

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

**FINDINGS REGARDING THE SOUTHERN MINNESOTA BEET SUGAR  
COOPERATIVE FEDERAL PAC**

**Procedural Background**

Campaign Finance and Public Disclosure Board (“Board”) staff’s review of the Southern Minnesota Beet Sugar Cooperative PAC’s (“Minnesota Committee”) Reports of Receipts and Expenditures for the periods covering calendar years 2003 and 2004 disclosed two contributions from Southern Minnesota Beet Sugar Cooperative Federal PAC (“Federal PAC”), an association that is not registered with the Board.

Minn. Stat. §10A.27, subd. 13 (b), prohibits an unregistered association from making a contribution in excess of \$100 to a registered political committee, unless, at the time the contribution was made, the unregistered association provides the political committee with the disclosure required by Minn. Stat. §10A.27, subd. 13.

Board staff contacted Jeffrey Plathe, treasurer of both the Southern Minnesota Beet Sugar Cooperative PAC (Minnesota Committee), and treasurer, Southern Minnesota Beet Sugar Cooperative Federal PAC (Federal PAC), regarding this matter on February 24, 2005. Mr. Plathe replied by letter dated March 10, 2005, and stated “your letter correctly references a \$2,500 contribution to the State PAC from Southern Minnesota Beet Sugar Cooperative Federal PAC (the ‘Federal PAC’). A contribution similar to this amount has been made by the Federal PAC to the State PAC every year since both PACs were established over 20 years ago.” Board staff sent Mr. Plathe additional correspondence regarding this matter on March 25, 2005, March 29, 2005, and April 14, 2005. Mr. Plathe provided additional responses to inquiries from the Board on March 24, 2005, April 7, 2005, April 12, 2005, and May 6, 2005.

Board records indicate that in calendar years 2003 and 2004, the Minnesota Committee disclosed receiving two contributions totaling \$5,000 from the Federal PAC.

Mr. Plathe provided the Board with disclosure statements for the Federal PAC for calendar years 2003 and 2004.

This matter was considered by the Board in executive sessions in its meetings on March 22, 2005, April 25, 2005, and June 7, 2005. The Board’s decision was based upon Board staff’s conversations with Mr. Plathe, correspondence from Mr. Plathe, and Board records.

**Based on the record before it, the Board issues the following:**

**EVIDENTIARY FINDINGS**

1. There is evidence that the Southern Minnesota Beet Sugar Cooperative Federal PAC made two contributions in excess of \$100 to the Southern Minnesota Beet Sugar Cooperative PAC in calendar years 2003 and 2004.

2. There is evidence that these contributions were not returned within 60 days.
3. Minn. Stat. §10A.27, subd. 13 (b), provides that an unregistered association that makes a contribution to a registered political committee without the required disclosure is subject to a civil penalty of up to \$1,000 per contribution.
4. There is evidence that the Southern Minnesota Beet Sugar Cooperative PAC has now obtained disclosure statements from the Southern Minnesota Beet Sugar Cooperative Federal PAC and provided those statements to the Board.

**Based on the above Statement of the Evidence, the Board makes the following:**

#### **FINDINGS CONCERNING PROBABLE CAUSE**

There is probable cause to believe that the Southern Minnesota Beet Sugar Cooperative Federal PAC inadvertently violated Minn. Stat. §10A.27, subd. 13, when it made two contributions in excess of \$100 during calendar years 2003 and 2004 to the Southern Minnesota Beet Sugar Cooperative PAC without providing the disclosure required by Minn. Stat. §10A.20.

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

#### **ORDER**

1. The Board imposes a civil penalty of \$2,000. This amount represents \$1,000 for each of the two contributions the Southern Minnesota Beet Sugar Cooperative Federal PAC made in excess of \$100 to the Southern Minnesota Beet Sugar Cooperative PAC without providing the disclosure required by Minn. Stat. §10A.27, subd. 13.
2. The Southern Minnesota Beet Sugar Cooperative Federal PAC is directed to forward to the Board payment of the civil penalty, by check or money order payable to the State of Minnesota, within thirty days of receipt of this order.
3. The Board directs the Southern Minnesota Beet Sugar Cooperative Federal PAC to ensure that any future contributions of over \$100 to the Southern Minnesota Beet Sugar Cooperative PAC are accompanied by disclosure statements that meet all the disclosure requirements of Minn. Stat. §10A.20.
4. If the Southern Minnesota Beet Sugar Cooperative Federal PAC does not comply with the provisions of this order, the Board's Executive Director shall refer this matter to the appropriate County Attorney for civil enforcement pursuant to Minn. Stat. §10A.34, subd. 2.

5. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minn. Stat. §10A.02, subd. 11, and upon receipt of the civil penalty imposed herein, this matter is concluded.

Dated: June 7, 2005



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Terri Ashmore, Chair  
Campaign Finance and Public Disclosure Board