0	\$51	\$38	\$0	\$38
41A	\$3,309	\$2,073	\$5,383	\$1,182	\$2,073	\$3,256	\$205	\$0	\$205	\$112	\$0	\$112	\$41	\$0	\$41	\$94	\$0	\$94	\$102	\$0	\$102
41B	\$3,953	\$2,073	\$6,026	\$1,146	\$2,073	\$3,219	\$220	\$0	\$220	\$144	\$0	\$144	\$47	\$0	\$47	\$93	\$0	\$93	\$87	\$0	\$87
42A	\$4,343	\$2,073	\$6,417	\$1,979	\$2,073	\$4,053	\$266	\$0	\$266	\$185	\$0	\$185	\$61	\$0	\$61	\$126	\$0	\$126	\$93	\$0	\$93

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
42B	\$4,757	\$2,073	\$6,831	\$1,732	\$2,073	\$3,805	\$218	\$0	\$218	\$185	\$0	\$185	\$61	\$0	\$61	\$127	\$0	\$127	\$89	\$0	\$89
43A	\$4,177	\$2,073	\$6,251	\$1,517	\$2,073	\$3,590	\$544	\$0	\$544	\$159	\$0	\$159	\$51	\$0	\$51	\$99	\$0	\$99	\$106	\$0	\$106
43B	\$3,696	\$2,073	\$5,770	\$1,215	\$2,073	\$3,289	\$497	\$0	\$497	\$112	\$0	\$112	\$41	\$0	\$41	\$92	\$0	\$92	\$102	\$0	\$102
44A	\$3,981	\$2,073	\$6,054	\$2,201	\$2,073	\$4,275	\$295	\$0	\$295	\$119	\$0	\$119	\$70	\$0	\$70	\$112	\$0	\$112	\$14	\$0	\$14
44B	\$4,587	\$2,073	\$6,661	\$1,957	\$2,073	\$4,031	\$271	\$0	\$271	\$139	\$0	\$139	\$71	\$0	\$71	\$107	\$0	\$107	\$23	\$0	\$23
45A	\$3,985	\$2,073	\$6,058	\$1,440	\$2,073	\$3,514	\$249	\$0	\$249	\$166	\$0	\$166	\$59	\$0	\$59	\$92	\$0	\$92	\$30	\$0	\$30
45B	\$4,918	\$2,073	\$6,991	\$1,273	\$2,073	\$3,346	\$262	\$0	\$262	\$204	\$0	\$204	\$65	\$0	\$65	\$101	\$0	\$101	\$34	\$0	\$34
46A	\$5,170	\$2,073	\$7,243	\$1,347	\$2,073	\$3,420	\$223	\$0	\$223	\$187	\$0	\$187	\$69	\$0	\$69	\$105	\$0	\$105	\$30	\$0	\$30
46B	\$5,027	\$2,073	\$7,101	\$1,097	\$2,073	\$3,170	\$200	\$0	\$200	\$179	\$0	\$179	\$64	\$0	\$64	\$115	\$0	\$115	\$23	\$0	\$23
47A	\$1,668	\$2,073	\$3,741	\$1,979	\$2,073	\$4,052	\$192	\$0	\$192	\$49	\$0	\$49	\$22	\$0	\$22	\$88	\$0	\$88	\$59	\$0	\$59
47B	\$2,208	\$2,073	\$4,282	\$1,631	\$2,073	\$3,704	\$205	\$0	\$205	\$49	\$0	\$49	\$22	\$0	\$22	\$104	\$0	\$104	\$53	\$0	\$53
48A	\$4,398	\$2,073	\$6,471	\$2,016	\$2,073	\$4,089	\$283	\$0	\$283	\$152	\$0	\$152	\$71	\$0	\$71	\$113	\$0	\$113	\$30	\$0	\$30
48B	\$3,382	\$2,073	\$5,456	\$2,021	\$2,073	\$4,094	\$239	\$0	\$239	\$103	\$0	\$103	\$62	\$0	\$62	\$95	\$0	\$95	\$16	\$0	\$16
49A	\$4,603	\$2,073	\$6,676	\$1,994	\$2,073	\$4,068	\$260	\$0	\$260	\$112	\$0	\$112	\$72	\$0	\$72	\$109	\$0	\$109	\$19	\$0	\$19
49B	\$4,729	\$2,073	\$6,803	\$1,998	\$2,073	\$4,071	\$267	\$0	\$267	\$153	\$0	\$153	\$73	\$0	\$73	\$103	\$0	\$103	\$17	\$0	\$17
50A	\$4,016	\$2,073	\$6,089	\$1,221	\$2,073	\$3,294	\$182	\$0	\$182	\$174	\$0	\$174	\$56	\$0	\$56	\$88	\$0	\$88	\$33	\$0	\$33
50B	\$4,100	\$2,073	\$6,174	\$1,711	\$2,073	\$3,785	\$226	\$0	\$226	\$175	\$0	\$175	\$64	\$0	\$64	\$104	\$0	\$104	\$31	\$0	\$31
51A	\$3,082	\$2,073	\$5,155	\$1,487	\$2,073	\$3,560	\$214	\$0	\$214	\$78	\$0	\$78	\$38	\$0	\$38	\$85	\$0	\$85	\$82	\$0	\$82
51B	\$3,399	\$2,073	\$5,472	\$1,684	\$2,073	\$3,757	\$269	\$0	\$269	\$79	\$0	\$79	\$42	\$0	\$42	\$107	\$0	\$107	\$63	\$0	\$63
52A	\$3,482	\$2,073	\$5,555	\$1,355	\$2,073	\$3,429	\$221	\$0	\$221	\$89	\$0	\$89	\$40	\$0	\$40	\$83	\$0	\$83	\$89	\$0	\$89
52B	\$2,968	\$2,073	\$5,041	\$1,712	\$2,073	\$3,785	\$198	\$0	\$198	\$69	\$0	\$69	\$40	\$0	\$40	\$92	\$0	\$92	\$83	\$0	\$83

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
53A	\$3,615	\$2,073	\$5,688	\$1,316	\$2,073	\$3,390	\$136	\$0	\$136	\$102	\$0	\$102	\$39	\$0	\$39	\$87	\$0	\$87	\$73	\$0	\$73
53B	\$3,183	\$2,073	\$5,256	\$1,669	\$2,073	\$3,742	\$144	\$0	\$144	\$57	\$0	\$57	\$35	\$0	\$35	\$84	\$0	\$84	\$35	\$0	\$35
54A	\$2,818	\$2,073	\$4,892	\$1,311	\$2,073	\$3,384	\$136	\$0	\$136	\$76	\$0	\$76	\$31	\$0	\$31	\$95	\$0	\$95	\$97	\$0	\$97
54B	\$2,655	\$2,073	\$4,728	\$1,708	\$2,073	\$3,781	\$177	\$0	\$177	\$75	\$0	\$75	\$35	\$0	\$35	\$93	\$0	\$93	\$73	\$0	\$73
55A	\$1,682	\$2,073	\$3,755	\$1,292	\$2,073	\$3,366	\$158	\$0	\$158	\$46	\$0	\$46	\$18	\$0	\$18	\$104	\$0	\$104	\$56	\$0	\$56
55B	\$1,506	\$2,073	\$3,579	\$1,854	\$2,073	\$3,927	\$169	\$0	\$169	\$47	\$0	\$47	\$22	\$0	\$22	\$108	\$0	\$108	\$65	\$0	\$65
56A	\$2,213	\$2,073	\$4,286	\$1,503	\$2,073	\$3,576	\$213	\$0	\$213	\$52	\$0	\$52	\$26	\$0	\$26	\$110	\$0	\$110	\$64	\$0	\$64
56B	\$2,656	\$2,073	\$4,729	\$1,800	\$2,073	\$3,874	\$208	\$0	\$208	\$61	\$0	\$61	\$38	\$0	\$38	\$80	\$0	\$80	\$68	\$0	\$68
57A	\$3,107	\$2,073	\$5,180	\$1,761	\$2,073	\$3,834	\$227	\$0	\$227	\$75	\$0	\$75	\$41	\$0	\$41	\$99	\$0	\$99	\$58	\$0	\$58
57B	\$2,972	\$2,073	\$5,045	\$1,885	\$2,073	\$3,958	\$259	\$0	\$259	\$62	\$0	\$62	\$41	\$0	\$41	\$96	\$0	\$96	\$68	\$0	\$68
58A	\$2,692	\$2,073	\$4,765	\$2,035	\$2,073	\$4,108	\$245	\$0	\$245	\$53	\$0	\$53	\$41	\$0	\$41	\$91	\$0	\$91	\$53	\$0	\$53
58B	\$2,186	\$2,073	\$4,259	\$2,108	\$2,073	\$4,181	\$202	\$0	\$202	\$53	\$0	\$53	\$38	\$0	\$38	\$97	\$0	\$97	\$69	\$0	\$69
59A	\$4,112	\$2,073	\$6,185	\$492	\$2,073	\$2,565	\$112	\$0	\$112	\$221	\$0	\$221	\$46	\$0	\$46	\$39	\$0	\$39	\$51	\$0	\$51
59B	\$5,087	\$2,073	\$7,160	\$717	\$2,073	\$2,790	\$174	\$0	\$174	\$203	\$0	\$203	\$59	\$0	\$59	\$77	\$0	\$77	\$31	\$0	\$31
60A	\$5,629	\$2,073	\$7,703	\$409	\$2,073	\$2,482	\$199	\$0	\$199	\$405	\$0	\$405	\$66	\$0	\$66	\$87	\$0	\$87	\$1,263	\$0	\$1,263
60B	\$5,240	\$2,073	\$7,313	\$580	\$2,073	\$2,654	\$144	\$0	\$144	\$315	\$0	\$315	\$62	\$0	\$62	\$99	\$0	\$99	\$971	\$0	\$971
61A	\$7,349	\$2,073	\$9,423	\$871	\$2,073	\$2,944	\$162	\$0	\$162	\$292	\$0	\$292	\$81	\$0	\$81	\$100	\$0	\$100	\$24	\$0	\$24
61B	\$6,787	\$2,073	\$8,861	\$765	\$2,073	\$2,838	\$164	\$0	\$164	\$216	\$0	\$216	\$73	\$0	\$73	\$88	\$0	\$88	\$26	\$0	\$26
62A	\$4,140	\$2,073	\$6,214	\$270	\$2,073	\$2,343	\$145	\$0	\$145	\$302	\$0	\$302	\$44	\$0	\$44	\$36	\$0	\$36	\$28	\$0	\$28
62B	\$5,638	\$2,073	\$7,711	\$322	\$2,073	\$2,395	\$118	\$0	\$118	\$362	\$0	\$362	\$57	\$0	\$57	\$53	\$0	\$53	\$33	\$0	\$33
63A	\$6,677	\$2,073	\$8,750	\$572	\$2,073	\$2,646	\$176	\$0	\$176	\$433	\$0	\$433	\$70	\$0	\$70	\$59	\$0	\$59	\$36	\$0	\$36

**2018 Public Subsidy Payments - May Estimate**

**House of Representatives**

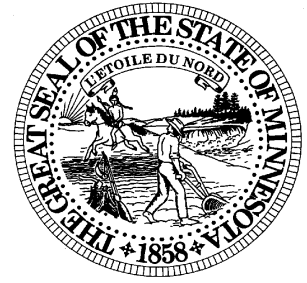
District	DFL			RPM			IPMN			GPM			GRP			LPM			LMNP		
	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total	Party Acct.	General Acct.	Total
<b>63B</b>	\$5,821	\$2,073	\$7,895	\$938	\$2,073	\$3,011	\$219	\$0	\$219	\$260	\$0	\$260	\$67	\$0	\$67	\$87	\$0	\$87	\$34	\$0	\$34
<b>64A</b>	\$6,737	\$2,073	\$8,811	\$776	\$2,073	\$2,849	\$156	\$0	\$156	\$302	\$0	\$302	\$61	\$0	\$61	\$104	\$0	\$104	\$90	\$0	\$90
<b>64B</b>	\$6,732	\$2,073	\$8,805	\$1,068	\$2,073	\$3,141	\$169	\$0	\$169	\$267	\$0	\$267	\$65	\$0	\$65	\$108	\$0	\$108	\$83	\$0	\$83
<b>65A</b>	\$4,764	\$2,073	\$6,838	\$437	\$2,073	\$2,511	\$74	\$0	\$74	\$245	\$0	\$245	\$43	\$0	\$43	\$56	\$0	\$56	\$113	\$0	\$113
<b>65B</b>	\$5,218	\$2,073	\$7,292	\$714	\$2,073	\$2,787	\$97	\$0	\$97	\$292	\$0	\$292	\$50	\$0	\$50	\$85	\$0	\$85	\$118	\$0	\$118
<b>66A</b>	\$5,763	\$2,073	\$7,836	\$1,202	\$2,073	\$3,276	\$213	\$0	\$213	\$229	\$0	\$229	\$60	\$0	\$60	\$110	\$0	\$110	\$93	\$0	\$93
<b>66B</b>	\$4,371	\$2,073	\$6,444	\$523	\$2,073	\$2,596	\$77	\$0	\$77	\$212	\$0	\$212	\$41	\$0	\$41	\$63	\$0	\$63	\$119	\$0	\$119
<b>67A</b>	\$3,734	\$2,073	\$5,807	\$587	\$2,073	\$2,660	\$67	\$0	\$67	\$179	\$0	\$179	\$37	\$0	\$37	\$56	\$0	\$56	\$122	\$0	\$122
<b>67B</b>	\$3,908	\$2,073	\$5,981	\$670	\$2,073	\$2,743	\$69	\$0	\$69	\$207	\$0	\$207	\$40	\$0	\$40	\$124	\$0	\$124	\$109	\$0	\$109





Minnesota

# *Campaign Finance and Public Disclosure Board*



**Date:** May 29, 2018

## **Summary of 2018 Minn. Laws chapter 119 - Changes to the Campaign Finance and Public Disclosure Laws - Effective date of the act is June 1, 2018**

### **Economic Interest Program**

Section 1 raises the dollar-level threshold at which disclosure of sources of compensation is required on a statement of economic interest from \$50 of compensation in a month to \$250 in a month. Section 1 also raises the dollar-level threshold at which disclosure of securities is required from a fair market value of \$2,500 to a fair market value of \$10,000.

Section 3 codifies the existing administrative rule definition of securities that must be reported on a statement of economic interest. The definition of securities is modified to exclude shares in mutual funds, shares in exchange-traded funds and the underlying assets of an annuity or defined benefit pension plan. Annuities are added to the list of securities that must be disclosed. Section 3 also provides that for the beneficiary of a blind trust, securities does not include the underlying assets owned by the trust.

Section 11 codifies an existing administrative rule that defines the term "financial interest" for purposes of determining whether a potential conflict of interest exists for a public official.

