

Minnesota

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

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Wednesday, March 13, 2019  
10:30 A.M.  
Room G-31  
Minnesota Judicial Center

**REGULAR SESSION AGENDA**

1. **Approval of Minutes** (February 6, 2019)
2. **Chair's report**
  - a. Meeting schedule
3. **Executive director report**
4. **Report on Late Fees and Civil Penalties**
5. **Enforcement report**
6. **Legal report**
7. **Other business**

**EXECUTIVE SESSION**

Immediately following regular session

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

.....  
**February 6, 2019  
St Croix Room  
Centennial Office Building**  
.....

**MINUTES**

The meeting was called to order by Chair Leppik.

Members present: Flynn, Haugen, Leppik, Moilanen, Rosen (by telephone), Swanson

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

**MINUTES** (January 3, 2019)

Before a vote was taken on the minutes, Mr. Sigurdson explained that Member Rosen had needed to leave town unexpectedly on the night before the meeting and therefore was attending by telephone. Mr. Sigurdson said that notice of an electronic meeting had been posted on the Board's website and sent to the media and Board information email distribution lists as soon as possible after it became clear that Member Rosen would be attending by telephone. Mr. Sigurdson stated, however, that because the timing of the notice did not meet the requirements of the Open Meeting Law, Member Rosen would be listening to the meeting and participating in the discussion but would not be voting on any matter.

After discussion, the following motion was made:

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

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

**CHAIR'S REPORT**

**A. Meeting schedule**

After discussion, the next Board meeting is scheduled for 10:30 a.m. on Wednesday, March 13, 2019.

**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 reports were due in January for all three programs overseen by the Board and that most of the required reports had been filed. Mr. Sigurdson also said that staff had processed the public subsidy payments for the candidates in the special election in senate district 11. Mr. Sigurdson stated that he had made introductory presentations

to the legislative committees with jurisdiction over the Board and expected to return shortly to testify on budgetary matters. Mr. Sigurdson directed members to a memorandum attached to his report that discussed a recent federal appellate court decision regarding disclosure of donors by nonprofit organizations. Finally, Mr. Sigurdson told members that due to the scope of the filing activities in January, the issue of late filing fees and civil penalties would be discussed at the next meeting.

### **ADVISORY OPINION 450**

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 this request concerned whether members of a new caucus at the legislature could use their principal campaign committee funds for certain caucus expenses. Mr. Sigurdson said that the draft opinion listed specific expenses and determined that the expenses fell within the noncampaign disbursement categories of costs of serving in office and costs associated with caucus leadership. The draft opinion therefore concluded that the legislators could use committee funds for those expenses.

After discussion, the following motion was made:

Member Flynn's motion: To approve Advisory Opinion 450 as drafted.

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

### **LEGISLATIVE PROPOSALS**

Mr. Sigurdson presented members with an initial memorandum regarding this matter and a supplemental memorandum. Both documents are attached to and made a part of these minutes. Mr. Sigurdson first discussed the policy provision related to the definition of express advocacy. Mr. Sigurdson reviewed the current statutory scheme governing independent expenditures and other communications not coordinated with candidates. He then presented several examples of communications that would be independent expenditures under the current statutory definition and several examples of communications that would not. Mr. Sigurdson reviewed the three options presented for the legislative proposal and said that option 3 was very similar to the federal definition of express advocacy.

After the discussion, the following motion was made:

Member Flynn's motion: To go forward with option 3 on page 6 of the supplemental memorandum as amended to remove the language " , including the proximity to the election," and the words "or encourages some other kind of action."

Vote on motion: A roll call vote was taken. Motion passed (4 ayes, Member Haugen voted nay, Member Rosen did not vote).

Mr. Sigurdson then presented language regarding the proposal to increase the threshold for reporting honoraria on an annual statement of economic interest from \$50 to \$250. Mr. Sigurdson said that this provision could be added to the technical proposals for the economic interest program.

After discussion, the following motion was made:

Member Swanson's motion: To go forward with the proposal to increase the disclosure threshold for honoraria from \$50 to \$250 and to add this to the technical proposals for the economic interest program.

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

Mr. Sigurdson next presented language regarding the policy proposal for the economic interest program to require disclosure of government contracts. Mr. Sigurdson reviewed the two options presented.

After discussion, the following motion was made:

Member Moilanen's motion: To go forward with option 1 on page 2 of the supplemental memorandum as amended to substitute clause (i) from option 2 for clause (i) in option 1.

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

Mr. Sigurdson then presented language regarding the policy proposal for the economic interest program to require disclosure of beneficial interests. Mr. Sigurdson reviewed the two options presented for the definition of beneficial interest and the additional amendments necessary to implement that definition. Member Swanson then presented the following language as a third option for the definition of beneficial interest:

Subd. 7e. **Beneficial interest.** "Beneficial interest" means the right, or reasonable expectation of the right to the possession of, use of, or direct financial benefit from an asset owned by another due to a contract or relationship with the owner of the asset.

After discussion, the following motion was made:

Member Swanson's motion: To go forward with option 3 for the definition of beneficial interest and the other amendments required to implement that definition as presented on pages 3-4 of the supplemental memorandum.

Vote on motion: A roll call vote was taken. Motion passed (4 ayes, Member Rosen did not vote, Member Haugen voted nay).

**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:

Final public subsidy audit report for the special election in senate district 11

**ENFORCEMENT REPORT**

**A. Consent Items**

**1. Administrative termination of lobbyist Bert McKasy (9977)**

Mr. Olson told members that in response to a notice regarding the need to file a lobbyist disbursement report, Mr. McKasy had stated that he had not engaged in lobbying in 2018 and that he was terminally ill. Because Mr. McKasy had filed a report covering the period through May 31, 2018, Board staff had administratively terminated his lobbyist registration retroactive to that date, thereby eliminating the need to file any further reports.

**2. Administrative termination of lobbyist Thomas Keliher (9283)**

Mr. Olson told members that Mr. Keliher had passed away on September 20, 2018, and that Board staff had administratively terminated Mr. Keliher's lobbyist registration retroactive to that date.

**3. Administrative termination of lobbyist Alexander Wald (4131)**

Mr. Olson told members that Mr. Wald's principal association, the Minneapolis Area Association of Realtors, had notified Board staff on December 20, 2018, that Mr. Wald had not been employed by the association since April 2018. Mr. Olson said that a disbursement report had been filed for Mr. Wald that same day that covered the second half of 2018. Board staff had administratively terminated Mr. Wald's lobbyist registration effective December 20, 2018.

**4. Administrative termination of lobbyist Nicque Mabrey (2886)**

Mr. Olson told members that Ms. Mabrey's principal association, OutFront MN, had notified Board staff that she had not been employed by the association since the spring of 2015. Board staff then had administratively terminated Ms. Mabrey's lobbyist registration retroactive to December 31, 2015.

After discussion, the following motion was made:

Member Swanson's motion: To approve all matters on the consent agenda.

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

## **B. Discussion items**

### **1. Request to withdraw registration of Responsible Government for Wright County Committee (41216)**

Mr. Olson told members that the Responsible Government for Wright County Committee had registered as an independent expenditure political committee on October 10, 2018. Mr. Olson said that in early November, the committee's legal counsel had contacted Board staff and had explained that the committee only sought to influence elections for county offices, not state offices. Mr. Olson stated that the committee's legal counsel therefore was asking to withdraw the committee's registration because it never had to register with the Board.

### **2. Balance adjustment request – Neighbors for Peggy Flanagan (17858)**

Mr. Olson told members that the Neighbors for Peggy Flanagan committee had reported a 2017 ending cash balance of \$1,169.85. The committee's actual cash balance, however, was \$1,373.55, a difference of \$203.70. Mr. Olson said that the committee's treasurer believed that the discrepancy was caused by mistakenly reporting a \$15 expenditure in 2017 rather than in 2018, and by not accounting for \$188.70 in contributions and credit card processing fees from a 2015 special election campaign. The treasurer stated that the 2015 credit card contributions were processed by a company that was now defunct, making it impossible to obtain records regarding those contributions. Mr. Olson stated that the treasurer was asking the Board to adjust the committee's 2017 ending cash balance upward from \$1,169.85 to \$1,373.55.

