

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

FINDINGS, CONCLUSIONS, AND ORDER

IN THE MATTER OF PATRICIA RAUENHORST AND THE LANG (ANDREW) FOR SENATE 17 COMMITTEE

The Lang (Andrew) for Senate 17 committee is the principal campaign committee of Senator Andrew Lang. Patricia Rauenhorst has served as the committee's treasurer since July 2016. On January 31, 2019, Ms. Rauenhorst filed a paper no-change statement in lieu of a 2018 year-end report, stating that the committee had not received any contributions or made any expenditures in 2018. The no-change statement did not list the committee's cash balance, which is required information on a no-change statement. Board staff emailed Ms. Rauenhorst to inform her that the committee's ending cash balance was required to complete the no-change statement. After no response was received from Ms. Rauenhorst, staff sent a letter advising that the committee would incur a late filing fee if it failed to file an amendment by March 20, 2019. On March 15, 2019, an amended 2018 year-end report was filed via the Board's Campaign Finance Reporter (CFR) software, disclosing that the committee had received \$7,747 in contributions and made \$1,605 in expenditures in 2018. This report would have incurred a \$750 late filing fee if Ms. Rauenhorst had not filed the no-change statement on the January 31 deadline.

On April 24, 2019, Board staff notified Ms. Rauenhorst that the Board would consider opening an investigation regarding the matter at its meeting on May 1, 2019. In addition to a written notice, Ms. Rauenhorst was given a copy of the written materials provided to Board members in advance of the meeting requesting that the Board order a formal investigation of the matter pursuant to Minnesota Statutes section 10A.022, subdivision 3d, and Minnesota Rules 4525.0340, subpart 2. Those materials stated that Ms. Rauenhorst might have violated Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), by falsely certifying the no-change statement to be complete, true, and correct.

Ms. Rauenhorst appeared before the Board in executive session on May 1, 2019, and also provided a written statement. Ms. Rauenhorst acknowledged that she had filed the no-change statement despite being aware that contributions were received and expenditures were made by the committee in 2018. She explained that her computer had malfunctioned just prior to the report being due, so she did not have access to the financial data she had entered previously into the CFR software and filed a no-change statement, knowing that she could later file an amended report. Ms. Rauenhorst stated that she never told Senator Lang that she had computer problems or that she had filed a no-change report. On May 1, 2019, the Board directed the executive director to open a staff review pursuant to Minnesota Rules 4525.0340, subpart 2.

Analysis

Minnesota Statutes section 10A.20, subdivision 3, requires reports of receipts and expenditures to include all contributions received and all expenditures made during the reporting period. Minnesota Statutes section 10A.20, subdivision 7, provides that when a committee "has no receipts or expenditures during a reporting period, the treasurer must file with the board at the time required by this section a

statement to that effect.” The no-change statement filed by Ms. Rauenhorst failed to disclose any of the contributions received or expenditures made by the committee in 2018.

When a committee becomes aware of an error or omission in a report previously filed with the Board, Minnesota Statutes section 10A.025, subdivision 4, requires the committee to file an amended report within 10 days of becoming aware of the inaccuracy. Submission of an amended report that accurately corrects the error or omission resolves a violation of the reporting requirements in Minnesota Statutes section 10A.20. The amended 2018 year-end report filed on March 15, 2019, corrected the omissions of the no-change statement.

Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), states that “[a]n individual shall not sign and certify to be true a report or statement knowing it contains false information or knowing it omits required information.” Minnesota Statutes section 10A.025, subdivision 2, paragraph (d), provides that “[a] person who violates paragraph (b) or (c) is subject to a civil penalty imposed by the board of up to \$3,000. A violation of paragraph (b) or (c) is a gross misdemeanor.” Minnesota Statutes section 10A.025, subdivision 2, paragraph (e), states that “[t]he board may impose an additional civil penalty of up to \$3,000 on the principal campaign committee . . . that is affiliated with an individual who violated paragraph (b) or (c).”

Based on the above analysis, the Board makes the following:

Findings of Fact

1. Patricia Rauenhorst has served as treasurer for the Lang (Andrew) for Senate 17 committee since July 2016.
2. On January 31, 2019, Ms. Rauenhorst filed a no-change statement on behalf of the committee, falsely stating that the committee received no contributions and made no expenditures in 2018.
3. On March 15, 2019, an amended 2018 year-end report of receipts and expenditures was filed via the CFR software, disclosing that the committee received \$7,747 in contributions and made \$1,605 in expenditures in 2018.
4. If the no-change statement had not been filed on January 31, 2019, the report filed on March 15, 2019, would have accrued a late filing fee of \$750.
5. Ms. Rauenhorst has acknowledged that she certified the no-change statement to be complete, true, and correct, knowing that it was false and omitted required information.
6. Nothing in the record indicates that Senator Lang knew that Ms. Rauenhorst filed an incomplete or inaccurate report.

Based on the analysis and the findings of fact, the Board makes the following:

Conclusions of Law

1. The Lang (Andrew) for Senate 17 committee violated Minnesota Statutes section 10A.20, subdivision 3, when it initially failed to disclose any of the contributions received and expenditures made by the committee in 2018. That violation was remedied by the filing of an amended 2018 year-end report on March 15, 2019.
2. Patricia Rauenhorst violated Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), by certifying the no-change statement filed January 31, 2019, to be complete, true, and correct, while knowing that it was false and omitted required information.

Based on the above Findings of Fact and Conclusions of Law, the Board issues the following:

Order

1. A civil penalty in the amount of \$150 is assessed against Patricia Rauenhorst for violating Minnesota Statutes section 10A.025, subdivision 2, paragraph (b).
2. A civil penalty in the amount of \$750 is assessed against the Lang (Andrew) for Senate 17 committee pursuant to Minnesota Statutes section 10A.025, subdivision 2, paragraph (e). This penalty is assessed due to the violation of Ms. Rauenhorst, the committee's treasurer, and because the committee would have incurred a late filing fee of \$750 if the no-change statement had not been filed.
3. If Ms. Rauenhorst and the Lang (Andrew) for Senate 17 committee do not comply with the provisions of this order, the Board's executive director may request that the attorney general bring an action on behalf of the Board for the remedies available under Minnesota Statutes section 10A.34.
4. The investigation of this matter is concluded and hereby made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.022, subdivision 5.

/s/ Margaret Leppik
Margaret Leppik, Chair
Campaign Finance and Public Disclosure Board

Date: June 11, 2019