Section 12 codifies an existing administrative rule that clarifies what steps a public official must take when faced with a potential conflict of interest.

Section 13 codifies an existing administrative rule that clarifies what information a public official must disclose when the official represents a client at an administrative rule hearing.

Section 14 codifies an existing administrative rule that defines the terms "fee" and "initial appearance at a hearing" for purposes of the disclosure required when a public official represents a client at an administrative rule hearing.

Section 15 changes the references to the dollar-level thresholds at which disclosure of sources of compensation and securities is required on a statement of economic interest to match the new thresholds set in section 1. Section 15 also raises the dollar-level threshold at which disclosure of a business or professional activity category is required for officials who are both owners and employees of a business. This threshold increased from \$50 of compensation in a month to \$250 in a month. Finally, section 15 codifies existing administrative rules that specify what real property must be disclosed on an original statement of economic interest, how to determine the fair market value of an official's real property; and how to determine when the official started serving in office.

Section 16 codifies an existing administrative rule that specifies what real property must be reported on an annual statement of economic interest.

## Coordinated expenditures

Section 22 defines terms used in new provisions identifying noncoordinated expenditures that are independent of a candidate and coordinated expenditures that are contributions to a candidate. The terms defined are “agent,” “candidate,” “consulting services,” “coordinated,” and “spender.”

Section 23 codifies Board advisory opinions and enforcement actions determining that expenditures that expressly advocate for the election of a candidate, or the defeat of the candidate’s opponent, are coordinated, and therefore not independent, under the following circumstances.

- The candidate, on or after January 1 of the year in which the candidate will appear on the ballot, engages in fundraising of money to be used for political purposes for a spender that makes an expenditure on the candidate’s behalf. This provision **does not apply** to (1) fundraising for a party unit, or (2) fundraising of money that is not raised for political purposes (which is called general treasury money in the statute).
- The candidate, on or after January 1 of the year in which the candidate will appear on the ballot, was a chair or treasurer, or a deputy chair or treasurer, of the spender that makes an expenditure on the candidate’s behalf. This provision **does not apply** to party units.
- The candidate and the spender obtain consulting services from the same vendor and the vendor does not have the specified firewall procedures in place to separate vendor staff working for the candidate from vendor staff working for the spender.
- The spender makes an expenditure after receiving information from the candidate that is not publicly available about the candidate’s campaign plans, strategy, or needs.
- The spender provides information to the candidate about an expenditure’s content, audience, timing, location or mode, volume, or frequency before the expenditure is communicated to the public.
- The candidate participates in any of the processes required for the creation and development of the expenditure or any decision regarding the content, timing, location, audience, volume of distribution, or frequency of the expenditure.

Section 24 provides that the actions listed below, by themselves, do not establish that an expenditure was coordinated.

- A candidate asks a spender not to make any independent expenditures supporting the candidate or opposing the candidate’s opponent.
- A candidate provides the spender with a list of donors provided that the spender does not state or suggest to the candidate that the list will be used to raise funds for independent expenditures to benefit the candidate.
- An expenditure uses a photo, video, or audio recording from a publicly available source or event.

- An expenditure uses information about a candidate from a publicly available source or event.
- A spender makes a contribution to or endorses the candidate.
- A spender includes a hyperlink to the candidate’s website or social media page in the expenditure.
- The expenditure is referenced in a news story.
- The spender discusses the candidate’s positions on legislative or policy issues with the candidate or the candidate completes a survey distributed by the spender.
- The candidate participates in an event before the spender’s members, employees, or shareholders, provided that the event does not promote the candidate’s campaign.

### **Noncampaign disbursements**

Section 2 moves language regarding the limits on noncampaign disbursements after the legislature’s adjournment sine die to a new statutory section dealing with noncampaign disbursements. Section 2 also adds the following noncampaign disbursements recognized by the Board in advisory opinions to the statutory definition of noncampaign disbursements:

- Contributions to a fund established to support the candidate’s recount efforts,
- Costs of one reception given in honor of the candidate’s retirement from office,
- Donations to the state general fund, and
- Donations to a county obligated to pay for the costs of a special election needed because the candidate resigned from office.

Section 4 codifies an existing administrative rule that defines “constituent services.”

Section 21 codifies Board advisory opinions and enforcement actions that recognize specific expenses as noncampaign disbursements and exclude other expenses from that categorization. Expenses that are recognized as noncampaign disbursements may be paid for with committee funds and do not count towards the spending limits.

The first subdivision in section 21 lists expenses that qualify as noncampaign disbursements for services for a constituent. The limits on noncampaign disbursements after adjournment sine die that were deleted in section 2 are moved to this subdivision and apply to the new provisions. Under subdivision 1, the following expenses now are recognized as services for a constituent:

- Paying for a charter bus to bring constituents to an educational day at the capitol,
- Costs for a legislative intern if the intern is used for constituent services,
- Congratulatory letters to high school graduates or other constituents if information on registering to vote or other government services is provided in the letter,
- Refreshments for constituents at meetings, but amount spent is limited to \$5 per person,
- Food and beverage for volunteers when they are distributing a sessional wrap up, and
- Production and mailing of sessional wrap up.

Subdivision 2 in section 21 provides that the cost of food and beverages consumed by the candidate and volunteers when they are campaigning outside the candidate’s district cannot be

claimed as a noncampaign disbursement unless the candidate intends to terminate the candidate's committee within 12 months.

Subdivision 3 in section 21 provides that the cost of food and beverages consumed by other legislators and legislative staff at a reception or meeting may be claimed as a noncampaign disbursement for food and beverages; legislative duties. The cost of food and beverages consumed by anyone other than the legislators or legislative staff at the reception or meeting, however, cannot be claimed under this category.

Subdivision 4 of section 21 provides that the following expenses are noncampaign disbursements for the costs of serving in office:

- Transportation, lodging, and other expenses necessary to attend conferences related to legislative duties,
- Mileage to the capitol for scheduled committee meetings and regular and special legislative session if the mileage is not reimbursed by other sources, and
- Cost of staff meals while the staff member is working on legislative duties.

The following expenses, however, cannot be claimed as costs of serving in office:

- Membership dues and fees necessary to belong to organizations located in the office holder's district,
- Cost of trips taken outside of the office holder's district for the purpose of relationship building, and
- Additional costs incurred by someone accompanying an office holder on a trip, unless the office holder is a person with a disability and the accompanying individual is providing services made necessary by the disability.

### **Notice to contributors**

Section 29 provides that a political committee or fund, party unit, or candidate committee that raises contributions from the sale of goods or services must disclose to potential customers that the proceeds of the sale are a political contribution and to whom the contribution is being made. The disclosure may be provided verbally at the time of purchase or through the prominent display of a sign in immediate proximity to the point of sale. Knowingly failing to provide notice is punishable by a civil penalty of up to \$1,000. This provision does not apply to goods or services sold at a fundraiser that requires the purchase of a ticket to attend or at an event where the main purpose is to conduct fundraising.

### **Disclaimers**

Sections 20 and 33 move the independent expenditure disclaimer requirements from Chapter 10A to Minnesota Statutes section 211B.04 where the general disclaimer requirements for campaign material are located. This allows the independent expenditure disclaimer language requirements to be used by local candidates and committees. Section 33 also specifies the form of the disclaimer that must be used on independent expenditure communications.

Section 33 also provides the following:

- A committee may use its website address in the disclaimer if the website includes the committee's mailing address;

- The disclaimer requirements are satisfied for an entire website or social media page if the required disclaimer appears once on the homepage of the site; and
- The disclaimer must be printed in at least 8-point font or larger on written communications other than outdoor signs, websites, or social media pages.

### **Campaign finance recordkeeping and reporting**

Section 17 specifies the time of receipt for contributions made through electronic and non-electronic means. Section 17 codifies existing administrative rules that specify that monetary contributions not made through electronic means are received for all purposes when the contribution is physically received by recipient. When the delivery method is through the U.S. mail, the contribution is physically received when the mail is collected from the delivery point.

Section 17 also provides that for contributions made through electronic means, such as PayPal, the contribution is received for purposes of the deposit requirement when the treasurer has access to the funds under the terms of the agreement with the contribution processor. A contribution made through electronic means is received for all other purposes, such as reporting to the Board and affidavits of contribution, on the date that the contribution was made by the contributor.

Section 19 clarifies that committees must use the IRS business rate for mileage reimbursement payments. Section 19 also specifies the records that committees must keep to document those mileage reimbursements.

Section 25 clarifies how to report payments that reimburse a candidate or another entity for an expense. Section 25 also specifies how to allocate on-going expenses that have both campaign and noncampaign disbursement components.

Section 26 requires reports of receipts and expenditures to include an explanation of how an expenditure was used.

### **Public Subsidy Program**

Section 27 provides that if the committee of a candidate who has signed a public subsidy agreement makes a contribution to an independent expenditure committee or fund during the year in which the candidate's office appears on the ballot, the independent expenditure committee or fund may not make an independent expenditure on behalf of that candidate.

Section 31 establishes the deadline for signing and filing a public subsidy agreement for a special election that is held without a filing period.

Section 32 establishes the deadline for filing an affidavit of contributions for a special election that is held without a filing period.

### **Procedures for Board investigations**

Section 5 clarifies that Board staff must secure the authorization of the Board before expanding the scope of an investigation started in response to a complaint.

Section 6 codifies an existing administrative rule that specifies the procedure to be used when a violation is resolved by a conciliation agreement.

Section 7 establishes a streamlined procedure that may be used to resolve apparent violations that are simply reporting errors. Section 7 allows the executive director to close these matters without a full investigation and to report to the Board that no actual violation occurred.

Section 8 establishes a streamlined procedure that may be used to resolve violations that do not require a formal investigation, such as when a committee has admitted a violation.

Section 9 codifies an existing administrative rule that specifies the procedure that must be used by staff to secure authorization for a formal investigation and the rights of the respondent during this process.

### **Miscellaneous technical changes**

Section 10 codifies an existing administrative rule that specifies when a filing to the Board is complete.

Section 18 codifies Board advisory opinions that hold that a vendor that provides online contribution services is not required to register or report as a political committee.

Section 28 codifies an existing administrative rule that specifies how the contribution limits apply when the committees of candidates for governor and lieutenant governor merge.

Section 30 clarifies when the legislative session begins and ends for purposes of the sessional contribution prohibition.

Section 34 repeals the rule provisions that were codified into statute.

Section 35 establishes that the effective date of the act is June 1, 2018.







**Minnesota Campaign Finance and Public Disclosure Board**

**CERTIFICATE OF THE CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD;  
WITHDRAWAL RESOLUTION**

**Proposed Permanent Rules Relating to Campaign Finance Regulation and Reporting;  
Independent Expenditures; Economic Interest Disclosure; and Audits and Investigations;  
Minnesota Rules, chapters 4501, 4503, and 4525; Revisor's ID Number R-4450**

I, Carolyn Flynn, certify that I am a member and the chair of the Campaign Finance and Public Disclosure Board, a board authorized under the laws of the State of Minnesota; that the following is a true, complete, and correct copy of a resolution that the Board adopted at a properly convened meeting on June 6, 2018; that a quorum was present; and that a majority of those present voted for the resolution, which has not been rescinded or modified. The Board resolved the following:

“RESOLVED, that Jeff Sigurdson, the executive director of the Campaign Finance and Public Disclosure Board, is authorized and directed to give notice that the Board has withdrawn the proposed rulemaking identified as Revisor's ID Number R-4450 because the legislature has enacted the proposed rule amendments into law. The executive director must give notice of the withdrawal to the Office of Administrative Hearings and to all persons who have registered their names with the Board for purposes of receiving rulemaking notices. The executive director also is authorized and directed to do anything else necessary to provide notice of the withdrawal to the governor's office, the revisor of statutes, and others interested in the rulemaking.

June 6, 2018

\_\_\_\_\_  
Carolyn Flynn, Chair  
Campaign Finance and Public Disclosure Board



Minnesota

## *Campaign Finance and Public Disclosure Board*

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190 Centennial Building . 658 Cedar Street . St. Paul, MN 55155-1603 FAX: 651-539-1196 or 800-357-4114

**DATE:** May 30, 2018

**TO:** Board Members  
Counsel Hartshorn

**FROM:** Jodi Pope, Legal/Management Analyst

**SUBJECT:** Enforcement report for consideration at the June 6, 2018, Board meeting

### **A. Discussion items**

#### **1. Request to administratively terminate committees – Amorosia (Dale) for State House and Amorosia (Dale) for State Senate**

Amorosia (Dale) for State House and Amorosia (Dale) for State Senate are the principal campaign committees of candidate Dale Amorosia. Mr. Amorosia passed away on February 1, 2018. Mr. Amorosia was his own treasurer. Shortly before his death, Mr. Amorosia had filed a termination report for his house committee and a 2017 year-end report for his senate committee. Those reports, however, were incomplete and the senate committee's 2016 year-end balance of \$621.52 did not match its 2017 beginning year balance of \$425. Staff had some contact with Mr. Amorosia before his death and believes that all of the funds in the house committee account were transferred to the senate committee, leaving the house committee with a zero balance. If Mr. Amorosia had not passed away, staff would have continued to work with him to reconcile the senate committee's balance discrepancy and to obtain amended reports. Staff has tried to find another person who might have knowledge of or access to either committee's records or accounts but has been unsuccessful. Staff therefore is asking the Board to administratively terminate both Amorosia committees effective December 31, 2017.

#### **2. Request to suspend efforts to obtain economic interest statements and accrued late fees and civil penalties – Elaine Voss and Marian Brown**

During the annual recertification, staff discovered that these two officials have health issues that prevent them from completing their termination/annual statements of economic interest. Both officials resigned from their positions during the reporting year. Staff has had no contact with any one authorized to file statements on the officials' behalf. Staff therefore is asking the Board to suspend its efforts to obtain statements from these officials and to waive any late fees and civil penalties that may have accrued.

#### **3. Request to suspend efforts to obtain economic interest statement and accrued late fees and civil penalties – Laura Ekholm**

On February 6, 2018, Board staff notified Laura Ekholm that she was required to file a statement of economic interest due to her appointment to the Enterprise Minnesota, Inc. board of directors. This statement was due on April 7, 2018, and was to cover the month before Ms. Ekholm took office. Near the end of March 2018, Ms. Ekholm accessed the Board's online filing system and first saw the specific economic disclosure requirements. Ms. Ekholm then contacted Board staff to discuss those requirements and to ask whether there were any alternatives to filing the statement. After Board staff responded in April 2018 that the disclosure was required, Ms. Ekholm indicated that she strongly objected to the required disclosure and therefore had resigned from her position effective May 1, 2018. Ms. Ekholm attended only three meetings before her resignation.