### **3. Request to refer matter to attorney general's office – Resilient PAC (41179)**

Mr. Olson told members that Resilient PAC was a political committee that had failed to file its 2018 pre-primary and pre-general reports and had failed to amend its September 2018 report after being informed of reporting errors by staff. Mr. Olson said that letters had been mailed in August, November, and December 2018, and an email had been sent in December 2018, but no response had been received. The committee had accrued a \$1,000 late fee and a \$1,000 civil penalty for the pre-primary report. Mr. Olson 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 pre-primary report and a judgment for the accrued late filing fee and civil penalty. Mr. Olson stated that because the committee might not file its 2018 pre-general report or amend its September 2018 report, staff also was asking the Board to approve referral of those matters to the attorney general's office when the committee had accrued the statutory maximum late filing fees and civil penalties for those reports.

### **4. Request to refer matter to the attorney general's office – Minneapolis DFL Committee (20567)**

Mr. Olson told members that staff was withdrawing this request because the Minneapolis DFL Committee had contacted Board staff about its missing reports.

**5. Request to withdraw registration of Lori Swanson Appreciation Committee (30707)**

Ms. Engelhardt told members that the Lori Swanson Appreciation Committee had registered as a political fund on December 5, 2018. Ms. Engelhardt said that on December 7, 2018, staff had reached out to the fund's chair, Thomas Hara, to confirm that the fund's purpose was to place an advertisement in the Star Tribune thanking Ms. Swanson for her years of service as attorney general and that the fund had no other purposes related to the election of any candidates. Ms. Engelhardt stated that Mr. Hara had confirmed that the fund had no purposes related to the election of candidates and had asked that the fund's registration be withdrawn because it never had to register with the Board.

After discussion, the following motion was made:

Member Swanson's motion: To approve discussion items 1, 2, 3, and 5.

Vote on motion: A roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

**C. 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>
6th Congressional District GPM (20912)	\$800 LFF	2018 pre-general	Party unit never received nor spent more than \$100 and thus was never required to register. Party unit has filed termination statement.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
Friends of Fair Courts (Anthony Brown) (18403)	\$175 LFF	September 2018	Candidate misunderstood registration requirement and registered committee 8/31/18, triggering the requirement to file September report. Based on receipts, committee wasn't required to register with Board until mid-October. Treasurer also experienced technical difficulties when attempting to file report electronically.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
Hausman (Alice) Volunteer Committee (12313)	\$750 LFF	2018 pre-general	New treasurer had trouble certifying and filing report using CFR software. He initially filed another copy of pre-primary report rather than pre-general report. He was in contact with staff and eventually was able to file report after being told how to download data from Board's FTP server.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

Lobbyist Reko Howard (4461)	\$25 LFF	1/15/19 lobbyist	New lobbyist had difficulty logging into website and had limited time to resolve issue as he was using public computer terminal. He filed paper report in person the day after due date.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
52nd Senate District RPM (20886)	\$50 LFF	2018 pre-primary	Former treasurer moved out of state and party unit had difficulty finding new treasurer. Chair ultimately took over treasurer's duties but filed report a day late.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
Minn PACE (80003) (NASW-MN)	\$50 LFF	2018 pre-general	New deputy treasurer became aware of due date shortly before report was due and supporting association's office was closed on due date. She has since updated treasurer's address to reflect supporting association's office address rather than treasurer's home address, so she will receive mailed notices from Board directly.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
1st Judicial District Republican Committee (40959)	\$50 LFF	2018 June report	Former treasurer moved out of state in May and party unit had difficulty finding new treasurer to file report on short notice. A no change report was filed a few days late. Committee had no financial activity at all in 2017 or first five months of 2018.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
Lobbyist Dan McGrath (3057) and Minnesota Majority	\$1,989.61 LFF \$2,000 CP	1/15/2017 lobbyist; 2016 principal	Lobbyist thought registration had been terminated years ago and hadn't lobbied since at least 2016, when principal association closed. Lobbyist was very ill in 2016 and sought further treatment in 2017. All mail was sent to principal's address and he did not receive it. He is unemployed and lacks means to pay outstanding fees and penalties. Request includes \$989.61 of a \$1,000 LFF and a \$1,000 CP for late 1/15/2017 lobbyist report, owed by lobbyist individually, as well as a \$1,000 LFF and \$1,000 CP for late 2016 principal report, owed by principal.	Member Swanson	To waive the late filing fees and civil penalties	Roll call vote was taken. Motion passed (4 ayes, Member Rosen did not vote, Member Flynn abstained).



62nd Senate District DFL (20483)	\$1,000 LFF	2018 pre-primary	Treasurer failed to file report and did not respond to any communication from party unit chair or Board staff. As soon as she learned report had not been filed, chair filed report. Party unit has since elected new treasurer.	Member Swanson	To waive the late filing fee	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
Alberder Gillespie (17891)	\$700 LFF	2017 year-end	Candidate didn't realize that treasurer failed to file report by deadline until she received letter regarding late fee. She stated that problems with the personal relationship between herself and her treasurer impacted communication between committee and Board.	Member Leppik	To reduce the late filing fee to \$350	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).
28th Senate District DFL (20719)	\$2,000 LFF \$1,300 CP	2018 pre-primary; 2018 pre-general	New treasurer said there was considerable confusion when he became treasurer, causing pre-primary and pre-general reports to be late. Both reports were filed as no-change reports. However, there is an unexplained balance discrepancy of \$290.60 between reported 2017 ending cash balance and reported 2018 beginning cash balance.	Staff will bring this matter back in March with additional information.		
Fight For Our Future PAC (41160)	\$1,125 LFF \$100 CP	June 2018; 2018 pre-primary; 2018 pre-general	Officers lacked time to devote to committee, thus committee was inactive and balance remained the same from late 2016 through late October 2018. Treasurer failed to file 2018 pre-primary report until September 5, which accounts for \$1,000 of accrued LFF and \$100 CP. All late reports were no change reports. Officers have begun to liquidate committee's assets and have decided to terminate registration with Board.	No motion		
7B House District RPM (20332)	\$800 LFF	2018 pre-general	Treasurer does not feel qualified to prepare reports so chair has been doing so and forgot to submit pre-general report in midst of also serving as campaign manager and treasurer for campaign committee of party unit treasurer, who was running as first-time house candidate.	Member Swanson	To reduce the late filing fee to \$400	Roll call vote was taken. Motion passed (5 ayes, Member Rosen did not vote).

