

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

**Findings and Order in the Matter of the Complaint of Michael Krause regarding the  
Minneapolis Democrats for Truth committee**

**The Allegations in the Complaint**

On August 29, 2012, Michael Krause filed a complaint with the Campaign Finance and Public Disclosure Board regarding the actions of Minneapolis Democrats for Truth. Minneapolis Democrats for Truth is a political committee that registered with the Board on August 7, 2012. The complaint alleges that Minneapolis Democrats for Truth violated the campaign finance laws by not reporting to the Board within 24 hours a contribution or loan totaling \$1,000 or more received from a single source between July 24, 2012, and August 14, 2012.

Attached to the complaint are copies of two literature pieces mailed by Minneapolis Democrats for Truth before the August 14, 2012, primary. The mailings oppose the selection of Ian Alexander as the Democratic nominee for the District 59B seat in the Minnesota House of Representatives and state that they are independent expenditures. The complaint also includes copies of two literature pieces mailed by two labor unions in support of another candidate in the primary. The font, layout, and some of the wording on the four literature pieces are nearly identical. The four literature pieces also use the same bulk mail permit.

The complaint also includes additional evidence of telephone calls made to voters shortly before the primary election. The complaint alleges that these calls were paid for by the Minneapolis Democrats for Truth committee.

The complaint argues that the cost of the two mailed pieces and the telephone calls had to have been more than \$1,000 yet Minneapolis Democrats for Truth reported no large contributions between the date of its registration and the date of the August primary.

**The Response to the Complaint**

In its response, Minneapolis Democrats for Truth agrees that it was responsible for the two mailed literature pieces and the telephone calls identified in the complaint. The committee, however, argues that it did not receive contributions of more than \$1,000 until after the primary election.

Specifically, Minneapolis Democrats for Truth says that shortly after it registered with the Board, two volunteers created the literature pieces and sent them to the printer. The printer mailed the pieces on August 7, 2012, and August 8, 2012, using the bulk mail permit of a mailing house. On August 8, 2012, the AFSCME Minn PEOPLE's Committee Council 5 donated \$454.24 in postage to Minneapolis Democrats for Truth for the cost of the first mailing. On August 9, 2012, the MAPE PAC donated \$454.24 in postage for the cost of the second mailing. The printer

billed Minneapolis Democrats for Truth for the remaining cost of the mailings, which was \$1644.94, on August 20, 2012.

Minneapolis Democrats for Truth also states that it used a call house to make the telephone calls to voters on August 12, 2012. The cost of these calls was \$386.32. The call house billed the committee on August 14, 2012. The invoices from the printer and the call house are attached to the Minneapolis Democrats for Truth response. The committee also reported these expenditures on its 42<sup>nd</sup> day pre-general-election report.

Minneapolis Democrats for Truth states that after it received the invoices for the mailings and the telephone calls and had “a full understanding of [its] expenses,” it began fundraising. The committee received \$400 from the AFSCME Minn PEOPLE’s Committee Council 5 on August 22, 2012. Minneapolis Democrats for Truth received \$900 from the MAPE PAC on August 31, 2012, and an additional \$750 from the MAPE PAC on September 10, 2012. All three committees reported these contributions on their 42<sup>nd</sup> day pre-general-election reports.

### **Board Analysis**

Minnesota Statutes section 10A.20, subdivision 5, provides:

Any loan, contribution, or contributions to a political committee or political fund from any one source totaling \$1,000 or more . . . received between the last day covered in the last report before an election and the election must be reported to the board on one of the following ways:

- (1) In person by the end of the next business day after its receipt; or
- (2) By electronic means sent within 24 hours after its receipt.

Here, the complaint alleges that the Minnesota Democrats for Truth committee violated this statute because it received contributions of more than \$1,000 between July 24, 2012, and August 14, 2012, but did not report those contributions within 24 hours. The record, however, shows that Minneapolis Democrats for Truth received only two contributions during the relevant time period and that neither contribution was more than \$1,000. In addition, there is no evidence of any loans made to the committee at any point during its existence. Consequently, the record here does not support a finding that Minneapolis Democrats for Truth received any loans or contributions that triggered the reporting requirements in Minnesota Statutes section 10A.20, subdivision 5.

**Based on the evidence before it and the above analysis the Board makes the following:**

### **Finding Concerning Probable Cause**

There is no probable cause to believe that the Minneapolis Democrats for Truth committee violated Minnesota Statutes section 10A.20, subdivision 5.

**Based on the above Finding, the Board issues the following:**

**ORDER**

The Board investigation of this matter is concluded and hereby made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.02, subdivision 11.

Dated: November 7, 2012

\_\_\_\_\_/s/ Andrew M. Luger  
Andrew M. Luger, Vice Chair  
Campaign Finance and Public Disclosure Board

**Relevant Statute**

**Minn. Stat. § 10A.20, subd. 5. Preelection reports.** Any loan, contribution, or contributions to a political committee or political fund from any one source totaling \$1,000 or more, or in a statewide election for judicial office, any loan, contribution, or contributions from any one source totaling \$2,000 or more, or in any judicial district totaling \$400 or more, and any loan, contribution, or contributions to a candidate for constitutional office or for the legislature from any one source totaling 80 percent or more of the contribution limit for the office, received between the last day covered in the last report before an election and the election must be reported to the board in one of the following ways:

- (1) in person by the end of the next business day after its receipt; or
- (2) by electronic means sent within 24 hours after its receipt.

These loans and contributions must also be reported in the next required report.

This notice requirement does not apply with respect to a primary in which the statewide or legislative candidate is unopposed.

The board must post the report on its Web site by the end of the next business day after it is received.