In two similar situations that occurred in the past, the Board approved the suspension of efforts to obtain economic interest statements and accrued late fees from the terminating officials. The reasons given for the decisions included the fact that the officials no longer were serving in office, the short amount of time that the officials had served in office in general or after learning of the requirement, and the fact that a legal action would have to be commenced by the attorney general to obtain the statements. Because Ms. Ekholm is no longer in office and served only a short time as a public official and because obtaining her statement would require referral to the attorney general's office, staff is asking the Board to suspend its efforts to obtain Ms. Ekholm's statement and any accrued late fees and civil penalties.

**4. Request for a one-time balance adjustment – AFSCME Local 8 People Fund**

In June 2017, the AFSCME Local 8 People Fund was put into receivership by its national organization. A new treasurer was appointed and she completed a 2017 year-end report for the fund using bank statements. The beginning bank balance for 2017, however, was \$450 more than the ending balance on the 2016 year-end report. The treasurer suspects that the discrepancy was due to uncashed candidate contribution checks but the records from 2016 are incomplete and she cannot confirm that belief. The treasurer is asking the Board to adjust the fund's 2016 year-end balance from \$2,152.94 to \$2,602.94 to match the bank balance at that time. The treasurer states that the fund had no expenditures in 2017 and will be closed in 2018.

**5. Request to refer matter to attorney general's office – Kaying Thao**

The Friends of Kaying (Thao) is the principal campaign committee of Kaying Thao. Ms. Thao is her own treasurer and has failed to file the committee's 2017 year-end report of receipts and expenditures. The committee last reported a cash balance of \$797. The committee has not received any public subsidy funds. The committee has accrued the maximum \$1,000 in late fees for the year-end report and will reach the maximum \$1,000 in civil penalties on June 4, 2018. Staff is asking the Board to refer the matter to the attorney general's office to seek an order compelling the filing of the report and a judgment for the accrued late filing fees and civil penalties.

**B. Waiver Requests**

	Committee/ Entity	Late Fee or Civil Penalty	Report Due	Factors	Most Recent Balance	Previous Waivers Granted
1	Robert Doar, MN Gun Owners Caucus	\$225	6/15/2017 lobbyist report	Storm knocked out lobbyist's power and internet on report due date. Lobbyist believed that he had filed report using his smartphone. When lobbyist learned that report had not been submitted, he immediately filed. Lobbyist had no disbursements during the reporting period.	NA	No
2	Karlo Etten, Wilkin SWCD	\$100	2017 annual EIS	Official did not receive emailed notices sent to his old email address. Official did not see any mailed notices until the final one, which arrived on the day that he was leaving for a family vacation.	NA	No
3	Municipal Utilities Action Fund	\$150	2018 1 <sup>st</sup> quarter	Treasurer believed that report was not required because the fund had not received any money during reporting period. When treasurer learned that report was required if fund contributed money, he tried to file report but encountered some technical difficulties due to his unfamiliarity with the software. Treasurer used online resources to learn how to submit report and now believes that he will be able to timely file in future.	\$2,244	No
4	Securus Technologies	\$200	3/15/2018 principal report	Principal did not receive notices because its lobbyist, in good faith, submitted incorrect contact information for principal. When lobbyist saw that principal's report	NA	No

				was overdue, they worked together to file the report and to correct the principal's contact information.		
5	Sherrie Pugh 4 Senate	\$625	2017 year-end	Candidate opened 2016 report, entered 2017 changes, and then submitted 2016 report. Candidate later tried to file 2017 report but had technical issues. Candidate came in to work with Board staff and then was able to file report.	\$526	Yes, \$425 for 2016 year-end; \$50 for 2016 pre-general
6	25B House District DFL (Olmsted 25)	\$775	2017 year-end	Treasurer stopped responding to members. Members therefore did not know that treasurer had not timely filed report. Chair may have known but she passed away unexpectedly in March. After new treasurer took office, he received late fee letter. Party unit is adopting internal controls to prevent future late reports.	\$794	Yes, \$625 for 2016 year-end

## **Informational Items**

### **A. Security information requests**

In April, the executive director received a request to reclassify information on an original statement of economic interest as security information. The request was from a judge who had safety concerns about disclosing the description of real property that the judge owned. The executive director determined that the request met the statutory requirements and granted the request.

### **B. Payment of a late filing fee for 2015 year-end report of receipts and expenditures**

Mohamud Noor, \$100

### **C. Payment of a late filing fee for 2016 year-end report of receipts and expenditures**

Mary Hernandez, \$1000  
Mohamud Noor, \$25

### **D. Payment of a late filing fee for 2017 year-end report of receipts and expenditures**

Elise Diesslin, \$75  
Hoppe Volunteer Committee, \$325

### **E. Payment of a late filing fee for 2018 1<sup>st</sup> quarter report of receipts and expenditures**

Carpenters Local 930 PAC, \$50  
Hillstrom for Sec of State, \$50  
Minn Architects PAC, \$100  
Minn Service Station Association, \$25  
North Central States PAC, \$25  
Small Business MN PAC, \$75

### **F. Payment of a late filing fee for 2016 annual statement of economic interest**

Roland Cleveland, \$55.46

**G. Payment of a late filing fee for 2017 annual statement of economic interest**

Edward Ehlinger, \$50

**H. Payment of a late filing fee for March 15, 2018, annual report of lobbyist principal**

American Cancer Society, \$25  
Braun Intertec Corp, \$25  
Joint Religious Legislative Coalition, \$25  
Lutheran Social Service of MN, \$25  
MN350, \$50  
MN Commercial Association of Realtors, \$25  
MN Energy Resources Corp, \$25  
MN Interior Design Legislative Action Committee, \$25  
MN Second Chance Coalition, \$25  
Polaris, \$25  
Scannell Properties, \$25  
Special Education Graduates Work, \$25

**I. Payment of a civil penalty excess special source contributions**

Michael Goggin, \$40

**J. Payment of a civil penalty for false certification**

Branden Petersen, \$280

**K. Deposit to the General Fund**

Kelly Morrison for MN House, \$100

**Pope, Jodi (CFB)**

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**From:** JoAnn Holton <JoAnn.Holton@afscmemn.org>  
**Sent:** Tuesday, April 24, 2018 9:36 AM  
**To:** Larson, Joyce (CFB)  
**Subject:** Local 8

Let me know if this sufficient.

Thanks for all your help  
JoAnn

To whom it may concern,

AFSCME Local 8 was put into administratorship by the AFSCME International Union for misappropriation of funds in June 2017. I, JoAnn Holton, have been appointed as the Deputy Administrator, since November 2017. AFSCME Local 8 currently maintains a Political Action Committee (PAC) fund. The AFSCME Local 8 PAC Fund had no expenditures during the 2017 calendar year, and has not had, nor will it have, expenditures in 2018.

Unfortunately, the financial records that have been turned over from the former elected leadership of the Local union are incomplete. In completing the year-end campaign finance reporting requirements for calendar year 2017, I used the account statements to provide the 2017 start balance. However, there is a \$450.00 discrepancy between the year-end 2016 balance and the beginning balance for calendar year 2017, with bank records showing \$450.00 more in the account than the amount reported in the 2016 year-end filings. My estimation as to why the discrepancy exists is that there were checks made out to candidates' campaign committees that were not deposited, whether lost or for other reasons unknown, though this estimation is not confirmed. Without being provided a check register or any other records indicating why the discrepancy exists, it is impossible for me to ascertain the cause(s) of the discrepancy.

In March 2018, the members of Local 8 passed a motion to close the PAC fund. We will be closing that account on April 19th and the local will no longer have a PAC fund.

It is at this time that I am kindly requesting that exception be granted regarding the discrepancy between the 2016 and 2017 filings and that any potential penalties be waived.

Sincerely,

JoAnn Holton

JoAnn Holton  
Field Representative

**AFSCME Council 5**

**651-287-0506**  
**[Joann.holton@afscmemn.org](mailto:Joann.holton@afscmemn.org)**





Robert Doar

**From:** [Rob Doar](#)  
**To:** [Waller, Marcia \(CFB\)](#)  
**Subject:** Late Report from 2017  
**Date:** Wednesday, May 09, 2018 12:33:08 PM

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I apologize for the late reply to your last letter, I had thought that this issue was resolved. We are an all-volunteer organization, and your letter was picked up by a volunteer and delivered to me recently. I had through this matter was resolved with previous phone contacts and letters, but I'll try email now. I am again writing to explain why the lobbying report for the Minnesota Gun Owners was delayed.

Our power and internet were knocked out during hailstorms at my home in Blaine on June 11<sup>th</sup>. Internet was not restored for several days, and I needed to complete the report on my mobile phone. I believed that I had completed and submitted the report. It was not until 6/28/2017 when I received notification that my report was overdue that I had the first indication that my report was NOT received. I believe that there may have been additional submit button that was obscured on my phone that led me to believe that the report was submitted when it wasn't.

I understand that I failed to submit the report on time, but this was an honest technical oversight that was immediately corrected once identified. We had zero expenditures during that filing period. There was no ill intent of malfeasance in the filing, just an unintentional oversight. Based on the mitigating circumstances, and as we are a non-profit with limited resources, we could greatly appreciate a one-time abatement of the penalties for this late filing. We will take the necessary steps to ensure that all future filings will be on time.

Please let me know if you need any additional information. Thank You.

Rob Doar  
Political Director  
MN Gun Owners Caucus  
Reg Num: 7128

**Lochner, Kevin (CFB)**

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**From:** Karlo Etten <karlojetten@gmail.com>  
**Sent:** Tuesday, April 24, 2018 7:57 AM  
**To:** Lochner, Kevin (CFB)  
**Subject:** Request for waiver

Hello Kevin

I would like to request a waiver for the late filing fees for the economic interest statement. My reasons for this request are first that my correct email (gmail) was not in your system and I have not used the older email (hotmail) for a few years, and secondly that I didn't see any mail until the "final notice" of which arrived the day we were on our way out for family vacation. I apologize for the late response and ask that you bring this email to the board for consideration.

Thank You  
Karlo Etten

**From:** [Sigurdson, Jeff \(CFB\)](#)  
**To:** [Pope, Jodi \(CFB\)](#)  
**Subject:** FW: MUAF late filing  
**Date:** Tuesday, April 24, 2018 3:22:28 PM

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**From:** Bill Black <bblack@mmua.org>  
**Sent:** Tuesday, April 24, 2018 3:01 PM  
**To:** Sigurdson, Jeff (CFB) <jeff.sigurdson@state.mn.us>  
**Subject:** MUAF late filing

William Black  
Municipal Utilities Action Fund  
3025 Harbor Ln N Ste 400  
Plymouth, MN 55447

Mr. Jeff Sigurdson  
Executive Director  
Minnesota Campaign Finance Board  
190 Centennial Office Building  
658 Cedar St.  
St. Paul, MN 55155

April 24, 2018

Re: Municipal Utility Action Fund late 2018 First Quarter Report

Dear Mr. Sigurdson:

Today I filed the first report due to the Board since I became treasurer of a political fund. It was the first quarter report for 2018 due by April 16, so my filing was late by 6 business days. I apologize for the late filing.

The reason for the lateness had to do with my misunderstanding of the law initially - I believed that only receipts were to be reported - and the fund had not received any receipts during the first quarter. I had little trouble learning how to report receipts through the software program but difficulty understanding the differences between expenditures and contributions which fortified my mistaken belief that only administrative expenditures and contributions TO the fund were reportable.

After the April 16 deadline, I began recording receipts for second quarter. To begin with, I mistakenly created a new fund (“committee”) and, with help from your staff, found out how to purge that committee and, instead, initialize a new reporting year for the existing fund. Shorter thereafter, I realized that I need to report outlays from the fund to campaign funds. I used the online videos to learn how to enter the two outlays made from the fund in the first quarter correctly, created the report to the board and filed it as soon as possible.

Now that I understand what to file, when to file it and how to file it, I expect to file future reports on time. If it is within the discretion of your office or the Campaign Finance Board, I respectfully request that the fine associated with late filing of the 2018 First Quarter Report for the Municipal Utilities Action Fund be waived, as it was due to misunderstanding and technical difficulty and not simply inattention. Contributors to the MUAF would be relieved to know their donations will be used toward their intended purposes and not to pay fines for my administrative difficulties.

Thank you very much for your consideration.

Sincerely,

William Black  
Treasurer

**Michael S. J. Lozich**  
Senior Corporate Counsel and  
Director of Regulatory and Governmental Affairs



May 3, 2018

**VIA EMAIL TO [cf.board@state.mn.us](mailto:cf.board@state.mn.us)**

Ms. Jodi Pope  
Legal/Management Analyst  
Campaign Finance and Public Disclosure Board  
190 Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

**Re: LPR Lobbyist Principal Report due March 15, 2018; Reg. No.: 7290**

Dear Ms. Pope:

Reference is made to your letter of April 20, 2018, notifying us that the Campaign Finance and Public Disclosure Board (the "Board") imposed a \$200.00 late filing fee on Securus Technologies, Inc. ("Securus") because the LPR Lobbyist Principal Report due March 15, 2018 (the "Report") was not timely received (the "Notice Letter").

In response to the Notice Letter, Securus respectfully requests the Board waive the late filing fee, as this was a first-time, single inadvertent and unintentional clerical oversight, which was addressed as soon as we became aware of the issue and corrected by March 27, 2018.

The cause of the issue was that the contact for notifications and messages from the Board was for an individual no longer with the company and the address was incorrect. Our lobbyist, MZA+Co., timely filed the Lobbyist Registration on behalf of Securus in good faith that this information was accurate, but it was (in fact) obsolete.

I was first notified of this issue by email from Marcia Waller, the Board's Program Administrator, on March 27, 2018. On that date, MZA+Co. had noticed Securus' absent Report filing, and immediately began to correct the situation by filing the necessary report, accompanied by MZA+Co.'s amendment to the Lobbyist Registration correcting the authorized contact person and address to ensure timely and responsive future communications. We obtained confirmation that same day of the online filing of the Report and the amended Lobbyist Registration.

Securus and its representatives take our obligations for maintaining appropriate registrations and disclosures very seriously. As indicated above, this issue arose from an inadvertent error of the wrong contact information and was promptly corrected upon discovery of the issue. At all times, both Securus and MZA+Co. were acting in good faith to ensure compliance with the Board's requirements. In consideration of these facts and as this is a first-time error, Securus requests the Board grant a waiver of the \$200 late filing fee.

Securus appreciates your assistance with this matter. Please let me know if you have any comments or questions. You may contact me at 972.277.0565 or by email at [mlozich@securustechnologies.com](mailto:mlozich@securustechnologies.com).

Respectfully,

A handwritten signature in black ink that reads "Michael S. J. Lozich". The signature is written in a cursive, flowing style.