Freeborn County DFL (20038)	\$50 LFF	2018 pre-general	Treasurer since 2017 does not know how to use CFR software but has been filing reports via software with assistance of treasurer of another party unit. That individual ultimately helped to file report but it was a day late. A different person with more time and a plan to receive training on how to use software has since taken over as treasurer.	No motion		
Houston County RPM (20568)	\$200 LFF	2018 pre-general	Treasurer since 2016 still does not feel he understands CFR software. He states that he has sought training but hasn't received training specific to the software and has had difficulty completing reports. He intends to resign as treasurer in February.	No motion		

**D. Informational Items**

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

Al Jimenez Hopper, \$25  
 White Earth PAC, \$1000

**2. Payment of civil penalty for year-end 2012 report of receipts and expenditures**

HRCC, \$3000

**3. Payment of civil penalty for year-end 2013 report of receipts and expenditures**

HRCC, \$3000

**4. Payment of civil penalty for year-end 2014 report of receipts and expenditures**

HRCC, \$3000

**5. Payment of civil penalty for year-end 2016 report of receipts and expenditures**

HRCC, \$3000

**6. Payment of civil penalty for year-end 2017 report of receipts and expenditures**

HRCC, \$3000  
 White Earth PAC, \$500

**7. Payment of late filing fee for April 16, 2018, report of receipts and expenditures**

White Earth PAC, \$1000

**8. Payment of late filing fee for June 14, 2018, report of receipts and expenditures**

White Earth PAC, \$1000

**9. Payment of late filing fee for September 25, 2018, report of receipts and expenditures**

CWA Cope PCC, \$25  
CWA Working Voices, \$25  
MPA PAC, \$50  
SEIU Local 284, \$25  
TCO PAC, \$25  
Twin Cities DSA, \$50  
White Earth PAC, \$1000

**10. Payment of late filing fee for July 30, 2018, report of receipts and expenditures**

AFSCME Local 2822, \$400  
White Earth PAC \$1000

**11. Payment of civil penalty for July 30, 2018, report of receipts and expenditures**

AFSCME Local 2822, \$100  
SD67, \$50  
White Earth PAC, \$1000

**12. Payment of civil penalty for accepting contribution from unregistered association without required disclosure**

Burt Johnson, \$50  
Heat & Frost Insulators Local 34, \$50

**13. Return of public subsidy payment**

Kelly Winsor, \$176.33

**14. Payment of late filing fee for October 29, 2018, report of receipts and expenditures**

Chisago County RPM, \$1000  
MN Jobs Coalition, \$50  
REALIEF, \$700  
Vote 66, \$250  
White Earth PAC, \$1000

**15. Payment of civil penalty for October 29, 2018, report of receipts and expenditures**

4<sup>th</sup> CD IPMN, \$50  
Chisago County RPM, \$400  
White Earth PAC, \$300

**16. Payment of civil penalty for corporate contribution**

Green Rock Apartments, \$100  
Sibley County RPM, \$90

**17. Anonymous contribution**

Doug Wardlow, \$300

**18. Payment of civil penalty for disclaimer violations**

Joe Perske, \$500  
Land Stewardship Fund, \$200

**19. Payment of late filing fee for 24-hour notice during pre-general period**

East Central MN Area Labor Council, \$500  
Planned Parenthood MN PAC, \$850

**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 said that he had told the Duluth DFL's attorney that if the party unit did not submit its reports to Board staff by February 15, 2019, the litigation in the matter would resume.

**OTHER BUSINESS**

There was no other business to report.

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

Respectfully submitted,

Jeff Sigurdson  
Executive Director

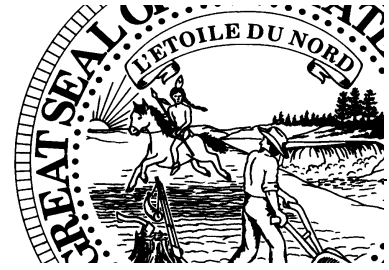
Attachments:

Executive director's report  
Memorandum regarding Advisory Opinion 450  
Draft Advisory Opinion 450  
Memorandum regarding legislative proposals  
Supplemental memorandum regarding legislative proposals  
Final public subsidy audit report for the special election in senate district 11  
Legal report

# 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 2019**

Meetings are at **10:30 A.M.** unless otherwise noted.

### **2019**

Wednesday, April 3

Wednesday, May 1

Wednesday, June 5

Wednesday, July 3

Wednesday, August 7

Wednesday, September 4

Wednesday, October 2

Wednesday, November 6

Wednesday, December 4



# MINNESOTA CAMPAIGN FINANCE BOARD

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**Date:** March 6, 2019

**To:** Board Members

**From:** Jeff Sigurdson, Executive Director

**Telephone:** 651-539-1189

**Re:** Executive Director's Report – 2019 Board Operations

## **Legislative Session**

The Board's budget change request to the base operations budget (an additional \$75,000 per year) and the onetime software development request (\$50,000) were both included in the Governor's overall budget request for the executive branch. The House State Government Finance Division (Rep. Michael Nelson, Chair) reviewed the budget change requests on March 6<sup>th</sup>. The requests were laid over for possible inclusion in the state operations omnibus bill. As of the date of this memo the Senate State Government Finance and Policy and Elections Committee (Sen. Mary Kiffmeyer, Chair) has not scheduled a hearing that would include a review of the Board's change items.

I have met with the policy committee chairs, and when available, the minority leads in the Senate and House to discuss and advocate for the Board's legislative recommendations. Legislative staff are reviewing the recommendations; I hope to have additional information by the Board meeting. The first legislative deadline, which is the date by which a bill must have passed out of at least the initial policy committee in the body of origin, is March 15<sup>th</sup>.

## **Public Subsidy Payment – Special Election House District 11B**

The Board will issue public subsidy payments to the qualified candidates in the special election for House District 11B after the state canvassing board certifies the results of the primary on March 8, 2019. Pending the canvassing board results, the anticipated payments will be \$3,521.58 to Tim Burkhardt (DFL) and \$3,102.65 to Nathan Nelson (RPM).

## **Staff Presentations**

I presented information on the political contribution refund (PCR) program to the Senate Campaign Finance Committee of the Oregon State Legislature by teleconference on February 27, 2019. It appears that several states are considering political contribution matching fund legislation this year, and staff is often asked for information on the PCR program.



# MINNESOTA

## CAMPAIGN FINANCE BOARD

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**Date:** March 6, 2019

**To:** Board Members

**From:** Jeff Sigurdson  
Executive Director

**Subject:** Review of late filing fees and civil penalties for late disclosure reports.

To motivate the timely filing of various disclosure reports and statements Chapter 10A provides a series of late fees for missing a filing deadline. In addition, the Board may impose a civil penalty for reports that are very late. For all reports, late fees do not accrue on weekends or state holidays. The late fees vary in amount by program, and by report type within the campaign finance program. By program, the late fees and civil penalty that may be imposed are as follows.

### **Campaign Finance**

During a non-election year the only report required of any committee, fund, or party unit is the year-end report. The late fee for a year-end report is \$25 per day, which begins to accrue the day after the report was due. The maximum late fee for a single campaign finance report is \$1,000.

During an election year a legislative candidate that appears on the general election ballot will file three reports: a year-end, a pre-primary, and a pre-general report. Failure to file the pre-primary or the pre-general report by the due date results in a late fee of \$50 a day, which starts the first day after the report is due. In addition to the pre-primary, pre-general, and year-end reports a constitutional candidate or a candidate for an appellate court seat must file a first quarter report (January – March 31) and a post-filing period report (January – May) during years when the office is on the ballot. These two additional reports accrue a late fee of \$25 a day to a maximum of \$1,000.

During an election year all party units, political committees, and political funds also file the pre-primary and pre-general reports subject to the \$50 per day late fee for filing after the deadline. In addition, all political committees and funds and the state central committees and legislative party units file three additional reports. Two of the additional reports match up with the filing periods for constitutional and appellate court candidates and are subject to a late fee of \$25 per day. The maximum late fee is again \$1,000 per report. The third report is identified in Minnesota Statutes section 10A.20, subdivision 2, as a second pre-general election report (due 42 days before the general election) and has a late filing fee of \$50 a day, with a maximum of \$1,000.

The campaign finance program also requires the filing of a 24-hour notice of a large contribution if the committee receives a contribution in excess of a given amount shortly before the primary or general election. Failure to provide a report of the large contribution within 24 hours of receipt results in a late filing fee of \$50 per day, to a maximum of \$1,000. The 24-hour notice does not apply to political party units.

All late fees start the day after the due date (unless the due date falls on a Friday) and start without any additional notification from the Board. If any of reports referenced above is not filed within ten business days of the due date, the Board must send a certified letter that notifies the filer that the Board may impose a civil penalty of up to \$1,000 in addition to the late fee which is already being assessed. The Board may impose the full \$1,000 civil penalty if the report is not filed within seven days after the certified notice was mailed.

