

Minnesota

Campaign Finance and Public Disclosure Board Meeting

Wednesday, July 6, 2022

10:30 A.M.

Blazing Star Room
Centennial Office Building

REGULAR SESSION AGENDA

1. **Approval of minutes**
 - A. June 1, 2022
 - B. April 6, 2022 (corrected)
2. **Chair's report**
 - A. 2022 meeting schedule
3. **Executive director report**
4. **Enforcement report**
5. **Legal report**
6. **Other business**

EXECUTIVE SESSION

Immediately following regular session

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

.....
June 1, 2022
Blazing Star Room
Centennial Office Building
.....

MINUTES

The meeting was called to order by Vice Chair Soule.

Members present: Asp (by Webex), Flynn (by Webex), Leppik, Soule, Swanson (by Webex)

Members absent: Rashid

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

MINUTES (May 4 and May 9, 2022)

The following motion was made:

Member Leppik's motion: To approve the May 4, 2022, and May 9, 2022, minutes as drafted.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

CHAIR'S REPORT

A. 2022 meeting schedule

The next Board meeting is scheduled for 10:30 a.m. on Wednesday, July 6, 2022.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson presented members with a memorandum that is attached to and made a part of these minutes.

Board Operations - Reporting Periods

Mr. Sigurdson provided an overview of upcoming reporting deadlines for the campaign finance and lobbying programs, as well as the requirement of candidates to file statements of economic interest.

Update on Legislation

Mr. Sigurdson stated that HF 4293 was an omnibus bill that contained changes to Chapter 10A and other statutes under the jurisdiction of the state government and elections committees, as well as provisions addressing transportation and state pension issues. Mr. Sigurdson explained that the bill did not emerge from a conference committee but there is a possibility of a special legislative session.

Staffing Update

Mr. Sigurdson reported that the legal/management analyst position vacated by Jodi Pope has been filled with William Hager, who will assume that role starting June 15.

ENFORCEMENT REPORT

A. Consent Items

1. Administrative termination of lobbyist Cort Holten (2961)

Mr. Olson stated that Cort Holten died on April 8, 2022, and Board staff terminated his lobbyist registrations on behalf of 10 principals as of that date. Mr. Olson explained that another lobbyist is now the designated lobbyist for the principals for which Mr. Holten was previously the designated lobbyist, and is now the reporting lobbyist for Mr. Holten's disbursements made during early 2022.

2. Withdrawal of lobbyist registration of Jeremy Schroeder (2926)

Mr. Olson stated that Jeremy Schroeder registered as a lobbyist for 635 Van Buren LLC on May 12, 2022. Mr. Olson explained that after discussing his registration with Board staff, Mr. Schroeder realized that he will not reach the monetary threshold to be defined as a lobbyist in 2022 and he has requested that his lobbyist registration be withdrawn.

The following motion was made:

Member Flynn's motion: To approve consent items 1 and 2.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

B. Discussion Items

1. Request for retroactive termination of lobbyists Ani Backa (3085) and Nancy Ryan (4646)

Mr. Olson stated that Rick Evans, the designated lobbyist for Xcel Energy Services, Inc., has requested the retroactive administrative termination of Ani Backa and Nancy Ryan as lobbyists for that principal. Mr. Olson explained that Ms. Backa ceased being employed by the principal in 2017 while Ms. Ryan

was employed by a contractor and has not provided any services to the principal since 2020. Mr. Olson reported that the principal attempted to contact each lobbyist to ask them to file a termination statement but neither has done so. Mr. Olson explained that Mr. Evans has requested that Ms. Backa's lobbyist registration be terminated effective January 1, 2018, and that Ms. Ryan's lobbyist registration be terminated effective January 1, 2021.

The following motion was made:

Member Leppik's motion: To approve the administrative terminations as requested.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

C. Waiver Requests

Entity	Late Fee/ Civil Penalty	Report Due	Factors and Recommended Action	Board Member's Motion	Motion	Vote on Motion
1. Howe (John) Volunteer Committee (17726)	\$25 LFF	2022 1st Quarter	Report due 4/14/2022 was filed one day late. Candidate was out of town attending to a seriously ill family member the day the report was due and was unable to file the report until the following day. The report was a no-change statement listing a cash balance of \$17,061. RECOMMENDED ACTION: Waive	Leppik	Approve the staff recommendation for requests 1 through 5	A roll call vote was taken. All members voted in the affirmative.
2. Automotive Service Political Action Committee (40683)	\$50 LFF	2022 1st Quarter	Report due 4/14/2022 was filed 4/18/2022. Treasurer completed the report on time but the committee's office manager had a family medical emergency and was unable to scan and email the report until after the due date. RECOMMENDED ACTION: Waive	Leppik	Approve the staff recommendation for requests 1 through 5	A roll call vote was taken. All members voted in the affirmative.