Michael S. J. Lozich  
Senior Corporate Counsel and  
Director of Regulatory and Governmental Affairs  
Securus Technologies, Inc.

**From:** [Sharon Sund](#)  
**To:** [Pope, Jodi \(CFB\)](#)  
**Cc:** [Sherrie Pugh](#)  
**Subject:** Sherrie Pugh 4 Senate  
**Date:** Monday, April 30, 2018 2:08:51 PM

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Hi Jodi,

On January 31st Sherrie filed the Report of Receipts an Expenditures. Unfortunately, she opened the previous report, added the changes to that and filed that report. Since that time she tried to file a new report but had technical problems. She came in and worked with you (Jodi I believe it was) because she was having problems with the filing. For these reasons, we are requesting that the late fees be waived since it was not actually late we just did not realize that we had to open a new report to submit.

Sharon

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*Sharon Sund*

ph: 612.518.7578

email: [srsund@gmail.com](mailto:srsund@gmail.com)

“We can build an economic system that takes us beyond communism, capitalism, and other old isms. We can create economic models, rules, and policies that support caring for ourselves, others, and our Mother Earth. We need a CARING REVOLUTION.” - Riane Eisler

Sent with [Mailtrack](#)



300 First Avenue NW, Suite 306  
Rochester, MN 55901  
Phone: 507-218-8383

May 9, 2018

Minnesota Campaign Finance and Public Disclosure Board  
190 Centennial Office Bldg.  
658 Cedar St.  
St. Paul, MN 55155

**BY EMAIL**

***Re: Report of Receipts and Expenditures Due January 31, 2018  
Reg. No. 20875***

To Whom It May Concern:

I represent the Olmsted 25 DFL (listed in CFPB records as 25B House District DFL) regarding the late filing fee for its Report of Receipts and Expenditures due January 31, 2018.

The Olmsted 25 DFL is a local party organization that operates with a small budget and grassroots fundraising. Except for general support from larger party units, it has no paid staff, instead relying entirely on volunteer help. This fine first came to the Olmsted 25 DFL's attention as a result of the letter dated April 20, 2018 and sent to Mr. Joseph Nix (the current treasurer) and Mr. Steven Monk (the current chair). The letter indicates that a previous letter was sent to Mr. Riddhiman Moharar (the previous treasurer), and while the Olmsted 25 DFL does not doubt that that is true, the Olmsted 25 DFL was not aware of it until receiving the April 20 letter.

The Olmsted 25 DFL takes very seriously its compliance with its reporting requirements under Minn. Stat. chap. 10A and the associated rules and deeply regrets that the report was not timely filed. Unfortunately, as sometimes happens, Mr. Moharar, the treasurer serving from 2016-2018, was very involved with the organization at the beginning of his term, but toward the end of that term his involvement began to flag to the point that he did not respond to the attempts by other Olmsted 25 DFL executive board members' attempts to contact him regarding his responsibilities to the organization and the organization's responsibilities. The Olmsted 25 DFL believes that Ms. Diane Hellie, the former chair of the organization, may have been aware of this issue and may even have been in touch with the Board, but Ms. Hellie passed away suddenly and unexpectedly on March 21, 2018. The Olmsted 25 DFL assures the Board that, had it been aware that it would not be in compliance with its reporting requirements, it would have taken immediate action. To remedy this, the Olmsted 25 DFL has elected Mr. Nix, who has significant experience as a campaign treasurer, to be its treasurer for 2018-2020. Further, following its becoming aware of this incident, the Olmsted 25 DFL is in the process of putting in place additional internal controls, such as a policy of having a second officer confirm the treasurer's compliance with reporting requirements, to minimize the risk that problems like this will happen again.



The \$775 fee represents a significant portion of the Olmsted 25 DFL's annual budget. The Olmsted 25 DFL respectfully requests that, in light of its unawareness of the failure to file the report timely and its significant efforts to remedy its compliance issues, the Board waive all or most of the late filing fee. In the alternative, the Olmsted 25 DFL believes it would be appropriate to stay all or most of the late filing fee conditioned on its continuing timely compliance with reporting requirements.

Thank you. If you have any questions or concerns, please do not hesitate to contact me.

Respectfully submitted,

**GODWIN DOLD**

A handwritten signature in black ink, appearing to read "D.L. Liebow". The signature is stylized with a large initial "D" and a cursive "L".

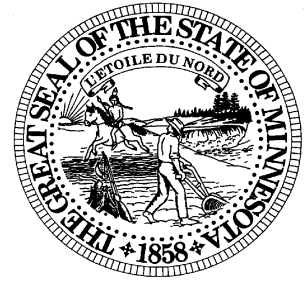
David L. Liebow  
david@godwindold.com

cc: Mr. Steven M. Monk (by email)  
Mr. Joseph T. Nix (by email)



Minnesota

# *Campaign Finance and Public Disclosure Board*



**Date:** May 30, 2018

**To:** Board members  
Counsel Hartshorn

**From:** Jeff Sigurdson, Executive Director  
Jodi Pope, Legal Analyst

**Telephone:** 651-539-1189

**Re:** Disclaimer issues regarding substantial compliance and amount of civil penalty

Minnesota Statutes section 211B.04 provides that campaign material must have a disclaimer that is “substantially in the form provided” in the statute. Similarly, Minnesota Statutes section 10A.17, subdivision 4, provides that independent expenditures must include a disclaimer “in substantially in the form provided in section 211B.04, subdivision 2.” The Board may impose a civil penalty of up to \$3,000 for a violation of the campaign material disclaimer requirement. A person who knowingly violates the independent expenditure disclaimer requirement is subject to a civil penalty of up to \$3,000. A violation of the general disclaimer requirement also is a misdemeanor while a violation of the independent expenditure disclaimer requirement is a gross misdemeanor. This memo discusses factors for the Board to consider when determining whether a disclaimer is “substantially in the form provided” in the statute and what civil penalty to impose for a violation.

## **Substantially in the form provided**

The Board has issued one decision finding that part of a disclaimer was substantially in the form provided in section 211B.04. In *Complaint of Qualy regarding Libertarian Party of Minnesota and Emily Melligen* (March 7, 2018), the Board stated that the phrase “created by” was substantially in the form required by section 211B.04 because the meaning of this phrase is nearly identical to the meaning of the “prepared by” phrase required by statute. The Board, however, determined that the entire disclaimer was not substantially in the form provided in statute because it lacked an address.

The Office of Administrative Hearings (OAH) had jurisdiction over the general disclaimer requirement for all candidates until 2013, and still has jurisdiction over that requirement for non-state-level candidates. The OAH has issued several decisions discussing when a disclaimer is substantially in the form provided in statute. A summary of some of those decisions is attached to this memorandum.

In its decisions, the OAH focused on whether a reader could determine from the entire communication who was responsible for the communication and how to contact that entity. The OAH determined that in cases where the reader could draw only one conclusion about who had disseminated the material and the communication included contact information for that entity, the disclaimer was in substantially in the form required by the statute even though it did not use the statute’s exact language. The OAH also has determined that a disclaimer that lacks an address, or a link to a website with an address and the disclaimer language, is not substantially in the form required by statute.

As in the OAH decisions, the Board probably should consider the entire communication when making a determination as to whether a disclaimer is substantially in the form provided in statute. The Board also could consider whether a reader or listener can determine from the communication the identity of the entity disseminating the material and how to contact that entity. In the case of an independent expenditure, the reader or listener also must be able to determine whether the communication was prepared independently of any candidates. Because more information must be in an independent expenditure, the Board will need to more closely scrutinize those communications to determine whether they are in substantially the form provided in statute.

### **Penalties for violations**

The Board has issued at least eight decisions finding disclaimer violations by state-level candidates or committees making an independent expenditure. A chart summarizing those decisions is attached to this memorandum. The penalties imposed for the disclaimer violations ranged from zero to \$3,000. In setting these penalties, the Board considered factors such as the number of communications issued without the disclaimer, the amount of time that a webpage lacked a disclaimer before it was corrected, how quickly the entity acted to correct the error or take other mitigating steps, and whether other information in or around the communication alerted people about who was responsible for it. In the two decisions involving independent expenditure disclaimers, the Board concluded that one violation was knowingly made and imposed the maximum \$3,000 civil penalty. In the other case, the Board concluded that the violation was not knowingly made and, as a result, no civil penalty was provided by statute.

In its disclaimer decisions, the OAH has imposed penalties ranging from \$25 to \$2,400. The OAH summary also includes information about OAH penalty decisions. The factors considered by the OAH have included whether the omission was inadvertent, negligent, or deliberate; whether the person accepted responsibility for the error; the amount of campaign material involved; whether the communication had an impact on the election; and whether and how quickly an error was corrected. The OAH has not accepted the excuses that the person was a first-time candidate or unfamiliar with campaign laws or that other candidates did not have disclaimers either.

Also attached is a 2012 report prepared for the Montana legislature that summarizes disclaimer requirements in other states. The report shows that potential monetary penalties for disclaimer violations range from \$1,000 to \$10,000. Most of the states give discretion to the enforcement body to set the amount of the penalty in specific cases. There are some states, however, that have different penalty schemes. For example, in Alaska, the civil penalty is calculated on a per day basis. States like California and Missouri tie the amount of the penalty to the cost of the expenditure or a multiple of that expense. In Hawaii, the fine can be up to \$25 per communication but there is an overall penalty limit of \$5,000.

The Board's past decisions, the OAH decisions, and the laws in other states suggest several factors that the Board could consider when setting a civil penalty for a disclaimer violation. Those factors could include how many communications lacked the disclaimer; the cost of the communication; whether the communication was an independent expenditure; the length of time that the communication lacked a disclaimer; whether and how quickly the entity acted to correct the error; whether the circumstances surrounding the communication told recipients who was responsible for it; whether the error was a first or a subsequent violation; whether the entity had experience with campaign laws; whether it was a knowing violation; and whether the entity accepted responsibility for the error.

Staff is seeking guidance from members regarding whether any of these factors should be given more weight than others or whether some factors should not be considered at all in penalty determinations. For example, staff believes that a communication's impact on the outcome of an election would not be a reasonable factor to consider because it would be very difficult to determine how a communication affected an individual voter much less an entire election. In addition, staff suggests that the Board consider imposing a minimum penalty of \$100 for a violation of the general disclaimer requirement and \$500 for a violation of the independent expenditure disclaimer requirement. Additional penalties above the minimum would be decided on a case-by-case basis.

Regardless of the factors considered, staff recommends that the Board not stay any portion of the penalty imposed. In cases involving contribution and spending limits, the Board typically stays a portion of an imposed penalty on condition that the entity have no similar violations for the duration of the election segment. The amount of the penalty in a limits case, however, is set because it is equal to the amount of the excess contribution or, for a subsequent violation, a multiple of the amount of the excess contribution or expenditure. By staying a portion of the penalty, the Board is determining the appropriate amount of the established penalty that the entity actually should pay for its specific limits violation. In a disclaimer case, there is no established penalty and the Board will be determining the appropriate amount of penalty that the entity actually should pay for its specific disclaimer violation. Because the Board can impose the appropriate penalty for a disclaimer violation, there is no need to stay the part of the penalty that should not be paid. In addition, staying penalties creates administrative tracking issues, particularly when an entity not registered with the Board is responsible for a disclaimer violation.

Finally, during the recent legislative session, the legislature adopted specific independent expenditure disclaimer language and made other changes to the requirements for all disclaimers. Board staff plans to send a bulletin highlighting these changes to entities registered with the Board and other interested parties. Before sending the mailing, Board staff wants to confirm that the Board is comfortable with the position that a disclaimer on a Facebook page can be in the banner picture on the home page or in the About section.

Attachments:

Summary of OAH decisions

Chart with Board decisions

Report of disclaimer requirements in other states



**Board decisions involving disclaimers**

Name	Penalty amount	Type of material	Factors
Republican Party of Minnesota; Friends of Phil Krinkie (complaint)	\$3,000	Independent expenditure brochure	Designer knew brochure was an IE but put candidate disclaimer on it anyway
Committee to Elect Mike Moore (complaint)	\$350	4 banners, 1,000 lawn signs, 1,000 literature pieces  Sticker later added to banners and lawn signs	Large number of literature pieces distributed without disclaimer; efforts to mitigate harm by adding disclaimer when possible
Roger Johnson Campaign Committee (self-reported; conciliation agreement)	\$100 (\$50 stayed)	300 literature pieces	Limited number of literature pieces; candidate self-reported
David Bly Committee 20B (complaint)	\$250	566 books written by candidate given to contributors	Number of books distributed without disclaimer; committee's prompt efforts to add disclaimer to 383 books; fact that contributors were likely to know who provided them with book
MN Tea Party Alliance (complaint)	\$0	Independent expenditure literature piece	Violation was not knowingly made (entity believed piece was issue advocacy); therefore no civil penalty provided for in statute
Wagner (Erin) for Minnesota (complaint)	\$300	Radio ad (also violation of transcript requirement)	Two of three ads included disclaimer; violation inadvertent; disclaimer later added; penalty also for transcript violation
Libertarian Party of Minnesota (complaint)	\$0	GoFundMe page	Partial disclaimer showed who was responsible for page; party unit believed it had complied with requirement
Committee to Elect Northbird for District 2A (complaint)	\$0	Website and Facebook page	Candidate directed website designer to include disclaimer and finished website included disclaimer; disclaimer quickly added to Facebook





## **Summary of OAH decisions**

### **Decisions finding substantial compliance**

Gadsen v. Kiffmeyer (2010) - Four-page mailing in tabloid format that started with “Dear Neighbor” and ended with “In service, Mary;” that included pictures of legislator and articles about her legislative efforts; that urged readers to contact legislator at her campaign committee’s website address; and that included legislator’s telephone number and email address substantially complied with disclaimer requirement. Decision also relied on fact that website included disclaimer. Decision stated that the only conclusion a reader could reasonably draw was that legislator or her campaign committee disseminated the material.

Mastrud v. Ellison (2004) - Website that did not use exact disclaimer language but that included name and address of campaign committee was in substantial compliance.

Senn v. Laufenburger cited Gadsen and Mastrud as support for the proposition that material that includes a website address is in substantial compliance if the website prominently displays required disclaimer.

### **Decisions finding no substantial compliance and penalty amounts**

Senn v. Laufenburger (2014) – Although signs and t-shirts included website address, website did not include proper disclaimer. Penalty was \$100 based on acceptance of responsibility and lack of evidence showing violation had any impact on election.

Kinley v. Huber, Carr, & Kaup (2017) – Signs, flyers, and websites had “prepared and paid for” but no addresses. Penalty was \$150 based on fact that mistakes were negligent and had minimal impact on voters. The fact that one person was a first-time candidate was no excuse.