It is important to note that in 2003 the Board adopted a two-part policy that dramatically altered the way in which civil penalties are applied to late filers. First, instead of applying the civil penalty seven days after the mailing of the certified letter, the Board directed staff to apply the civil penalty only after the maximum late fee has accrued. It takes twenty business days to accrue the full \$1,000 late fee at the rate of \$50 a day, and forty business days to accrue the full \$1,000 late fee at the rate of \$25 per day.

Second, the Board policy provides that the civil penalty for the late filing of a report will be applied in weekly increments of \$100, rather than imposing the full \$1,000 maximum as a beginning point. Prior to this policy change the full \$1,000 civil penalty was assessed on the first day available for civil penalties, which as referenced above is seven days after the date the certified letter is mailed. In discussion before adopting the policy, Board members thought that it would be fair to increase civil penalties based on the tardiness of the report, and that fewer waiver requests might result if the civil penalty was not always immediately applied at the maximum amount.

However, the result of the policy has been that it takes ten additional weeks to reach the maximum \$1,000 civil penalty. When added to the requirement that the civil penalty not start until the late fee has reached the \$1,000 maximum, the practical effect is that a committee is not subject to the full \$1,000 late fee and \$1,000 civil penalty until long after the election is over. For example, failure to file a pre-general report would not result in the maximum late fees and civil penalties being assessed for seventy business days, or approximately 3½ months after the due date.

### **Economic Interest Statement**

An original statement of economic interest is due within 60 days of accepting employment as a public or local official, unless the public official position requires the advice and consent of the Senate, in which case the statement is due within 14 days of taking office. An original statement is also required within 14 days of filing for office from all state constitutional and legislative candidates, and candidates for an elective office except county commissioner in a metropolitan governmental unit. An original statement is required from a judge or from a county commissioner within 60 days after assuming office. Failure to file an original statement by the due date results in a \$5 per day late fee, to a maximum of \$100. However, unlike campaign finance reports, the late filing of an economic interest statement has a grace period of ten business days before the late fee begins to accrue.



Each year a public official must also file an annual statement by the last Monday in January. The late fee is again \$5 per business day, beginning on the eleventh day after the statement was due, to a maximum of \$100.

Similar to the campaign finance program, if an economic interest statement is not filed within ten business days after the deadline, the Board must send a certified letter warning the official or candidate that the Board may impose a civil penalty of up to \$1,000. The Board may impose the civil penalty if the report is not filed within seven days after the certified notice was mailed.

The Board policy of not starting the civil penalty until the late fee reaches the maximum, and applying the civil penalty in weekly increments, also applies to economic interest statements.

### **Lobbyist Program**

A lobbyist registered as the reporting or designated lobbyist for an association must file two disbursement reports a year. The reports are due on January 15 and June 15. In March of each year an association represented by lobbyists in Minnesota must file the principal report. The late fee for a lobbyist disbursement report or a lobbyist principal report is \$25 per day, to a maximum of \$1,000 per report. The late fee starts to accrue the day after the report deadline. Similar to the campaign finance and economic interest programs the Board must send a certified letter to the lobbyist or principal if the report is not filed within ten days of the deadline to notify the filer that the Board may impose a civil penalty of up to \$1,000 if the report is not filed within seven days after the certified notice was sent.

The Board policy of not starting the civil penalty until the late fee reaches the maximum \$1,000, and applying the civil penalty in weekly increments, also applies to lobbying program.

### **Other Late Fees**

Chapter 10A also provides late fees for failing to register a political committee or submit a lobbyist registration within specified timelines. For both the lobbying and campaign finance program failure to register with the Board in a timely manner is punishable by a late fee of \$25 per day to a maximum of \$1,000, and a \$1,000 civil penalty.

Chapter 10A also allows the Board to impose a late fee of \$25 per day, up to a maximum of \$1,000, and a civil penalty of up to \$1,000 on a person who does not file an amended report after being notified of the need to do so or who does not respond to a request for reconciliation information.

There are also penalties for failing to timely submit underlying disclosure with contributions of over \$200 from unregistered associations, or with contributions of over \$5,000 to independent expenditure committees and funds. The failure to file these statements in a timely manner is rarely apparent to the Board as the filing is with the recipient of the contribution, and the deadline varies by when the contribution is received. Typically, the Board only becomes aware of a late filing through an investigation, and findings or conciliation agreements are used to resolve the violation.

Staff's priority has focused on securing underlying disclosure from unregistered associations for contributions accepted by registered committees. A harder line approach to the late filing of

underlying disclosure may be appropriate, but if started should be announced to the regulated community prior to an election year.

### **Office of the Attorney General**

The Board policy is to refer a matter to the Attorney General for court action to secure a report and/or late fees and civil penalties only after the maximum late fee and civil penalty has accrued. Given that the Board only meets once a month referral of a delinquent committee may take up to five months after the report was due, with additional time needed for the Attorney General to take action.

Of note Minnesota Statutes section 10A.20, subdivision 15, provides “A candidate whose opponent does not timely file the report due 15 days before the primary, the report due ten days before the general election, or the notice required under section 10A.25, subdivision 10, may petition the district court for immediate equitable relief to enforce the filing.” To my knowledge this provision has never been used, and is not an option for reports owed by entities other than a principal campaign committee.

The authority for the Board to refer matters to the Office of the Attorney General is found in Minnesota Statutes section 10A.34, which provides in part:

Subdivision 1. Personal liability. A person charged with a duty under this chapter is personally liable for the penalty for failing to discharge it.

Subd. 1a. Recovering fees and penalties. The board may bring an action in the district court in Ramsey County to recover a fee, late filing fee, or penalty imposed under this chapter. Money recovered must be deposited in the general fund of the state.

Subd. 2. Injunction. The board or a county attorney may seek an injunction in the district court to enforce this chapter.

### **Waiver Requests – Collection of Late Fees**

The Board is required to consider a waiver or reduction of late fees and civil penalties for good cause. To reduce the number of late reports, and therefore the number of waiver requests, staff sends reminder notices by 1<sup>st</sup> class mail and email, and at the deadline calls treasurers who have not yet filed. Nonetheless, as Board members are well aware, there are always a large number of waiver requests after a major filing deadline.

The Board has always been very responsive to waiver requests. The chart below shows the total amount of late fees collected for each of the last four fiscal years, and the amount of late fees waived by the Board over the same period.

<b>Fiscal Year</b>	<b>Late Fees Collected</b>	<b>Late Fees Waived</b>
2015	\$29,963	\$9,977
2016	\$17,482	\$9,618
2017	\$43,930	\$12,703
2018	\$33,816	\$21,120
<b>Total</b>	<b>\$125,191</b>	<b>\$53,418</b>

In total, the Board waived 30% of the late fees accrued for the filing of late reports or statements during the four-year period. When preparing waiver requests for Board consideration staff color codes the requests. Green means that the request is based on a reason or circumstance that the Board has accepted in the past. The green code reflects staff's believe that the waiver request should be accepted, at least in part, for the sake of consistency in granting waivers.

Waiver requests in yellow also typically state a reason consistent with those the Board has accepted in the past. However, the amount of the waiver request is, in staff's view, not in proportion to the reason provided, and it may be appropriate to grant a waiver of only a portion of the accumulated late fees and civil penalties.

Waiver requests in red typically state reasons that have not previously been recognized by the Board as sufficient, and in staff's view are not sufficient to justify a waiver of late fees or civil penalties.

The color coding is only meant to help Board members focus their evaluation of waiver requests. Members are of course free to ignore the coding applied by staff.

Acceptable waiver requests are usually based on one of the reasons listed below.

"Health" means the health of either the treasurer or the candidate. Although usually honored, in some cases, the waiver request may be only partially granted if the report was extremely late.

"Small Committees" means committees that did not have the funds needed to pay the fine, and were from their history unlikely to ever have sufficient funds. This is not a waiver request reason, but staff has noted that the Board takes the ending cash balance of the committee into account when applying a penalty.