<p>3. Tarryl Clark (Stearns County Commissioner)</p>	<p>\$5 LFF</p>	<p>2021 Annual EIS</p>	<p>EIS due 1/31/2022 was filed 2/15/2022, the day the late filing fee began to accrue. Official was unsure of how to complete a portion of her EIS but spoke with Board staff and thought she had filed her EIS a few days before the late fee began to accrue. It appears that she saved her information but did not click the submit button. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve the staff recommendation for requests 1 through 5</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>
<p>4. MN Assn of Wheat Growers (3607)</p>	<p>\$25 LFF</p>	<p>2021 Lobbyist Principal</p>	<p>Report due 3/15/2022 was filed one day late. Principal's CFO, who used to complete the report each year, retired, and the contractor that is handling the principal's finances wasn't contacted by the principal until the afternoon the report was due. Principal's registration information has now been updated to list the contractor as the principal's contact. Principal has been registered with the Board since 1995 and has no recent history of late filings. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve the staff recommendation for requests 1 through 5</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>

<p>5. NAPAC-MN (41276)</p>	<p>\$450 LFF</p>	<p>2022 1st Quarter</p>	<p>Report due 4/14/2022 was filed 5/10/2022. Treasurer was out of the country at the time the report came due and did not return until early May. The report is a no-change statement and lists a cash balance of \$211. Staff's recommendation to waive the LFF is based on the fact that the committee did not accept contributions or make expenditures in excess of \$750 prior to the end of the reporting period and therefore was not required to register with the Board. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve the staff recommendation for requests 1 through 5</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>
<p>6. Revol Greens MN, LLC (7758)</p>	<p>\$525 LFF</p>	<p>2021 Lobbyist Principal</p>	<p>Report due 3/15/2022 was filed 4/13/2022. Principal's contact person was no longer employed by the principal when notices regarding the report were sent. Principal reported no spending on lobbying and principal's sole lobbyist reported that no disbursements were made and no compensation was received in excess of \$500. Principal's sole lobbyist was terminated as of the end of 2021 so the principal will not need to file reports in the future unless a new lobbyist is registered on its behalf. RECOMMENDED ACTION: Reduce to \$200</p>	<p>Swanson</p>	<p>Approve the staff recommendation for requests 6 through 8</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>

<p>7. Marti (Michael) for Minnesota (18693)</p>	<p>\$625 LFF</p>	<p>2022 1st Quarter</p>	<p>Report due 4/14/2022 was filed 5/19/2022. Candidate suspended his campaign in Dec. 2021 and informed Board staff that a termination report would soon be filed. Treasurer attempted to enter the committee's only 2022 disbursement within the CFR software but received an error message regarding the date of the transaction because he had not initialized the 2022 calendar year within the software. Treasurer misinterpreted that message to mean that he needed to wait and later file a 2022 year-end report. Board staff had difficulty contacting the committee because the only email address provided was not being monitored by the committee. The report filed 5/19/2022 is a termination report. RECOMMENDED ACTION: Reduce to \$200</p>	<p>Swanson</p>	<p>Approve the staff recommendation for requests 6 through 8</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>
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8. MN350 Action Fund (30699)	\$1,000 LFF	2021 Year-End	Report due 1/31/2022 was filed 5/2/2022. In late 2021 and early 2022, Board staff worked with the fund to amend its 2020 year-end report. The fund then completed a 2021 year-end report but forgot to file it due to an internal miscommunication within the supporting association's staff. Because this is a political fund, Board staff did not know that a 2021 year-end report needed to be filed until contacting the fund regarding a cash balance discrepancy in late April of 2022. The fund then promptly filed the missing report, which resolved the balance discrepancy. The fund reported a cash balance of \$8,073 as of 3/31/2022. RECOMMENDED ACTION: Reduce to \$500	Swanson	Approve the staff recommendation for requests 6 through 8	A roll call vote was taken. All members voted in the affirmative.
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FEC V. CRUZ