Helander v. Bryant & Knaeble (2016) – Four or five signs had “prepared and paid for” but no addresses. Penalty was \$100 based on inadvertence of mistake, minimal impact on voters, prompt correction, and acceptance of responsibility.

Wunderlich v. Walsh (2014) – Signs, banner, and stickers had only candidate’s name, office sought, and words describing candidate. Penalty was \$250 based on multiple types of campaign material involved, which showed carelessness or negligence rather than an isolated mistake, balanced by addition of stickers and minimal impact on election.

Wunderlich v. Jude (2014) - Facebook page did not indicate who had prepared it or contain any contact information for candidate or candidate’s committee. Penalty was \$100 based on fact that disclaimers on candidate’s other material showed violation was isolated, minimal impact on election, and prompt correction.

### **Other penalty decisions**

Kennedy v. Borchardt (2015) - Postcard attacking mayoral candidate said “brought to you by concerned citizens.” Penalty was \$2,400 based on conclusions that omission was deliberate; that distributor lied under oath at hearing and did not take responsibility for error; and that postcard likely had effect on election because it was inflammatory and delivered days before election.

Schottmuller v. Lund (2016) - Candidate used old lawn signs without disclaimer. Penalty was \$500 based on fact that candidate knew about requirement because his new signs had disclaimer and he was a lawyer; candidate put sticker with new office on old signs and could have added disclaimer at that time; and candidate took risk that old signs would qualify under former exception for signs saying only name and office sought.

Wehking v. Schroeder (2016) – Signs did not include disclaimer. Penalty was \$250 based on fact that violation was not deliberate and minimal impact on election. Fact that other candidates did not have disclaimers either was no excuse.

West v. Citizens for Responsible Government (2012) - Disclaimer not prominent on 2 of 50 signs because it was covered by wood frames. Penalty was \$25 based on inadvertence of violation; minimal impact on election; and prompt corrective measures.



Briefing on Laws Related to Campaign Advertising Disclaimers in Other States  
For the State Administration and Veterans' Affairs Interim Committee

Prepared by Megan Moore, Legislative Services  
April 10, 2012

This briefing is a part of the State Administration and Veterans' Affairs Interim Committee study of anonymous election material and the authority of the Commissioner of Political Practices. Below is a summary of the laws related to campaign advertising in other states and penalties for not complying with disclaimer requirements.<sup>1</sup>

In general, states require a disclosure stating who paid for campaign advertising. Some states also require disclosure of the address of the candidate or committee and the name and title of the person approving the advertisement or the chief executive of a corporation, labor union, or other organization. Many states also required independent expenditures to include a statement that there was no coordination with a candidate or the candidate's campaign.

The type of advertising usually covered is printed material such as newspaper or magazine advertisements, fliers, mailings and signs, as well as advertisements broadcast over the radio or television. States differ as to whether they require disclosure for Internet advertising: Florida specifically exempts Internet advertising while Nevada requires Internet disclaimers. Many other states do not specifically address Internet campaign material. Exemptions from disclosure requirements for small items or apparel, such as buttons, pins, pencils, pens, t-shirts, and hats, are also fairly common.

Some states outline specific fines for violation of the disclaimer requirements while others include the penalties under a broader penalty section that also applies to other sections of law, usually related to campaign finance disclosure. The fines range from \$1,000 to \$10,000. If jail time is specified, the common time frame is up to one year. Many states simply identify a violation as a misdemeanor without specifying a fine or jail sentence.

#### Alabama

The Alabama Fair Campaign Practices Act requires political advertising or electioneering communications that appears in print or broadcast in any electronic media to clearly identify the entity responsible for paying for the advertisement or electioneering communication.<sup>2</sup> There is no specific language or format required but the advertising should be identified as paid advertising and must contain the identification of the person, candidate, principal campaign committee, nonprofit corporation, or other entity placing the ad or distributing the communication. Identification requires the full name and complete address of the entity.

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<sup>1</sup>Information for some states was not readily available and is not included here due to time limitations.

<sup>2</sup>An electioneering communication is any communication disseminated through any federally regulated broadcast media, any mailing, or other distribution, electronic communication, phone bank, or publication that contains the name or image of a candidate, is made within 120 days of an election in which the candidate will appear on the ballot, the only reasonable conclusion to be drawn from the presentation and content is that it is intended to influence the outcome of the election, and entails an expenditure of more than \$1,000.

Violations may be prosecuted by the attorney general or a district attorney and the penalty is a fine of not more than \$2,000 and/or imprisonment of not more than one year.<sup>3</sup>

### Alaska

Campaign communications must contain a "paid for by" statement that includes the words "paid for by" and the name and address of the candidate, group, or individual paying for the advertising. If the communication is an independent expenditure, it must also include the following: "This NOTICE TO VOTERS is required by Alaska law. (I/We) certify that this (mailing/literature/advertisement) is not authorized, paid for, or approved by the candidate." Noncompliance may result in a civil penalty of up to \$50 per day.<sup>4</sup>

### Arkansas

All communications appearing in a newspaper, circulated in the state, or appearing on the radio, television, or another electronic medium and intended to influence the vote must contain the words "paid political advertisement," "paid political ad," "paid for by," "sponsored by" or "furnished by" and the name of the candidate, committee, or person who paid for the message. The person placing the advertising and the publisher are responsible for including the disclaimer. A violation is considered a Class A misdemeanor and is punishable as such. A person convicted under the section of law containing this requirement is ineligible to hold any office or for employment in the state. A person convicted under this section who is employed by the state must be removed from employment and a public officeholder convicted under this section is subject to impeachment.<sup>5</sup>

### California

California's Political Reform Act requires "paid for by" disclaimers on campaign advertising by committees.<sup>6</sup> Specific requirements are as follows:

- Mass mailings must include the identification of the sender;
- Paid telephone calls must identify the candidate or committee who paid for or authorized the call;
- Radio and television ads must include a "paid for by" disclaimer under Federal Communications Commission law;
- Ballot measure and independent expenditure advertising require additional major funding disclaimers as follows:
- Broadcast ads (television, radio, and electronic media) must include "paid for by" and the committee name and list the top two donors of \$50,000 or more;
- Newspaper ads, billboards, yard signs and other print advertisements for ballot measures must include "paid for by" and list the top two donors of \$50,000 or more.

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<sup>3</sup>Office of the Secretary of State, "Campaign Advertising Guidelines," Election 2012.

<sup>4</sup>Alaska Public Offices Commission, "About Campaign Disclosure Law," available from <http://doa.alaska.gov/apoc/FAQs/faq297.html>.

<sup>5</sup>Arkansas Code Annotated, Section 7-1-103(a)(7) and (b).

<sup>6</sup>California Fair Political Practices Commission, "Political Advertising Disclaimers," available from [http://www.fppc.ca.gov/IPmeetings/2012/PoliticalAdvertisingDisclaimersFactSheet.pdf#search="disclaimer"](http://www.fppc.ca.gov/IPmeetings/2012/PoliticalAdvertisingDisclaimersFactSheet.pdf#search=).

Additionally, independent expenditure advertising for or against a candidate must state that the ad was "not authorized by a candidate or committee controlled by a candidate."

Disclaimers are not required on small campaign promotional items such as buttons, pins, bumper stickers, magnets, pencils, pens, rulers, mugs, potholders, key tags, or golf balls. The disclaimer also is not required on t-shirts, caps, hats, other articles of clothing, skywriting, or committee checks or receipts.

The disclaimers for ballot measures and independent expenditures must be updated if the top donors change. Television, radio, and electronic media must be updated within five calendar days. Print media must be amended when an order to reproduce is placed.

The penalty for failure to comply is fine of up to \$5,000 per violation. For ballot measure and independent expenditure advertisements, a violation may be subject to a fine of up to three times the cost of the advertisement.

### Delaware

The answer to a "Frequently Asked Question" on the Delaware Commission of Elections website indicates that the state's Attorney General has ruled that disclosing the purchaser on campaign materials is not required as a result of court cases involving political speech. The website does advise that the Federal Communications Commission regulates radio ads.<sup>7</sup>

### Florida

The disclaimer required on campaign advertising in Florida varies by who pays for the advertising. Political advertising paid for by a candidate should say "Political advertisement paid for and approved by (name of candidate)(party affiliation) for (office sought)." A political advertisement not paid for by a candidate must contain a statement that it is a "paid political advertisement" along with the name and address of the person sponsoring the advertisement.

An electioneering communication must have a disclaimer that reads "Paid electioneering communication paid for by (name and address of person paying for the communication)." An electioneering communication is any communication publicly distributed by a television station, radio station, cable television system, satellite system, newspaper, magazine, direct mail or telephone that:

- refers to a clearly identified candidate without expressly advocating the election or defeat of the candidate but for which there is no reasonable interpretation other than an appeal to vote for or against the candidate;
- is made within 30 days of a primary or special election or within 60 days of any other election for the office sought by the candidate; and
- is targeted to the electorate in the geographical area that the candidate would represent if

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<sup>7</sup>Commissioner of Elections, "FAQS," available from <http://elections.delaware.gov/faqs.shtml#campaign>.

elected.<sup>8</sup>

The disclaimer requirements do not apply to:

- novelty items with a retail value of \$10 or less and that support (but do not oppose) a candidate;
- a campaign message or political advertisement that is designed to be worn by a person;
- an advertisement
- an advertisement placed as a paid link on an Internet website, if the message is no more than 200 characters and the link directs the user to another website that complies with disclaimer requirements;
- an advertisement placed as a graphic or picture link, if compliance is not practical due to the size of the graphic or picture link and the link directs the user to another website that complies with the disclaimer requirements;
- advertisements placed at no cost on an Internet website for which there is no cost to post content for public users;
- information placed or distributed on an unpaid profile or account which is available to the public without charge or on a social networking Internet website, as long as the source of the message or advertisement is patently clear from the content or format of the message or advertisement; and
- a text message, provided that the message is 200 characters or less, or requires the recipient to opt in to receive it.<sup>9</sup>

The Florida Commission on Ethics can impose a fine of up to \$1,000 per count for a willful violation.<sup>10</sup>

### Hawaii

Hawaii law requires all political advertisements to contain the name and address of the candidate, committee, party, or person paying for the advertising. Advertisements authorized by the candidate, except those paid for by the candidate or candidate's committee, must also contain a prominent notice that the candidate approves the advertisement. Advertisements not authorized by the candidate must contain a prominent notice that the advertisement is published or broadcast without the approval of the candidate.

The State Ethics Commission can assess a fine of up to \$25 for each advertisement that lacks the required information but the total fine may not exceed \$5,000.<sup>11</sup>

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<sup>8</sup>Florida Division of Elections, "Frequently Asked Questions," available from <http://election.dos.state.fl.us/gen-faq.shtml#link6>.

<sup>9</sup>Florida Statute, Section 106.143.

<sup>10</sup>Florida Statute, Section 106.265.

<sup>11</sup>Hawaii Revised Statutes, Section 11-391.

## Illinois

A committee making an expenditure for a political communication directed at voters and mentioning the name of a candidate running in the next election must clearly identify the committee paying for the communication, including any committee paying for any part of the communication. Disclosure is not required on items too small to contain the information.

There is no specific penalty listed for violation of this law but the State Board of Elections has the authority to review complaints, require action, and charge penalties.<sup>12</sup>

## Indiana

Indiana law requires disclaimers for political messages concerning candidates for state, local or school board offices. An advertisement paid for by the candidate or candidate's committee should include the following statement, "Paid for by (candidate committee)." If authorized by the candidate but paid for by someone other than the candidate, the statement should read, "Paid for by (committee, person, party), and authorized by (candidate committee)." Advertising not authorized or paid for by the candidate must say, "Paid for by (committee or person), and not authorized by any candidate or candidate's committee."

The disclaimer is not required on small items but must be included on newspaper advertisements, billboards, signs, posters, yard signs, brochures, leaflets, circulars, letterheads, and direct mail pieces sent to more than 100 people.

Violation of the disclaimer law is a Class A misdemeanor, punishable by a fine of up to \$5,000, not more than one year in prison, or both.<sup>13</sup>

## Iowa

An attribution statement disclosing who is responsible for campaign material is required to appear on printed general public political advertising in Iowa. Generally, the words "paid for by" and the name and address of the person or committee are required. If more than one person pays for the material, a statement indicating the addresses of the individuals are on file with the Iowa Ethics and Campaign Disclosure Board is sufficient. If an organization is responsible for the material, the name of one officer of the organization must also appear in the attribution statement. For a corporation, the name and title of the corporation's chief executive officer must appear in addition to the corporation's name and address. In the case of an independent expenditure, the statement should also include language that the material was not authorized by any candidate, candidate's committee, or ballot issue committee.

The attribution requirement does not apply to editorials or news articles, small items, articles of clothing, published material subject to federal regulations, or any individual acting

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<sup>12</sup>Illinois Compiled Statutes, Title 10, Article 9.

<sup>13</sup>Indiana Elections Division, "Political Signs and 'Disclaimer' Requirements For Political Literature and Advertisements, revised Nov. 2007."



independently who spends less than \$100 to advocate for or against a ballot measure.<sup>14</sup>

A person convicted of a willful violation of the attribution statement requirements is guilty of a serious misdemeanor.<sup>15</sup>

### Maryland

Campaign material must include an authority line stating the name and address of the person responsible for the production and distribution of campaign material. Campaign material includes signs, buttons, letters, tickets, solicitations, radio and television advertisements, websites, bumper stickers, pencils, hats and t-shirts. The Maryland Attorney General has stated that almost no material is too small to include the authority line.

Campaign material produced by a political committee must also contain the name of the committee treasurer and the campaign finance entity. An independent expenditure not authorized by a candidate should include the following statement, "This message has been authorized and paid for by (name). This message has not been authorized or approved by any candidate." The authority line must also include the name and address of the entity, and the name and title of the president, treasurer, or person responsible for the material.

The penalty for violating the attribution requirements is a fine of up to \$1,000, imprisonment of up to one year, or both.<sup>16</sup>

### Massachusetts

An electioneering communication or independent expenditure must include a statement clearly disclosing the identity of the individual, corporation, group, or association paying for the advertisement. A radio or television advertisement must include a statement by the individual indicating that the individual paid for the advertisement and the individual's city of residence. A radio or television advertisement paid for by a corporation, group, association, or labor union must contain a statement by the chief executive officer, the chairman or principal officer of the group, or the chief executive or business manager of the labor union.

A violation is punishable by imprisonment for not more than 1 year or by a fine of not more than \$10,000 or both.<sup>17</sup>

### Minnesota

Minnesota statute requires a disclaimer on campaign literature but the Minnesota Court of

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<sup>14</sup>Iowa Code, 68A.405.

<sup>15</sup>Iowa Code, 68A.701.