"Fax" is when a committee is able to provide a fax transmittal log as evidence that a report was faxed to the Board in a timely fashion.

"Change of Address" is when the committee did not update the contact information for the new treasurer and notices were sent to the wrong individual.

"Out of Town" means a lengthy business or vacation trip that had the treasurer out of town at the filing deadline.

"Software Problem" is when the committee can provide some evidence that the committee could not file a report with Campaign Finance Reporter. Recently this has included cases where the treasurer clearly did not know how to use the software.

"Terminate" is when the committee was also asking to terminate, or agreed to terminate, if the late fee was waived.

"Treasurer Problem" includes prior treasurers who refused to give up the committee's records for some period of time, or told the candidate or chair that a report had been filed when in fact the report had not been sent.

"Family Emergency" includes family health issues and financial problems.

“New Treasurer” means a treasurer who came into the position during the filing period, or who was otherwise able to convince the Board that they did not understand what they were required to do.

“Military Service” is service that takes the candidate or treasurer out of state during the filing period.

“Other” includes waivers that were hard to categorize or had multiple reasons stated in the request.

### **Conclusions**

This review of late filing fees was initially undertaken to determine if there was a need to recommend a legislative change in the application of late filing fees or civil penalties. At this point, staff recommends no changes to statutory provisions on late fees. It would be difficult in my view to ask the legislature for increased penalties when the Board has not been fully using the penalties already available in statute.

Instead, I encourage the Board to consider changes to its policies and procedures so as to apply the full civil penalty available seven days after the mailing of a certified notice. Potentially this will encourage committees to file in a timelier manner, and will reduce the period of time before a matter is referred to the Attorney General to compel filing. The Board may very well end up waiving up additional civil penalties under the recommended change, but the threat of civil penalties will hopefully provide more timely disclosure to the public.



# MINNESOTA CAMPAIGN FINANCE BOARD

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**Date:** March 13, 2019

**To:** Board members  
Counsel Hartshorn

**From:** Andrew Olson, Legal/Management Analyst

**Subject:** Enforcement report for consideration at the March 13, 2019 Board meeting

## **A. Discussion Items**

### **1. Request to suspend efforts to obtain economic interest statement and accrued late fees and civil penalties – Al Brazier (Two Rivers WD)**

During the annual recertification, staff discovered that Mr. Brazier had health issues that prevented him from completing his termination/annual statement of economic interest. Mr. Brazier resigned from his position during the reporting year. Staff has had no contact with any one authorized to file a statement on Mr. Brazier's behalf. Staff therefore is asking the Board to suspend its efforts to obtain a statement from this official and to waive any late fees and civil penalties that may have accrued.

### **2. Request to accept economic interest statement and to waive late fee – Joe Connolly (Le Sueur County Board of Commissioners)**

During the annual recertification, staff discovered that Mr. Connolly had health issues that prevented him from completing his termination/annual statement of economic interest. Mr. Connolly did not run for re-election to his county commissioner seat. Although staff planned to ask the Board to suspend its efforts to obtain a statement from Mr. Connolly, Mr. Connolly's wife went ahead and submitted a statement on his behalf before staff could make this request. It is not clear to staff whether the statute allows Mrs. Connolly to submit a statement for Mr. Connolly. In addition, the statement filed by Mrs. Connolly was one day late. Staff therefore is asking the Board to accept the statement filed on Mr. Connolly's behalf and to waive the \$5 late fee.

### **3. Request to suspend efforts to obtain economic interest statement and accrued late fees and civil penalties – John Magedanz (Sauk River WD)**

During last year's annual recertification, staff notified Mr. Magedanz that he was required to file a statement of economic interest. Mr. Magedanz strongly objected to the required disclosure. Although Mr. Magedanz did file a statement on February 20, 2018, he indicated that he would be resigning from the watershed district board at its next meeting, which was scheduled for March. The minutes for the watershed district's March 2018 meeting confirm that Mr. Magedanz submitted his resignation, effective immediately, at that meeting.

**4. Request for second residence waiver – Kevin Reich (Red Lake County SWCD)**

Mr. Reich filed an annual statement of economic interest on January 25, 2019. With his statement, Mr. Reich also submitted a request under Minnesota Statutes section 10A.09, subdivision 9, to waive the requirement that he disclose the address of his second residence. Mr. Reich stated that the waiver request was made because the property is located along a county easement road and neighboring property owners have experienced trespassing, hunting without permission, and vandalism. Mr. Reich does not want to encourage any of these things toward his property or his neighbors' properties

**5. Request for retroactive termination of lobbyist David Johnson (2929)**

Mr. Johnson's principal association, the Karen Organization of Minnesota (KOM), notified Board staff that Mr. Johnson has not been employed by the association since 2015 and has not responded to attempts to contact him. Mr. Johnson came to the Board's office on March 5, 2019 and filed a termination statement, requesting that the termination be made retroactive to December 31, 2015.

**6. Request for retroactive administrative termination of lobbyist Kara Genia (1858)**

Ms. Genia's principal association, the Karen Organization of Minnesota (KOM), notified Board staff that Ms. Genia has not been employed by the association since the end of 2017 and has not responded to attempts to contact her. KOM is asking the Board to retroactively terminate Ms. Genia's registration effective December 31, 2017.

**7. Balance adjustment request - Minnesota College Republicans Political Fund (30664)**

After the 2016 general election, the treasurer of the Minnesota College Republicans Political Fund resigned and a new treasurer was not elected until April 1, 2017. The new treasurer was not provided any records except for bank statements, which did not clearly distinguish between the receipts and expenditures of the political fund and those of its supporting association. The new treasurer completed the fund's 2016 year-end report, which reflects an ending cash balance of \$540.60, but the treasurer believes the fund's actual cash balance as of the end of 2016 was \$137.96, a difference of \$402.64. The treasurer has been unable to account for that variance and thus is requesting that the Board adjust the fund's 2016 ending cash balance downward from \$540.60 to \$137.96. The fund has submitted a termination report that is pending on the Board granting the requested balance adjustment.

**B. Waiver Requests**

	<b>Committee/ Entity</b>	<b>Late Fee/ Civil Penalty</b>	<b>Report Due</b>	<b>Factors</b>	<b>Most Recent Balance</b>	<b>Previous Waivers</b>
1	Minn College Republicans Political Fund (30664)	\$2,000 LFFs \$2,000 CPs	2017 Year- End 2018 Year- End	Treasurer elected 4/1/17 was told that the fund's registration had previously been terminated. Upon realizing that year-end reports were not filed for 2016 or 2017 and that the fund's registration was never terminated, the treasurer worked with Board staff to file accurate reports, which was complicated by a lack of proper records and confusion as to which receipts and expenditures were attributable to the political fund and which were attributable to its supporting association. A termination report is pending on the Board's approval of the balance adjustment requested via discussion item 7.	\$0	No

