STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

CONCILIATION AGREEMENT

In the matter of the Melissa Hortman Campaign Committee (15677);

- 1. The Melissa Hortman Campaign Committee is the principal campaign committee of Representative Melissa Hortman. The aggregate special source contribution limit, which includes contributions from lobbyists, political committees and funds, and associations not registered with the Board, was \$13,100 for House candidates during the 2017-2018 election cycle. The committee's 2017 and 2018 year-end reports of receipts and expenditures disclosed a combined total of \$13,250 in special source contributions. The \$150 that the committee received that exceeded the limit was not returned within 90 days of being deposited and is therefore deemed accepted under Minnesota Statutes section 10A.15, subdivision 3.
- 2. The committee's treasurer, Claudia Anderson, provided photocopies of two checks from the committee dated May 2, 2019, returning a total of \$150 to special source contributors.
- 3. Ms. Anderson stated that when entering special source contributions into the Board's Campaign Finance Reporter software in 2018, she may have ignored a warning regarding the aggregate special source limit, mistakenly thinking that the warning was related to the need for employment information for donors contributing more than \$200. Ms. Anderson also was not aware of the software's batch compliance function at the time, which would have alerted her to the committee's excess special source contributions.
- 4. The parties agree that the committee accepted excessive contributions from special sources in violation of Minnesota Statutes section 10A.27, subdivision 11, during the 2017-2018 election cycle. This is the committee's first violation of the aggregate special source limit.
- 5. To avoid a similar violation in the future, the committee agrees to:
 - Ensure that the committee's treasurer reviews and enters contributions into the Campaign Finance Reporter software within 60 days of receipt and reviews any warning messages displayed by the software; and
 - b. Run a batch compliance report after each time contributions are entered and take steps to remedy any violations the software identifies so that problems may be resolved within the 90 days provided by statute for the return of a contribution before it is deemed accepted.

- 6. The committee agrees to the imposition of a civil penalty of \$150, the amount of the violation, for accepting contributions in excess of the limit imposed by Minnesota Statutes section 10A.27, subdivision 11. Of this amount, \$40 is due within 30 days of the date the agreement is signed by both parties. The remaining \$110 of the penalty is, by the terms of this agreement, stayed until January 1, 2021. If the committee violates Minnesota Statutes section 10A.27, subdivision 11, before January 1, 2021, the outstanding civil penalty is due immediately. If the committee does not violate Minnesota Statutes section 10A.27, subdivision 11, before January 1, 2021, the outstanding civil penalty is waived.
- 7. The committee also agrees to provide to the Board, within 90 days of the date the agreement is signed by both parties, copies of the deposited checks or other documentation showing that \$150 was received by the special source contributors to which it was returned.
- 8. If the committee does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Melissa Hortman	Dated: June 5, 2019
Representative Melissa Hortman	
Melissa Hortman Campaign Committee	
/s/ Margaret Leppik	Dated: <u>June 5, 2019</u>
Margaret Leppik, Chair	
Campaign Finance and Public Disclosure Board	