<sup>16</sup>Maryland State Board of Elections, "Summary Guide to Candidacy and Campaign Finance Laws," available from [http://elections.state.md.us/summary\\_guide/index.html](http://elections.state.md.us/summary_guide/index.html).

<sup>17</sup>General Laws of Massachusetts, Chapter 55:18G.

Appeals found the section of law unconstitutional in two cases, *Riley v. Jankowski* (2006) and *Minnesota Citizens Concerned for Life, Inc. v. Kelley* (2003). Section 211B.04 relates to other printed material and states that the material must include the name and address of the person or committee that prepared and disseminated the material. Exceptions include objects stating only the candidate's name and office sought, fundraising tickets, and personal letters from the candidate. There is also an exception for individuals or an association acting independently and spending less than \$2,000 for materials distributed at least seven days before the election. The 2010 Minnesota Legislature amended this section of law to add an effective date of June 1, 2010 and clarify that the law applies to campaign material disseminated after that date.<sup>18</sup>

A separate section of law requires every advertisement in a newspaper, periodical, or magazine to include the words "paid advertisement." The advertisement also must include the name of the candidate and committee that paid for the advertisement.<sup>19</sup>

Violation of either statute is a misdemeanor.<sup>20</sup>

### Missouri

The Missouri requirements for campaign advertisement disclosures vary depending on who paid for the advertising. The disclosure is required on printed material including pamphlets, circulars, handbills, sample ballots, signs, and newspaper or other periodical advertisements. A candidate paying for advertising from personal funds must disclose the first name and last name by which the candidate is known. A committee advertisement disclosure should include the committee name registered pursuant to Missouri campaign finance law and the committee treasurer's name and title. A corporation, labor organization, or other committee that is not organized for influencing elections must disclose the entity's principal officer's name, title, and mailing address. An individual or individuals must provide their name(s) and mailing address(es). If more than five individuals paid for the advertising, there may be a statement such as "for a list of sponsors contact (name, address of one individual responsible for material)."

Exceptions to the disclosure requirements include personal items such as buttons, pins, pens, matches, clothing, or water bottles, that are paid for by a candidate or committee supporting a candidate or ballot issue and obviously identified with the candidate or ballot issue as long as the cost is reported as required by campaign disclosure law.<sup>21</sup>

The penalty for violation of this section of law is a fine equal to the expenditure for the

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<sup>18</sup>2011 Minnesota Statutes, Section 211B.04.

<sup>19</sup>2011 Minnesota Statutes, Section 211B.05.

<sup>20</sup>2011 Minnesota Statutes, Section 211B.19.

<sup>21</sup>Missouri Ethics Commission, "[Campaign Finance Frequently Asked Questions](#)," p. 23-24.

advertisement that was not properly disclosed.<sup>22</sup> A person who "purposely violates" the provisions is guilty of a class A misdemeanor.<sup>23</sup>

### Nebraska

Nebraska law requires printed political material such as billboards, placards, posters, or pamphlets, related to a candidate or a ballot measure to include a disclaimer with the name and street address of the person paying for the material. A radio or television advertisement also must contain a disclaimer with the name of the payee. Additionally, the radio or television station must keep on file, for at least six months, the street address of the person paying for the advertisement and divulge that information upon request. A violation of these provisions is a Class IV misdemeanor.<sup>24</sup>

### Nevada

Per Nevada state law, a person or committee that pays more than \$100 for a communication through a television or radio broadcast, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising that advocates for or against a candidate or group of candidates or solicits contributions must disclose the name of the person or committee that paid for the communication. If the communication is approved by a candidate, the communication must include a statement to that effect and disclose the street address, telephone number and Internet address of the person or committee that paid for the communication. In addition, a person or committee that has an Internet website for general viewing or that sends e-mail to more than 500 people and that advocates for a candidate or group of candidates and solicits contributions, must disclose the name of the person or committee on the website or e-mail.<sup>25</sup>

The Secretary of State may conduct investigations concerning alleged violations.<sup>26</sup> A violation is subject to a civil penalty of up to \$5,000 for each violation and payment of court costs and attorney fees. The civil penalty must be recovered in a civil action by the Secretary of State.<sup>27</sup>

### New Jersey

New Jersey law requires a candidate or other committee paying for communications promoting the election or defeat of a candidate or ballot issue to include the name and address of the committee financing the communication. A communications includes a press release, pamphlet,

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<sup>22</sup>Missouri Revised Statutes, Section 130.072.

<sup>23</sup>Missouri Revised Statutes, Section 130.081.

<sup>24</sup>Nebraska Revised Statutes, Section 49-1474.01.

<sup>25</sup>Nevada Revised Statutes, Section 294A.348.

<sup>26</sup>Nevada Revised Statutes, Section 294A.410.

<sup>27</sup>Nevada Revised Statutes, Section 294A.420.

flyer, form letter, sign, billboard, paid advertisement printed in any newspaper or other publication or broadcast on radio or television, or telephone call featuring a recorded message.

A communication financed by a person not coordinating with a candidate or the candidate's committee must contain a statement that the expenditure was not made with the cooperation or prior consent of the candidate.

The penalty for a violation is a fine of up to \$6,000 for the first offense and up to \$12,000 for the second and subsequent offenses.<sup>28</sup>

#### New Mexico

New Mexico law related to campaign advertising separates publishing and printing the material from distribution of the material. In both cases, a person, organization, or political committee is required to include the name of the sponsor and the material covered by the disclosure requirement includes handbills, petitions, circulars, and similar written material. Not including the name of the sponsor when publishing or printing such material is a fourth degree felony. Distribution or circulation of material without the name of the sponsor, however, is a misdemeanor.<sup>29</sup>

#### North Carolina

North Carolina prohibits the sponsor of advertisement in the print media or on the radio or television unless it includes a paid for by statement with the name of the candidate, candidate campaign committee, political party, political action committee, individual, or other sponsor. In the case of a ballot measure, the advertisement must include whether the sponsor is for or against the ballot measure. For advertisements supporting or opposing candidates, the sponsor must state whether the advertisement is authorized by the candidate. For an advertisement that identifies a candidate the sponsor is opposing and that the sponsor coordinated with an opponent, the sponsor must disclose in the advertisement the name of the candidate who is intended to benefit from the advertisement.

Print media advertising that is an independent expenditure or an electioneering communication must include a disclosure from the sponsor of the names of the persons making the five largest donations to the sponsor within a six-month period before the advertisement.

A person guilty of violating this section of law is guilty of a Class 1 misdemeanor.<sup>30</sup>

#### North Dakota

North Dakota law requires every political advertisement by newspaper, pamphlet, display card,

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<sup>28</sup>New Jersey Permanent Statutes, Section 19:44A-22 and 19:44A-22.3.

<sup>29</sup>New Mexico Statutes Annotated 1978, Sections 1-19-16 and 1-19-17.

<sup>30</sup>North Carolina General Statutes, Section 163-278.39.

sign, poster, billboard, or website on behalf of or in opposition to any candidate for public office or ballot measure to contain a disclosure statement with the name of the person, political committee, political party, corporation, or other organization that paid for the advertisement. If the name of a political party, association or partnership is used, the disclaimer must also contain the name of the chairman or responsible individual.<sup>31</sup>

A violation of this section of law is considered a class A misdemeanor.<sup>32</sup>

### Pennsylvania

A person making an expenditure to finance communications advocating the election or defeat of a candidate or ballot question through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising must clearly state whether the communication was authorized by the candidate or the candidate's political committee. If the candidate or the candidate's political committee did not authorize the advertising, the name of the person making the expenditure should be clearly stated.

A person guilty of violating this section is guilty of a misdemeanor and subject to a fine of up to \$1,000, imprisonment of at least one month and up to two years, or both.<sup>33</sup>

### Rhode Island

Paid campaign advertising in periodicals for or against a candidate or ballot question must contain a disclosure including the name of the chairperson or secretary or the names of two officers of the organization or the name and address of the responsible person.<sup>34</sup> In addition, a person publishing or distributing a circular, flier, or poster for or against a candidate or ballot question must include a statement with the name of the author and either the names of the chairperson and secretary or two officers of the organization issuing the poster, flier, or circular. If an individual is responsible, the individual's name and address must be included.<sup>35</sup>

Violation of these sections of law is a misdemeanor.<sup>36</sup>

### South Carolina

South Carolina law requires a candidate, committee, or person making an expenditure for the distribution, posting, or broadcast of a communication to voters, supporting or opposing a

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<sup>31</sup>North Dakota Century Code, Section 16.1-10-04.1.

<sup>32</sup>North Dakota Century Code, Section 16.1-10-08.

<sup>33</sup>Pennsylvania Statutes, Title 25, chapter 3258, section 1638.

<sup>34</sup>Rhode Island General Laws, Section 17-23-1.

<sup>35</sup>Rhode Island General Laws, Section 17-23-2.

<sup>36</sup>Rhode Island General Laws, Section 17-23-3.

candidate, official, or ballot measure to place the entity's name and address on printed matter or have the name and address spoken clearly on a broadcast. Exemptions include buttons, balloons, and yard signs.<sup>37</sup>

A violation of this section is considered a misdemeanor carrying a fine of up to \$5,000, imprisonment for up to one year, or both.<sup>38</sup>

### Tennessee

The Tennessee disclaimer law requires any person making an expenditure for the purposes of financing a communication that advocates for or against a candidate or solicits a contribution through a broadcasting station, newspaper, magazine, outdoor advertising facility, poster, yard sign, direct mailing, or other general public political advertising to give notice of who paid for and authorized the communication. This includes a statement indicating whether or not a candidate authorized the communication. For a political committee that is not a candidate committee, a solicitation must clearly state the name of the person who paid for the communication. Disclaimers are not required on bumper stickers, pins, buttons, novelties, and similar small items.

A violation of these provisions is a Class C misdemeanor.<sup>39</sup>

### Texas

Texas law requires political advertising containing "express advocacy"<sup>40</sup> to indicate that it is political advertising and to contain the full name of the person who paid for the advertising, the political committee authorizing the advertising, or, if the political advertising is authorized by the candidate, the candidate or committee supporting the candidate. The law does not apply to tickets or invitations to political fundraisers, campaign buttons, pins, hats, or similar campaign materials, or circulars or flyers that cost less than \$500 to publish and distribute.

The disclosure statement must include the words "political advertising" or a recognizable abbreviation and the full name of the person who paid for the political advertising, the political committee authorizing the political advertising, or the candidate or committee supporting the candidate if the political advertising is authorized by the candidate. The penalty for violating the section of law related to political advertising disclosure is a civil penalty determined by the Texas Ethics Commission not to exceed \$4,000.

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<sup>37</sup>South Carolina Code of Laws, Section 8-13-1354.

<sup>38</sup>South Carolina Code of Laws, Section 8-13-1520.

<sup>39</sup>Tennessee Code Annotated, Section 2-19-120.

<sup>40</sup>Political advertising authorized by a candidate, an agent of a candidate, or a political committee filing campaign finance reports is considered express advocacy.

## Utah

A person making an expenditure for the purposes of financing an advertisement advocating the election or defeat of a candidate or soliciting contributions through a broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other general public political advertising must include a statement indicating who paid for the advertisement and whether or not the candidate authorized the advertisement. Exceptions include lawn signs four by eight feet or smaller, bumper stickers, campaign pins, buttons, pens, and similar small items.<sup>41</sup>

There does not appear to be a penalty in Utah law for violation of these provisions.

## Washington

Washington law requires written advertising such as newspaper advertisements, billboards, signs, brochures, articles, tabloids, flyers and letters to identify the sponsor's name and address. Yard signs, bumper stickers, and other small items are exempt from this requirement. Advertisements broadcast on the radio or television must include the sponsor's full name but not the address.

An independent expenditure is advertising that supports or opposes a candidate, is paid for by someone other than the candidate, is not coordinated with the candidate, and costs at least \$900 or combined with earlier advertising totals \$900 or more. Independent expenditures must contain a statement indicating that no candidate authorized the advertising. Written ads must include the sponsor's name and address, including the city and state. Broadcast and telephone ads only have to include the sponsor's name and city and state. In both cases, if the advertisement is sponsored by a committee required to file with the Public Disclosure Commission, the sponsor must include information on the top five contributors.<sup>42</sup>

The Public Disclosure Commission enforces these provisions and can assess a penalty of up to \$10,000.<sup>43</sup>

## West Virginia

West Virginia law prohibits publishing or circulation of an anonymous letter, circular, placard, radio, or television advertisement supporting the election or defeat of a clearly identified candidate. A violation is a misdemeanor carrying a fine of up to \$1,000, jail time of up to one year, or both.<sup>44</sup>

## Wisconsin

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<sup>41</sup>Utah Code, Section 20A-11-901.

<sup>42</sup>Public Disclosure Commission, "Political Advertising," available from <http://www.pdc.wa.gov/archive/guide/brochures/pdf/2012/2012.Bro.Adv.pdf>, March 2012.

<sup>43</sup>Revised Code of Washington, Section 42.17A.755.

<sup>44</sup>West Virginia Code, Section 3-8-12.

Wisconsin law requires printed advertisements, handbills, sample ballots, television or radio advertisement, and other communication to include a "paid for by" statement with the name of the committee or group and the name of the treasurer or other authorized agent. A communication paid for by an individual (including a candidate without a campaign committee) must include a "paid for by" statement with the individual's name. Independent expenditures must also contain the words, "Not authorized by any candidate or candidate's agent or committee."<sup>45</sup>

This section of law is enforceable by the Government Accountability Board or the district attorney for the county where the defendant resides. A person violating these provision is subject to a fine of up to \$500 for each violation.<sup>46</sup> A violation of the prohibition on anonymous election advertising is a Class I felony.<sup>47</sup>

### Wyoming

Wyoming law requires a candidate or committee to include in campaign literature or campaign advertising the name of the candidate or committee sponsoring the literature or advertising. Small campaign items such as tickets, bumper stickers, pens, pencils, buttons, ruler, nail files, balloons, and yard signs displaying the name of the candidate or office sought are exempt from the requirement.<sup>48</sup>

Violation of this section of law is a misdemeanor punishable by up to six months in jail, a fine of up to \$1,000, or both.<sup>49</sup>

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<sup>45</sup>Wisconsin Statutes, Section 11.30.

<sup>46</sup>Wisconsin Statutes, Section 11.60.

<sup>47</sup>Wisconsin Statutes, Section 11.61.

<sup>48</sup>Wyoming Statutes, Section 22-25-110.

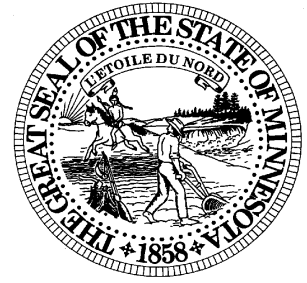
<sup>49</sup>Wyoming Statutes, Section 22-26-112.