2	David A Singleton Elect Secretary of State (17768)	\$25 LFF	Q1 2018	Candidate never received any contributions nor made any expenditures and thus was never required to register. He hasn't run for state office since 2014 and filed a termination report in January 2019.	\$0	No
3	Flippable - MN Victory Fund (70055)	\$50 LFF	2018 Pre-general	Treasurer submitted report via ISP (3rd party software) on the due date and was told by ISP the report was submitted successfully. Board staff contacted ISP the following day to inform them the report was rejected by our FTP server as the report listed the reporting period end date as 10/18/2018 rather than 10/22/2018. The typo was corrected and the report was resubmitted.	\$143	No
4	David Schad (DNR)	\$10 LFF	2018 EIS	Official retired 1/8/2019 and the contact info on file included his work email address and work phone number. Official states he didn't think he needed to file an EIS as he was no longer a state employee and he didn't receive notice of the need to file an EIS until after the due date.		No
5	Randy Ellingboe (Dept. of Health)	\$15 LFF	2018 EIS	Official retired in July 2018 and the contact info on file included his work mailing and email address. Official states he didn't receive notice of the need to file an EIS until after the due date.		No
6	Dwight Swanson (High Island Creek WD)	\$15 LFF	2018 EIS	Official had difficulty completing the form online, tried to email his EIS to Board staff, then was contacted by Board staff and mailed a paper copy of the form, but that form wasn't received back until after the deadline.		No
7	Metro Grassroots Outreach Partnership (41183)	\$125 LFF	May 2018	Treasurer was dealing with his wife's serious health issues when the report came due.	\$375	No
8	(Bob) Carney for Governor (17007)	\$75 LFF	2018 Year-End	Candidate/Treasurer was surprised to find that there was no grace period after the due date and had difficulty figuring out how to email his paper report.	\$13	No
9	60th Senate District DFL (20473)	\$2,000 LFFs \$1,600 CPs	2018 Pre-primay 2018 Pre-general	Former treasurer incorrectly told the chair that the reports were filed. After realizing the treasurer failed to file the reports, the party unit elected a new treasurer and the chair filed the reports.	\$2,193	No
10	Tori Hill for House (17526)	\$575 LFF	2018 Year-End	Paper no-change statement was completed but the treasurer and candidate forgot to fax it to us and they were out of town in January and February. Candidate intends to terminate the committee later this year.	\$234	No
11	Mark Bartusek for Senate (17895)	\$575 LFF	2018 Year-End	Candidate/Treasurer states that he did not receive any notice of the need to file a report until March 4, 2019, despite the fact that we had the correct mailing address and phone number. Our records reflect that he was called the afternoon of 1/31 to remind him of the filing deadline. The report was a no-change statement.	\$2,714	No

## **C. Informational Items**

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

Alberder Gillespie, \$350  
Dan Schoen, \$50

### **2. Payment of late filing fee for 2018 pre-primary report of receipts and expenditures**

Calandra Revering, \$100

### **3. Return of public subsidy payment**

Kyle Bragg, \$509.31

### **4. Payment of late filing fee for 2018 pre-general report of receipts and expenditures**

7B House District RPM, \$400  
Houston County RPM, \$200  
Leech Lake PAC, \$800  
Luke McCusker, \$50  
Sibley County RPM. \$150

### **5. Payment of late filing fee for 2018 year-end report of receipts and expenditures**

Robin Courier, \$125  
Alberder Gillespie, \$225  
Grassroots Legalize Cannabis Party, \$200  
John Jasinski, \$25  
Ed Matthews, \$25  
Calandra Revering, \$25  
Dan Schoen, \$25

### **6. Excess carry forward**

Shelly Christensen, \$1264.72  
Donzel Leggett, \$175.44

### **7. Payment of civil penalty for a contribution from an unregistered association**

JLG Architects Employee PAC, \$225  
MN Architects PAC, \$225

### **8. Payment of civil penalty for a corporate contribution**

Legacy Painting, LLC \$90



Kevin Reich (Red Lake County SWCD)

January 20, 2019


Minnesota Finance Campaign Board

Greetings Board Members,

This note serves as a request for you to consider the possibility of me not having to disclose the address of my second real estate property.

My wife and I have a hunting cabin . The reason I am asking to not disclose this property is in hopes of not inviting any unwanted visitors. I am concerned about the potential of vandalism. This cabin is located along a county easement road. Neighboring property owners have experienced trespassing, hunting without permission, and vandalism. I do not want to encourage any of this toward our property or the neighbor's.

Thank you for considering this request.



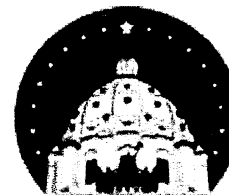
Kevin W. Reich

15475 110<sup>th</sup> Ave SW

Red Lake Falls, MN 56750

218-253-2522 (H)

Red Lake County SWCD Supervisor



# Minnesota Campaign Finance Board

190 Centennial Office Building, 658 Cedar St, St Paul, MN 55155

<https://cfb.mn.gov/>

## Lobbyist Termination Statement

### Filing instructions

- This statement must be completed and filed with a Lobbyist Disbursement Report when terminating a lobbyist registration.
- This form may be emailed to [cf.board@state.mn.us](mailto:cf.board@state.mn.us) or faxed to 651-539-1196 or 800-357-4114.
- All information on this form or report is public information and may be published on the Board's website at <https://cfb.mn.gov/>
- Do not use pencil or red ink to complete this form.
- Board staff may also be reached by phone at 651-539-1187 or 800-657-3889 or by email at [cf.board@state.mn.us](mailto:cf.board@state.mn.us).

### Lobbyist information

Name of lobbyist	David G. Johnson	Registration number	2929
Address	29 South Long Lake Trail		
City, state, zip	North Oaks	Telephone (Daytime)	651-402-9204
Name of association, individual, political subdivision or public higher education system represented	Karen Organization of Minnesota	Registration number	6745

Date of termination: ~~06/02/2014~~ Dec 31, 2015 *DG*

### Certification

David G. Johnson

I, \_\_\_\_\_, certify that this report is complete, true, and correct.  
Print or type name of lobbyist

*[Handwritten Signature]*  
\_\_\_\_\_  
Signature of lobbyist

~~February 14, 2019~~  
Mar 5, 2019  
Date

Any person who signs and certifies to be true a report or statement which the person knows contains false information, or who knowingly omits required information, is subject to a civil penalty imposed by the Board of up to \$3,000 and is subject to criminal prosecution for a gross misdemeanor.

This document is available in alternative formats to individuals with disabilities by calling 651-539-1180, 800-657-3889, or through the Minnesota Relay Service at 800-627-3529.

**Designated lobbyist status**

I was the designated lobbyist for this association.

**Lobbyist reporting status**

Complete one of the following three sections

I was a self-reporting lobbyist and:

I have no disbursements to report for the current reporting period.

OR

I have enclosed a Lobbyist Disbursement Report disclosing disbursements made during the current reporting period.

Lobbying disbursements made by me during the period from the last report filed through my termination are being reported by:

Name of lobbyist: \_\_\_\_\_ Lobbyist registration #: \_\_\_\_\_

I was the reporting lobbyist for:

Name of lobbyist(s) I reported for	Lobbyist reg. #

The enclosed Lobbyist Disbursement Report includes disbursements made by the lobbyists I am authorized to report for.

OR

The enclosed Lobbyist Disbursement Report does not include disbursements made by the lobbyists I am authorized to report for.



Karen Organization of Minnesota

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ဥပဒေရေးရာနှင့်ဆိုင်သည့် ကာလအတွင်းကုန်သွယ်ရေး  
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2353 Rice St., Suite 240  
Roseville, MN 55113  
Phone: 651-788-7593  
Fax: 651-788-7909  
[www.mnkaren.org](http://www.mnkaren.org)  
[info@mnkaren.org](mailto:info@mnkaren.org)  
EIN: 30-0438142

*Mission: To enhance the quality of life for all refugees from Burma in Minnesota*

27 February 2019

Marcia Waller  
Programs Administrator  
Minnesota Campaign Finance and Public Disclosure Board  
Suite 190  
Centennial Office Building  
St. Paul, MN 55155-1603

Dear Ms. Waller:

We received a letter from the Minnesota Campaign Finance and Public Disclosure Board regarding the Annual Report of Lobbyist Principal due March 15, 2019. This letter indicated that Kara Genia and David Johnson were both registered lobbyists for the Karen Organization of Minnesota in 2018. We wish to inform you that we have terminated our relationship with both Kara Genia and David Johnson, and that neither of these individuals performed services for our organization in the 2018 calendar year.

Kara Genia and David Johnson, working together as Animikii LLC, contracted with KOM from 2013-2015 for advocacy to the state legislature. David Johnson ceased involvement with KOM in 2015 and has since moved out of the state. Kara Genia continued to contract with KOM from 2016-2017. Our most recent contract was signed on January 27, 2017, with a duration of January 1-December 31, 2017. I have enclosed a copy of this contract for your reference.

I spoke to you on the phone last month and learned that the report filed by Kara Genia shows a termination date of January 1, 2018. We have attempted to contact Ms. Genia and Mr. Johnson regarding these registrations, but we have not received a response from either of them. Therefore, we request a modified termination date for our registration with Kara Genia to reflect the period listed in our signed contract. We also request an administrative termination of David Johnson's registration with the Karen Organization of Minnesota effective December 31, 2015. Based on these termination dates, we have no lobbyist activity or payments to report for calendar year 2018.

Please contact me at 651-202-3120 or [awalstad@mnkaren.org](mailto:awalstad@mnkaren.org) if you have any questions or need further documentation.

Thank you,

Alexis Walstad  
Co-Executive Director

Enclosure

Members of the Campaign Finance Board  
658 Cedar St  
St Paul, MN 55155

To whom it may concern,

My name is Madison Dibble and I am the current treasurer of the Minnesota College Republicans Fund (no. 30664). I was elected to the position on April 1, 2017 and was registered with the Campaign Finance Board as treasurer shortly after.

I was told that the fund had been properly shut down and the money had been distributed by the previous board. There was less than \$100 in the account when I became treasurer and that remaining money was consumed with bank fees until the account depleted in mid-2017. I thought that was the end of the account until a mentor of mine informed me that the account had not been officially terminated with the CFB.

Upon realizing that the account was not actually terminated, I investigated the account to see what needed to be done. I found that the year-end report for 2016 had not been completed and nothing had been completed for 2017. Our board was under the impression that everything had been completed before we were even elected. The only records that were passed down to me were the fund's bank statements.

I was able to use the bank statements to fill out both year end reports with under the advising of Megan Engelhardt. Using the bank statements, I found that there was a difference of \$402.64 with the starting balance of the account that I was unable to account for in the 2016 annual report. I also understand that the late reports carry a potential total fine of \$4,000.

I write to you today because I would like to properly terminate the account. In my opinion, the account should not have been formed in the first place because the group largely acted as a social group, not a political group. Clearly, the previous treasurers did not understand the responsibilities that had taken upon themselves when they used this account. Had I understood that the account had not properly been terminated, I would have moved this issue sooner.

I would like to make two requests to the board in hopes that we can terminate this account.

First, I would like to request a balance adjustment of \$402.64 for the 2016 annual report. I was not treasurer when errors were made, and I do not have any additional bank statements available to correct the error. With the adjustment, I was able to complete the remainder of the 2016 annual report and accurately complete the 2017 annual report.

Finally, I would greatly appreciate if the board would waive the late report fees and the civil penalty fees (totaling \$4,000) for the 2016 and 2017 annual reports. The mistakes made by our previous boards were serious and we regret that we were not aware of these errors sooner. We would like to complete the unfinished process of terminating this fund once and for all. There is no money left in this account and the fee would be a tremendous burden on the remaining members to right the wrongs of a board we were not a part of.

I fully understand the severity of the mistakes that were made by the previous boards and I would greatly appreciate the board's consideration on these two requests so that we may terminate this account. Thank you for your time and consideration.

Best regards,

Madison Dibble

**David A Singleton Elect Secretary of State (17768)**

**From:** David Singleton <[davidsingleton682@yahoo.com](mailto:davidsingleton682@yahoo.com)>  
**Sent:** Wednesday, January 30, 2019 3:29 PM  
**To:** Engelhardt, Megan (CFB) <[megan.engelhardt@state.mn.us](mailto:megan.engelhardt@state.mn.us)>  
**Subject:** Re: 2018 year-end report and waiver request

Dear Megan:

I am writing to request a waiver for the first quarter report that was due April 16,2018. That report was faxed over by me on April 16,2018 and since I have discussed the matter with you, FedEx Kinkos the place I used to fax advised me that if they had a lot of faxes going through that night it may not have technically came over until the 17th.

My campaign has not been active since 2014 when I ran for Minnesota Secretary of State. No funds have ever been received through the campaign and I have decided that if I run for public office again it will not be Secretary of State. I would like to close my campaign and I request a waiver of the \$25 late fee.

Thank you in advance for your consideration.

Sincerely,

David A. Singleton  
[651-207-2571](tel:651-207-2571)



700 13th Street, NW  
Suite 600  
Washington, D.C. 20005-3960

T +1.202.654.6200  
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PerkinsCoie.com

January 31, 2019

Jonathan S. Berkon  
JBerkon@perkinscoie.com  
D. +1.202.434.1669  
F. +1.202.654.9684

**VIA E-MAIL**

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

**Re: Flippable - MN Victory Fund (Committee ID No. 70055)**

Dear Ms. Engelhardt:

I write as counsel to Flippable - MN Victory Fund (“Flippable”). On or around December 10, 2018, Flippable received a letter from the Minnesota Campaign Finance and Public Disclosure Board (MCFPDB, or “Board”) regarding the assessment of a \$50 fine in connection with the late filing of Flippable’s Fifth Report of Receipts and Expenditures; we are writing to request a waiver for good cause.

Background

On September 25, 2018, Flippable submitted its Fourth Report via the campaign finance reporting software, ISPolitical (“ISP”). After submitting, Flippable did not receive any kind of automatic feedback that the filing was successful; so, Flippable pressed the “file report” button a second time. The following morning, when Flippable searched the Board’s campaign finance data to ensure that the filing was received, Flippable noticed it was considered both filed and amended as if Flippable had submitted twice.

On October 29, 2018, Flippable prepared and submitted its Fifth Report, again via ISP. That night, Flippable reached out to ISP for confirmation that the filing was complete (instead of submitting again and unintentionally amending) and was told that everything looked like it went through the FTP server properly. The next day, however, MCFPDB IT Specialist Jon Peterson emailed ISP:

*“It looks like the file we received yesterday failed validation due to including the wrong ReportEndDate. It was set to 10/18/2018 instead of 10/22/2018.”*

Mr. Peterson instructed Flippable to file a new report as an “original” (rather than an amendment) with the proper end date. Flippable immediately took corrective action: fixing the typo and resubmitting the file.

Minnesota Campaign Finance and Public Disclosure Board  
January 31, 2019  
Page 2

Conclusion

As the Fifth Report was timely submitted, and immediately re-submitted when Flippable was alerted that the initial file “failed validation,” Flippable respectfully requests that the Board waive the \$50 late filing fee.

Sincerely,



Jonathan S. Berkon  
Counsel to Flippable



**From:** cdurtschi <[cdurtschi@comcast.net](mailto:cdurtschi@comcast.net)>  
**Sent:** Sunday, February 24, 2019 12:01 PM  
**To:** Engelhardt, Megan (CFB) <[megan.engelhardt@state.mn.us](mailto:megan.engelhardt@state.mn.us)>  
**Subject:** David Schad Economic Interest Statement

This regards your 2/20/19 letter informing me that I owe a late filing fee (Reg. No. 9797). I wish to request a waiver. I retired from state service on January 8, 2019. Since the contact information that your office had for me (email and phone )were both associated with my state employment, I was not notified of the annual disclosure requirements until after the deadline. At that time, Kevin Lochner from your office was able to track me down by contacting my former administrative assistant. I promptly filed the disclosure the same day he notified me. He acknowledged that your office did not have my current contact information. By the way, since I was no longer a state employee, I mistakenly believed I did not need to file a disclosure for 2019.

Thank you for your consideration of this request.