Minnesota

*Campaign Finance and  
Public Disclosure Board*



**Date:** May 30, 2018

**To:** Board members

**From:** Jeff Sigurdson, Executive Director

**Telephone:** 651-539-1189

**Re:** Advisory opinion 447 – Contributions from Unregistered Associations

This advisory opinion was requested by the representative of a principal campaign committee who does not wish to make the request public. Therefore, both a public and non-public draft version of the opinion are provided for the Board's review.

The requestor asks eleven questions on the appropriateness of accepting contributions from various types of unregistered associations. Most of the questions involve contributions from political committees registered with the Federal Election Commission (FEC).

The Board has previously issued Advisory Opinions 371 and 375 on the topic of accepting contributions from a separate segregated fund registered with the FEC. The opinions are attached to this memo for your reference.

Attachments:

Advisory Opinion 371

Advisory Opinion 375

Advisory opinion request

Nonpublic version of draft advisory opinion

Public version of draft advisory opinion



State of Minnesota  
**Campaign Finance and Public Disclosure Board**  
Suite 190, Centennial Building. 658 Cedar Street. St. Paul, MN 55155-1603

**THE FOLLOWING PUBLICATION DOES NOT IDENTIFY THE  
REQUESTER OF THE ADVISORY OPINION, WHICH IS NON PUBLIC DATA  
under Minn. Stat. § 10A.02, subd. 12(b)**

**RE: Unregistered Associations Reporting Obligations; Contributions from  
Separate Segregated Funds as Corporate Contributions**

**ADVISORY OPINION 371**

**SUMMARY**

The 30-day minimum reporting period for unregistered associations is in addition to the reporting periods set forth in Minn. Stat. § 10A.20. A contribution from a federally-recognized separate segregated fund containing corporate contributions to a Minnesota political organization (other than a ballot question committee) constitutes a prohibited corporate contribution under Minn. Stat. § 211B.15, subd. 2. There is no provision in Chapter 10A that provides for separate accounting for corporate funds held by an organizational contributor to a Minnesota political organization.

**FACTS**

As a firm representing entities that wish to participate in the Minnesota political process as unregistered associations under Minn. Stat. § 10A.27, subd. 13, you request an advisory opinion based on the following:

1. The organizations you represent wish to provide monetary contributions to no more than three groups per year.
2. The organizations you represent are federally-recognized separate segregated funds.
3. The separate segregated funds may be permitted under federal law to receive start-up and administrative expenses from a corporation without those items constituting a contribution under federal law.

## ISSUE ONE

Does the 30-day reporting period for unregistered associations set forth in Minn. Stat. § 10A.27, subd. 13(b) supersede the year long and staggered reporting periods in Minn. Stat. § 10A.20, subd. 4?

## OPINION ONE

No. The 30-day minimum reporting period for unregistered associations is in addition to the reporting periods set forth in Minn. Stat. § 10A.20.

The general campaign reporting requirements in Chapter 10A are set forth in Minn. Stat. § 10A.20, which requires that reports be filed for all entities required to report on January 31, with additional reports due depending on the nature of the reporting entity and whether it is an election year. Subdivision 4 of this section generally requires that every report cover the period from the last day covered by the previous report to seven days before the filing date. Minn. Stat. § 10A.20, subd. 4.

Section 10A.27, subd. 13 prohibits the treasurer of a political committee, political fund, principal campaign committee or party unit from accepting a contribution over \$100 from an unregistered association unless the contribution is accompanied by a written statement “that meets the disclosure and reporting period requirements imposed by section 10A.20.” (emphasis added)

Subpart (b) of subdivision 13 requires that the written statement provided by an unregistered association cover “at least” the 30 days immediately preceding and including the date on which the contribution was made. (emphasis added).

It appears that the legislature intended unregistered associations to comply with both reporting requirements, as section 10A.27, subd. 13(a) expressly incorporates the general reporting requirements of section 10A.20, and subd. 13(b) of section 10A.27 provides that in no event would the statement cover less than 30 days preceding the donation. The minimum 30-day reporting requirement ensures that at least some contribution history is revealed by an entity that may not have a previous report on which to base the statement as described in section 10A.20, subd. 4, and that might, for example, make a single large contribution on January 1. Without the 30-day minimum reporting period, an unregistered association that makes a January 1 contribution might provide a written statement with only that contribution reported.

In sum, the plain language of section 10A.27, subd. 13, which requires an unregistered association to comply with section 10A.20, and the legislature’s use of the term “at least” with reference to the 30-day reporting requirement, indicate that the reporting obligations are not mutually exclusive. The statutes work together to impose an additional obligation on unregistered associations to ensure that each report accompanying a contribution reflects the contribution history at least 30 days prior to the contribution.

## **ISSUE TWO**

Is corporate assistance to a federally recognized separate segregated fund a “contribution” attributable to a Minnesota political organization receiving a contribution from the separate segregated fund?

## **OPINION TWO**

Yes. As the requestor recognizes, the Board lacks jurisdiction to interpret Minn. Stat. § 211B.15, which prohibits corporate political contributions. However the Board must acknowledge the provisions of Chapter 211B when they bear on the reporting obligations under Chapter 10A, which is the context in which the requestor raises this issue.

Federal law recognizes entities called “separate segregated funds” as political committees set up by corporations and labor organizations that may make contributions to and expenditures on behalf of federal candidates and other committees. Minnesota law differs from federal law, in that section 211B.15 prohibits a corporation from making a contribution, or offering or agreeing to make a contribution, “directly or indirectly, of any money, property, free service of its officers, employees, or members, or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office.” Minn. Stat. § 211B.15, subd. 2. There is a limited exception to this prohibition in Minn. Stat. § 211B.15, subd. 17, which permits a nonprofit corporation to provide limited administrative assistance to one political committee or fund that is associated with the nonprofit. This limited specific exception indicates that the very broad prohibition in Minn. Stat. §211B.15, subd. 2, includes any other corporate assistance in the form of start-up and administrative expenses. Similarly, under Chapter 10A, a contribution includes money, a negotiable instrument, or a donation in kind. Minn. Stat. § 10A.01, subd. 11.

Under the facts presented, the separate segregated fund consists of corporate funds. Therefore, a contribution from the separate segregated fund to a Minnesota political organization (other than a ballot question committee) constitutes a prohibited corporate contribution. Minn. Stat. § 211B.15, subd. 2.

## **ISSUE THREE**

If corporate assistance as described above is a contribution, should a separate segregated fund’s disclosure statement report the method of accounting and segregation used to show that corporate funds did not commingle with the funds provided to the Minnesota political organization?

## **OPINION THREE**

The question assumes that segregation of corporate funds by a contributor to a Minnesota political organization is permissible, which is not the case under Minnesota law. There is no provision in Chapter 10A that provides for separate accounting for corporate funds

held by an organizational contributor to a Minnesota political organization. Moreover, simply segregating such funds does not ensure that corporate funds do not indirectly benefit the Minnesota political organization. For example, if the separate segregated fund can use corporate funds for its internal administrative and personnel costs, leaving private contributions to be used for contributions to a Minnesota political organization, the corporate funds have indirectly benefited the Minnesota political organization. Because Minn. Stat. § 211B.15 includes in its prohibition indirect contributions by corporations to Minnesota political organizations, segregating corporate funds does not appear to be a permissible option.

Again, although the Board lacks jurisdiction to interpret Chapter 211B, where, as here, a question arises in the context of Chapter 10A reporting obligations, the Board must acknowledge the requirements of section 211B.15, which appear to prohibit the requestor's proposed course of action.

Issued November 22, 2005

A handwritten signature in cursive script that reads "Terri Ashmore". The signature is written in black ink and is positioned above a horizontal line.

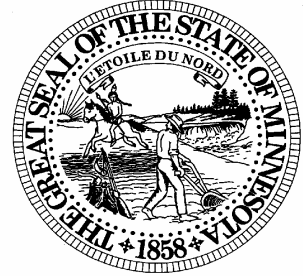
Terri Ashmore, Chair  
Campaign Finance and Public Disclosure Board





Minnesota

# *Campaign Finance and Public Disclosure Board*



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**THE FOLLOWING PUBLICATION DOES NOT IDENTIFY THE  
REQUESTER OF THE ADVISORY OPINION, WHICH IS NON PUBLIC DATA  
under Minn. Stat. § 10A.02, subd. 12(b)**

**RE: Segregated Accounts; Registration and Reporting**

## **ADVISORY OPINION 375**

### **SUMMARY**

The obligation of a political committee to register and report contributions and expenditures under Minnesota Statutes, section 10A.20, is not limited or otherwise altered by the use of a segregated account.

### **FACTS**

As Counsel for a federally registered political action committee (the PAC) you request an advisory opinion from the Campaign Finance and Public Disclosure Board (the Board) to clarify its reporting obligations based on the following facts.

1. Under federal law, the PAC may use segregated accounts for receipts and disbursements for particular purposes.
2. The PAC is a political committee as defined by Minnesota Statutes, section 10A.01, subdivision 27.
3. The PAC intends to make contributions to candidates for Minnesota state office.
4. The PAC receives contributions only from individuals and other federally registered political committees.
5. The PAC cannot accept contributions from corporations
6. The PAC does not use corporate or labor organization funds for its administrative or startup costs.

7. The PAC wishes to establish a segregated account that would include only contributions of no more than \$5000 from individuals.
8. The PAC wishes to register the segregated account with the Board as a political committee and report its Minnesota activity from the segregated account.

The requestor notes the contents of Advisory Opinion 371, but believes that their situation is distinct or distinguishable from that addressed by opinions 2 and 3 of Advisory Opinion 371.

### **ISSUE ONE**

May a segregated account established by the PAC be registered and report as a Minnesota political committee?

### **OPINION ONE**

No. Under Minnesota Statutes, section 10A.01, subdivision 27, a “political committee” is defined as an “association” having described purposes. Section 10A.01, subdivision 6 defines an “association” as “two or more persons...acting in concert...” Although useful under federal law, a segregated account is an accounting procedure and not an association or political committee under Minnesota law. Such an account may not itself register and report as a political committee.

### **ISSUE TWO**

Does the use of a segregated account limit or otherwise alter the reporting requirements of a political committee under Minnesota Statutes, section 10A.20 and the other provisions of chapter 10A?

### **OPINION TWO**

No. Unlike federal law, Minnesota law does not recognize a segregated account as an entity or procedure with any special legal status. The use of such an account does not limit or otherwise alter the reporting requirements under Minnesota Statutes, section 10A.20. If the PAC makes disbursements to Minnesota candidates, the PAC must report all its contributions and expenditures as required by Minnesota Statutes, section 10A.20, regardless of the accounting procedures that it adopts.

### ISSUE THREE

Does the stated fact that none of the PAC's administrative costs are discharged from corporate contributions avoid the prohibition on corporate contributions provided by Minnesota Statutes section 211B.15, subdivision 2 and discussed in Advisory Opinion 371, Opinions two and three?

### OPINION THREE

As pointed out in Advisory Opinion 371, the Board does not have authority to interpret Minnesota Statutes, section 211B.15, except as the section relates to the requirements of Minnesota Statutes, chapter 10A. The use of a segregated account does not affect the reporting obligations of the PAC. Counsel for the PAC should consider that if direct or indirect corporate contributions are received by a political committee, they may not be contributed to Minnesota candidates or used to discharge administrative costs, without raising the question of the application of section 211B.15, regardless of how the contributions are reported under section 10A.20 or accounted for internally by the PAC.

Issued January 11, 2006

  
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Bob Milbert, Chair  
Campaign Finance and Public Disclosure Board



**State of Minnesota  
Campaign Finance & Public Disclosure Board  
Suite 190, Centennial Building. 658 Cedar Street. St. Paul, MN 55155-1603**

**THE FOLLOWING PUBLICATION DOES NOT IDENTIFY THE  
REQUESTER OF THE ADVISORY OPINION, WHICH IS NON PUBLIC DATA  
under Minn. Stat. § 10A.02, subd. 12(b)**

**ADVISORY OPINION 447**

**SUMMARY**

A principal campaign committee must consider an unregistered association's sources of funding to determine whether it can accept a contribution from that unregistered association.

**Facts**

As a representative of a candidate's registered principal campaign committee, you ask the Campaign Finance and Public Disclosure Board for an advisory opinion on behalf of the principal campaign committee based on the following facts:

1. The principal campaign committee may receive contributions from unregistered associations. For the purpose of this advisory opinion unregistered associations include political committees registered with the Federal Elections Commission (FEC) and political committees registered in other states.
2. The requester is aware that there are different types of political committees registered with the FEC, and wishes to understand if contributions from certain types of FEC committees may be accepted by a principal campaign committee.
3. The requester is aware of applicable individual and aggregate special source limits on contributions from unregistered associations. The principal campaign committee is also aware of the additional disclosure requirements found in Minnesota Statutes section 10A.27, subdivision 13, for unregistered associations that contribute more than \$200 to a principal campaign committee. The principal campaign committee will insure that contributions from unregistered associations comply with contribution limit and reporting provisions of Chapter 10A.

**Introduction**

Most contributions received by principal campaign committees are from individuals or from political committees, political funds, or political party units registered with the Board. All registered committees, funds, and party units file periodic reports with the Board, and are required to comply with applicable limitations on sources of funding found in Minnesota campaign finance law.

In addition, Chapter 10A provides that a principal campaign committee may accept contributions from unregistered associations with restrictions. Typically the unregistered associations that

make contributions are in fact registered as a political committee or political fund, but in a state other than Minnesota, or with the FEC. To insure that unregistered associations are not making contributions from sources prohibited under Chapter 10A, and to insure that there is public disclosure regarding the unregistered associations participating in Minnesota state elections, an unregistered association that contributes more than \$200 to a principal campaign committee, political committee or fund, or party unit registered with the Board must provide a disclosure statement with the contribution.<sup>1</sup> In specific Minnesota Statutes, section 10A.27, subdivision 13, provides in part:

Subd. 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 \$200 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.

An unregistered association that makes contributions of over \$200 to more than three political committees, political funds, principal campaign committees, or party units in a year is required to register with the Board.

For the purposes of this advisory opinion the Board must consider the organization and source of administrative support and contributions provided to various types of political committees registered with the FEC (FEC PACs). The Board's understanding of FEC PACs is drawn from FEC publications, and is summarized in the descriptions provided below.

**Separate segregated fund (SSF)** Under federal law, corporations and labor organizations may set up political committees which make contributions to and expenditures on behalf of federal candidates and other political committees. Federal election law refers to this type of corporate or labor political committee as a separate segregated fund. A corporation or union that sponsors an SSF is called the connected organization. The connected organization may exercise control over the expenditures and contributions made by the SSF. The funds raised by the SSF must come from individuals. Direct corporate contributions to the SSF are prohibited. Individuals who contribute to the SSF must be affiliated with the connected organization. For example, the SSF for a corporation with capital stock may solicit only the corporation's stockholders, executive and administrative personnel, and the families of both groups. A labor union and its SSF may solicit only union members and their families. The connected organization may pay for the operating costs of the SSF, including fundraising expenses. The administrative support provided by the connected association is exempted from the federal definition of contribution or expenditure, and therefore is not subject to disclosure by the SSF to the FEC. The official name of the SSF must include the full name of the connected association.

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<sup>1</sup> The disclosure required with contributions from unregistered associations to ballot question committees and funds and to independent expenditure committees and funds is defined in Minnesota Statutes section 10A.27, subdivisions 14 and 15. The disclosure provided with contributions to these types of committees and funds is very different from the disclosure provided with a contribution to a principal campaign committee, and is outside of the scope of this advisory opinion.

**Nonconnected political committee** A nonconnected political committee does not have a connected organization. A nonconnected political committee must either pay for its operating costs and fundraising expenses from the contributions it raises, or it must report as an in-kind contribution any administrative cost or fundraising expenses paid for by another association. In-kind contributions are subject to federal limits, prohibitions, and disclosure requirements. A nonconnected political committee may receive limited administrative support from an organization that is not a corporation or a labor organization. For example, a partnership may provide limited support to a nonconnected committee. A nonconnected political committee may not accept direct corporate or labor donations.

**Leadership committee** Federal candidates may establish a leadership committee that is separate from the authorized committee of the candidate. Under federal law the leadership committee may make expenditures or contributions to other federal and state-level candidates consistent with federal and state limits and regulations. A leadership committee is directly or indirectly established, financed, maintained, and controlled by a candidate for federal office. A leadership committee is a type of nonconnected political committee, and may not accept direct corporate or labor donations.

The Board has previously addressed the question of whether an SSF may contribute to Minnesota committees in Advisory Opinions 371 and 375. Both opinions found it problematic for an SSF receiving corporate administrative support to make contributions in Minnesota. The Board's opinions were limited in scope because at the time the opinions were issued, Minnesota Statutes section 211B.15, which regulates corporate contributions to Minnesota committees, was outside of the Board's jurisdiction. The Board now has jurisdiction over section 211B.15 and therefore may provide an opinion on how that statute applies to contributions made to committees, funds, and party units registered with the Board.

### **Issue One**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered separate segregated fund receiving limited administrative support from a connected organization that is a for-profit corporation?

### **Opinion One**

Under the provisions of Minnesota Statutes section 10A.01, subdivision 11, a contribution may include donations of money and in-kind donations of goods or services. Administrative support to run an SSF, including its fundraising efforts, are therefore in-kind donations under Chapter 10A, and are subject to the regulations on contributions.

Contributions from for-profit corporations are prohibited in Minnesota Statutes section 211B.15, subdivision 2, which states:

Subd. 2. **Prohibited contributions.** (a) A corporation may not make a contribution or offer or agree to make a contribution directly or indirectly, of any money, property, free service of its officers, employees, or members, or thing of monetary value to a political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office.

Because administrative support and fundraising efforts are in-kind contributions from the for-profit corporation to the SSF and because in-kind contributions, either direct or indirect, from a for-profit corporation are prohibited in Minnesota, a principal campaign committee may not accept a contribution from an SSF with a connected organization that is a for-profit corporation. The Board recognizes that under federal law administrative support and fundraising costs provided to an SSF from its connected organization are not considered contributions. However, the federal definition of contribution does not create a different standard for unregistered associations that choose to make contributions to committees registered with the Board. Instead, the Board must apply the Minnesota definition of contribution to these entities.

### **Issue Two**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered separate segregated fund receiving limited administrative support from a connected organization that is a limited liability company?

### **Opinion Two**

Minnesota Statutes section 211B.15, subdivision 1, defines the types of entities included in the definition of corporation. This provision provides that “corporation” includes “a limited liability company formed under chapter 322B or 322C, or under similar laws of another state, that does business in this state.”

Therefore, for the reasons discussed under Opinion One, a principal campaign committee may not accept a contribution from an SSF with a connected organization that is a limited liability company.

### **Issue Three**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered separate segregated fund receiving limited administrative support from a connected organization that is a partnership?

### **Opinion Three**

A partnership is not included in the definition of corporation found in Minnesota Statutes section 211B.15, subdivision 1. Therefore a partnership’s provision of administrative and fundraising support to an SSF does not fall within the prohibitions in section 211B.15. A principal campaign committee therefore may accept a contribution from an SSF with a connected organization that is a partnership.

If the contribution is more than \$200, the principal campaign committee must obtain the underlying disclosure required by Minnesota Statutes section 10A.27, subdivision 13, and provide a copy of that disclosure to the Board with the report that contains the contribution. The administrative and fundraising support from the partnership is an in-kind contribution to the SSF, and therefore must be accurately valued and reported as a contribution from the partnership to the SSF on the underlying disclosure statement provided to the principal campaign committee.



#### **Issue Four**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered separate segregated fund receiving limited administrative support from a connected organization that is a labor organization?

#### **Opinion Four**

Labor organizations are not required to file articles of incorporation. An unincorporated labor organization therefore is not included in the prohibition on corporate contributions. A principal campaign committee therefore may accept a contribution from an SSF with a connected organization that is a labor organization. As stated in Opinion Three, if the contribution is more than \$200, the principal campaign committee must obtain the underlying disclosure required by Minnesota Statutes section 10A.27, subdivision 13, and provide a copy of that disclosure to the Board with the report that contains the contribution. The administrative and fundraising support from the labor organization is an in-kind contribution to the SSF, and therefore must be accurately valued and reported as a contribution from the partnership to the SSF on the underlying disclosure statement.

#### **Issue Five**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered separate segregated fund receiving limited administrative support from a connected organization that is a nonprofit corporation, if the nonprofit otherwise complies with Minnesota Statutes section, 211B.15, subdivisions 15 and 17?

#### **Opinion Five**

Minnesota Statutes section, 211B.15, provides two separate avenues for nonprofit corporations to contribute to political committees registered with the Board. In Minnesota Statutes section 211B.15, subdivision 15, nonprofit corporations with certain characteristics may make political contributions to Minnesota committees:

Subd. 15. **Nonprofit corporation exemption.** The prohibitions in this section do not apply to a nonprofit corporation that:

- (1) is not organized or operating for the principal purpose of conducting a business;
- (2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and
- (3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.

A nonprofit corporation that meets these qualifications may provide administrative support and fundraising services in any amount to the SSF without violating the prohibition on corporate contributions explained in Opinion One. Therefore, a principal campaign committee may accept a contribution from an SSF with a connected organization that is a nonprofit corporation if that nonprofit corporation meets the qualifications in section 211B.15, subdivision 15. The administrative and fundraising support from the nonprofit corporation is an in-kind contribution to

the SSF, and therefore must be accurately valued and reported as a contribution from the nonprofit corporation to the SSF on any underlying disclosure statement that must be provided to the principal campaign committee with the contribution.

The second avenue for nonprofit corporation contributions is found In Minnesota Statutes section 211B.15, subdivision 17. This subdivision provides that any nonprofit corporation, including nonprofit corporations that do not qualify under subdivision 15, may provide limited administrative support to one Minnesota political committee or fund:

Subd. 17. **Nonprofit corporation political activity.** It is not a violation of this section for a nonprofit corporation to provide administrative assistance to one political committee or political fund that is associated with the nonprofit corporation and registered with the Campaign Finance and Public Disclosure Board under section 10A.14. Such assistance must be limited to accounting, clerical or legal services, bank charges, utilities, office space, and supplies. The records of the political committee or political fund may be kept on the premises of the nonprofit corporation.

The administrative assistance provided by the nonprofit corporation to the political committee or political fund is limited annually to the lesser of \$5,000 or 7-1/2 percent of the expenditures of the political committee or political fund.

A nonprofit corporation that provides administrative support under subdivision 17 is required by Minnesota Statutes section 10A.20, subdivision 3(o), to disclose to the recipient committee or fund the aggregate value of each type of administrative support provided.

Consistent with this provision a principal campaign committee may accept a contribution from an SSF with a connected association that is a nonprofit corporation if the nonprofit corporation limits its total administrative support to the types of assistance provided in the statute, and in an amount that is the lesser of \$5,000 or 7-1/2 percent of the expenditures of the political committee or fund. The amount of administrative support received by the SSF must be included on any underlying disclosure statement that must be provided to the principal campaign committee.

### **Issue Six**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered nonconnected committee receiving limited administrative support from a partnership?

### **Opinion Six**

Yes. As provided in Opinion Three a partnership is not a type of corporation that is prohibited from making political contributions in Minnesota. The Board understands that a nonconnected political committee must report administrative support and fundraising expenditures as contributions. Therefore the administrative support provided by the partnership should already be included on the nonconnected committee's FEC report , which may be used as the required underlying disclosure statement for contributions to principal campaign committees that exceed \$200.

### **Issue Seven**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered nonconnected committee receiving limited administrative support from an unincorporated association?

### **Opinion Seven**

Unincorporated associations may take many forms, including 527 organizations that collect money for political purposes but do not register as political committees with the FEC or in any state. In some cases a 527 or other unincorporated association only accepts contributions from individuals. In other cases, however, the unincorporated associations receive both corporate and individual contributions. Because of the unpredictable sources of funding for unincorporated associations the Board cannot provide a general opinion on this question without specific factual information on the contributing unincorporated association.

The Board notes that some 527 organizations maintain separate accounting for contributions from individuals and contributions from corporations. Under Chapter 10A a 527 organization that maintains separate accounts for individual and corporate contributions is, nonetheless, accepting corporate contributions. A 527 that accepts corporate contributions may not make a contribution to a principal campaign committee, and may place a committee that accepts the 527's contribution in danger of violating the corporate contribution prohibition.<sup>2</sup>

### **Issue Eight**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered nonconnected committee receiving limited administrative support from a connected organization that is a limited liability company?

### **Opinion Eight**

No. As provided in Opinion Two a limited liability company is a type of corporation that is prohibited from making a contribution either directly or indirectly to a principal campaign committee. Therefore a principal campaign committee may not receive a contribution from a nonconnected committee that receives administrative support from a limited liability company.

The Board understands that under federal law a limited liability company without stockholders is not considered a corporation. That distinction is not recognized in Minnesota campaign law.

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<sup>2</sup> See the Board's findings in the matter of the complaint of Pat Shortridge regarding the Minnesota DFL and the Democratic Legislative Campaign Committee.

[https://cfb.mn.gov/pdf/bdactions/1300\\_Findings.pdf?t=1527787483](https://cfb.mn.gov/pdf/bdactions/1300_Findings.pdf?t=1527787483)

### **Issue Nine**

May a principal campaign committee accept a contribution from an unregistered association that is a federally-registered nonconnected committee receiving limited administrative support from another federally-registered political committee?

### **Opinion Nine**

As stated earlier in this opinion, the purpose of requiring disclosure from unregistered associations is to prevent contributions that are prohibited under Chapter 10A, and to insure that there is public disclosure regarding the unregistered associations participating in Minnesota state elections. In the questions so far considered the issue was whether the unregistered association directly had received funding from a source prohibited under Minnesota law. Because the federally-registered PAC providing the administrative support may itself have received corporate contributions in the form of administrative support, the question in opinion nine is whether any contributor to the unregistered association has in the past received funding from a source prohibited under Minnesota law.

There is a practical limit on how many layers of contributions may be reasonably reviewed when accepting a contribution from an unregistered association that is a federally-registered PAC. Information about who contributed to the federally-registered PAC's contributors would not be included in the disclosure provided to the principal campaign committee with the contribution. That information could only be determined by researching the actual sources of funding of the federally-registered PAC that provided administrative support to the PAC making the contribution to the principal campaign committee.

The Board concludes that requiring that level of analysis would as a practical matter make it impossible to accept contributions from a federal PAC. That result would be inconsistent with clear statutory guidance that a principal campaign committee may accept a contribution from an unregistered association. Requiring principal campaign committees to determine the sources of funding used by an unregistered association's underlying contributors also would be inconsistent with the provision in Minnesota Statutes section 10A.27, subdivision 13, requiring a disclosure statement from only the unregistered association that is making the contribution to the principal campaign committee. For these reasons, a principal campaign committee may accept a contribution from a federally-registered nonconnected committee that has received a contribution, whether or not in the form of administrative support, from another federally-registered PAC.

### **Issue Ten**

May a principal campaign committee accept a contribution from an unregistered association registered in another state receiving limited administrative support from a connected organization that is a nonprofit corporation, if the nonprofit corporation otherwise complies with Minnesota Statutes, section, 211B.15 subdivisions 15 and 17?

## Opinion Ten

Yes, with the same limitations as provided in Opinion Five.

The Board notes that 27 states allow direct corporate contributions to political committees registered in that state.<sup>3</sup> A principal campaign committee that decides to accept a contribution from a political committee not registered in Minnesota, or from any unregistered association, is responsible for ensuring that the contribution is permitted under Chapters 10A and 211B. This responsibility should involve an examination of the disclosure report that must be provided with any contribution of over \$200 and may require a conversation with the unregistered association making the contribution.

## Issue Eleven

May a principal campaign committee accept a contribution from a Leadership PAC directly or indirectly established, financed, maintained, or controlled by a candidate for federal office or individual holding federal office?

## Opinion Eleven

Minnesota Statutes section 10A.27, subdivision 9(c), limits contributions between state federal candidates. The provision provides:

(c) A candidate's principal campaign committee must not accept a contribution from, or make a contribution to, a committee associated with a person who seeks nomination or election to the office of president, senator, or representative in Congress of the United States.

This prohibition is not limited to the authorized committee of the federal candidate. Instead the prohibition extends to "a committee associated with" a federal candidate. Because a federal leadership committee is directly or indirectly established, financed, maintained, and controlled by a candidate for federal office, it is clearly associated with a federal candidate. Therefore, a principal campaign committee may not accept a contribution from a federal leadership committee.

Issued June 6, 2018

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Carolyn Flynn, Chair  
Campaign Finance and Public Disclosure Board

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<sup>3</sup> Survey conducted by the Maine Commission on Governmental Ethics and Election Practices.  
[http://www.lwvme.org/files/State\\_Limits\\_on\\_Contributions\\_to\\_PACs.pdf](http://www.lwvme.org/files/State_Limits_on_Contributions_to_PACs.pdf)

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**  
**June, 2018**

**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
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				
Roxana Bruins	Roxana Bruins for Senate	Unfiled 2016 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	7/28/17	9/6/17			Personal Service obtained. Drafting default documents
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			Hold by Board
Katy Humphrey, Kelli Latuska	Duluth DFL	Unfiled 2016 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	3/6/18				