Dave Schad  
Reg. No. 9797

Sent from my Verizon Wireless 4G LTE smartphone

Megan Engelhardt  
Assistant Executive Director  
Minnesota Campaign Finance Board  
Suite 190, Centennial Office Building  
658 Cedar Street  
St. Paul, MN. 55155-1603

RE: Economic Interest Statement due on January 28, 2019  
Reg. No. 8744

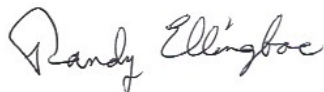
Dear Ms. Engelhardt,

I received your letter of February 20, 2019, regarding the late filing of my Economic Interest statement for 2018. My apologies for filing that late. I would like to request that the Campaign Finance Board consider a waiver to the late fee for my statement. I have described the circumstances below.

I retired from the Minnesota Department of Health (MDH) on July 17, 2018, and my duties as a representative for the MDH on the Public Facilities Authority Board ended at my retirement. Unfortunately I did not remember that I was required to file that Economic Interest statement by January 28, 2019. My contact information on file with the Campaign Finance Board (CFB) until February 14, 2019, was my mailing and email addresses at MDH. If the CFB sent me a reminder to the addresses you had on file until that date, I could not receive it as I was no longer employed at MDH. However, the Campaign Finance Board did send a reminder to the Public Facilities Authority, and staff there tracked down my personal email address and sent me a reminder of the need to complete that statement on February 11, 2019. I read that message on February 14, 2019, and called Jodi Pope of the Campaign Finance Board that day to let her know I had received the reminder, filled out the statement, and updated my mailing and email addresses to my personal addresses that day.

Given the circumstances described above, I would ask that the Campaign Finance Board waive the late filing fee of \$15.00. However, if this isn't possible I will forward payment to your offices. Please feel free to contact me if you need more information. Thank you for your consideration.

Sincerely,



Randy Ellingboe  
7340 Military Road  
Woodbury, MN. 55129

[rellingboe@gmail.com](mailto:rellingboe@gmail.com)  
612-834-4676

MAR -1 PM 1:51

I received your letter telling me to go online and fill out your form because I am on the High-Island Watershed board.

I did not do that because I resigned from the board earlier this year.

Then I received another letter reminding me to complete and return your form.

So I called you and was told that if I was on the board anytime in 2018 I have to fill out the form online.

I went on line, filled it out and e-mailed it back to you.

Then somebody called me and said you got it back but it was blank because I did not put it in an attachment and that you would send a paper form for me to fill out.

I filled it out when I received it and mailed it back to you.

Now I've received a letter from you that says you got the form back after the deadline so I owe you \$15.

I am a 75 year old  
retired farmer and I know  
nothing about computers or  
attachments.

I did my best to comply  
with your request, therefore  
I am ~~asking~~ asking you to  
dismiss this fine.

Thank you

Dwight Swanson  
1626 Waterbury  
Waconia, Mn. 55387

Phone: 320-979-6078

March 1, 2019

James Carson

Treasurer

Metro Grassroots Outreach Partnership (#41183)

3425 McKnight Rd N, White Bear Lake, MN 55110-5558

Megan Englehardt

Assistant Executive Director

Campaign Finance and Public Disclosure Board

190 Centennial Office Building

Saint Paul, MN 55155

Dear Ms Englhart,

I am writing to request a reduction in late fees for good cause from \$125 to whatever the Board deems appropriate.

Since November 2017, my wife of forty-two years, Linda, has been struggling with cancer. For the first six months after receiving surgery, the prognosis was very good. However, in May 2018, the cancer re-appeared and she had a second surgery. By early June, the cancer had returned aggressively. She started an immunotherapy experimental drug regimen at the end of July that had been moderately successful.

From early June to mid-August, my attention was focused entirely on my wife and family. Even now, the immunotherapy drug has ceased working and she is moving to a different immunotherapy drug, which she starts on Tuesday.

I apologize for missing those deadlines, but I hope you understand and accept extenuating circumstances.

Sincerely,

Signed /James B. Carson/

James B. Carson

**From:** Bob <[bobcarneyjr@msn.com](mailto:bobcarneyjr@msn.com)>  
**Sent:** Friday, February 15, 2019 3:58 PM  
**To:** Stevens, Melissa (CFB) <[melissa.stevens@state.mn.us](mailto:melissa.stevens@state.mn.us)>; Engelhardt, Megan (CFB) <[megan.engelhardt@state.mn.us](mailto:megan.engelhardt@state.mn.us)>  
**Subject:** Request to waive any late filing fine

Hi Melissa and Megan –

I was told I could make this request by e-mail.

Yesterday (2/14/19) I dropped off the originals for the paper campaign report I filed for 2019 – as you know, there was a problem with image quality for the last page.

I'm a "small operator" – raising and spending only a few hundred dollars, much of it my own money. I was caught a little by surprise to find both that the report was due 1/31/2019 (which I knew) *and* that there was no grace period (forgot or didn't know that.) In addition to being busy, I encountered some significant challenges being able to complete and e-mail the paper report. The only way I could do it was to take cell phone photos of each hand-completed page, then "share" them by e-mail to make them available on my computer. I then downloaded them and copied them into a word document, which was the attachment I sent to you.

Unfortunately, while I was doing this, the first five pages worked ok, but for some reason – possibly having to do with data limits – my cell phone would not transmit the sixth page to my computer. I eventually ended up taking a photo of that with my computer's camera – that may have caused the difference in image quality.

As a result of this cumbersome process, the report was late. I don't think any public harm has been done – there's no real question in my case of any large amount of money mysteriously affecting last year's Governor's race. So I'm request that the board waive any fine under the circumstances.

Please call or e-mail me if you have any questions – cell phone: (612) 812-4867.

Thanks,

Bob "Again" Carney Jr.

Sent from [Mail](#) for Windows 10

DFL Senate District 60

Our July 2018 and October 2018 campaign finance reports were submitted late because we had miscommunication issues with our previous Treasurer, who said she had completed the reports but actually had not. At our January central committee we elected a new Treasurer who is more reliable and committed, and moving forward we will ensure that our reports are submitted on time.

BEST,

Sonia Neukirch



Chair - SD 60

## Tori Hill for House (17526)

**From:** Hillbtn <[hillbtn@aol.com](mailto:hillbtn@aol.com)>

**Sent:** Tuesday, March 05, 2019 10:25 AM

**To:** Engelhardt, Megan (CFB) <[megan.engelhardt@state.mn.us](mailto:megan.engelhardt@state.mn.us)>; [hillbtn@aol.com](mailto:hillbtn@aol.com)

**Subject:** Re: 2018 year-end report form-Please waive and we plan to terminate this account

Ms. Megan,

We are very sorry for the delay of this report. It has been completed for a while, but we were out of town over the holiday and in January and February. We just forgot to fax it in.

We also have been working on our home due to a major water pipe broke that caused major damage to our home. Please ask the board to please waive the fee for being late this time. We are very sorry. We also plan to terminate this account this year. Thank you again for the consideration.

Thank you,

[Tori](#) Richardson-Hill and Leon Hill



**From:** Bartusek, Mark J <[mark.bartusek@usbank.com](mailto:mark.bartusek@usbank.com)>  
**Sent:** Tuesday, March 05, 2019 11:39 AM  
**To:** Engelhardt, Megan (CFB) <[megan.engelhardt@state.mn.us](mailto:megan.engelhardt@state.mn.us)>  
**Subject:** Campaign Report

Megan,

Attached is the report for my campaign finances in 2018.

As I stated on the phone I did not receive any earlier notification other than the certified letter that I received yesterday. I am asking that the late fee of \$550.00 be waived as I responded promptly once I was notified about the report. I have added the report due date to my calendar to ensure that I do not forget about it again.

Thanks for you help.

**Mark J Bartusek**  
Appl Systems Administrator  
p. 612.290.5128 | [mark.bartusek@usbank.com](mailto:mark.bartusek@usbank.com)

**U.S. Bank**  
**Minnesota Home Based**  
Contact employee for address, Home-based, MN | HO-MN-BASE | [usbank.com](http://usbank.com)

U.S. BANCORP made the following annotations

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

**ACTIVE FILES**

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