Mr. Olson presented members with a memorandum that is attached to and made a part of these minutes. Mr. Olson stated that in FEC v. Cruz the United States Supreme Court struck down a federal limit on the amount of money consisting of post-election contributions that may be used to repay loans issued by a federal candidate to their own committee. Mr. Olson explained that the Court deemed the restriction a prophylaxis-upon-prophylaxis approach that did not serve the purpose of preventing *quid pro quo* corruption or the appearance thereof. Mr. Olson said that the decision does not appear to have a direct impact on Chapter 10A because Chapter 10A does not include restrictions on the use of contributions received after election day and also does not include limitations on what funds may be used by a principal campaign committee to repay a loan made by the candidate. Mr. Olson stated that the decision does bolter previous opinions generally holding that restrictions on campaign speech may only target *quid pro quo* corruption and the appearance thereof.

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 told members that the Board’s default judgment motion has not yet been granted in the Rhoades matter. Mr. Swanson asked if there has been any communication regarding

the Shim matter. Mr. Olson explained that Mx. Shim has not contacted Board staff or made any payment.

EXECUTIVE SESSION

Vice Chair Soule recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the vice chair reported the following matter into regular session:

Conciliation agreement in the matter of the Dr. Scott Jensen for Governor committee

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

Respectfully submitted,

Jeff Sigurdson
Executive Director

Attachments:
Executive Director's Report – Board Operations
Memorandum regarding FEC v. Cruz
Legal report



MINNESOTA

CAMPAIGN FINANCE BOARD

Date: June 29, 2022

To: Board members

From: Andrew Olson, Legal/Management Analyst **Telephone:** 651-539-1190

Re: Error within April 6, 2022, regular session minutes

Board staff discovered that the enforcement report section of the April 6, 2022, regular session minutes contains erroneous information regarding three requests to waive late filing fees or civil penalties. The incorrect information appears at the bottom of page 8 and at the top of page 9 of the minutes. Within the waivers grid column labeled Factors and Recommended Action, the recommended action listed for waiver requests 4, 5, and 6 was to waive the amount owed, which does not match the information provided to Board members prior to and during the Board meeting. The recommendations that were provided and ultimately acted upon by the Board were as follows:

4. F. Clayton Tyler (9578) – Reduce \$200 late filing fee to \$100
5. 4th Congressional District GPM (20733) – Reduce \$950 late filing fee to \$150
6. Jae Hyun Shim (Board of Behavioral Health and Therapy) – Reduce \$1,000 civil penalty to \$500, leaving a balance owed of \$630 consisting of the civil penalty, a \$100 late filing fee, and a \$30 late filing fee

The minutes were adopted by the Board on May 4, 2022. Despite the error, accurate information regarding the actions taken by the Board was provided to those with a waiver request considered at the April 6, 2022, meeting. Board staff is asking the Board to approve corrected minutes for that meeting. Within the attached draft of the corrected minutes, the three changes have been highlighted to make them easier to locate.

Attachments:

Corrected draft April 6, 2022, regular session minutes

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

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April 6, 2022

Meeting conducted remotely though Webex due to COVID-19 pandemic

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MINUTES

The meeting was called to order by Chair Rashid.

Members present: Asp, Flynn, Leppik, Rashid, Soule, Swanson

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

MINUTES (March 2, 2022)

After discussion, the following motion was made:

Member Leppik's motion: To approve the March 2, 2022, minutes as drafted.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

CHAIR'S REPORT

A. 2022 meeting schedule

After discussion the Board decided to change the standard start time for future Board meetings to 10:30 a.m. The next Board meeting is scheduled for 10:30 a.m. on Wednesday, May 4, 2022 and will be held in person.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson presented members with a memorandum regarding these matters that is attached to and made a part of these minutes.

A. Lobbyist Principal Report

Mr. Sigurdson told members that lobbyist principal reports had been received from 1,442 of the 1,456 principals required to file. Mr. Sigurdson said that those reports disclosed roughly \$68,492,000 in spending to influence legislative and administrative action and action by metropolitan governmental units, as well as roughly \$5,311,000 in spending to influence action by the Public Utilities Commission, for a total of roughly \$73,803,000.

B. Appointment and Confirmation of Board Members

Mr. Sigurdson stated that all Board members had been confirmed by both bodies of the legislature.

C. Update on Legislation

Mr. Sigurdson told members that the memorandum provided in advance of the meeting was somewhat obsolete due to the introduction of two omnibus bills. Mr. Sigurdson said that the bill in the House, HF 4293, contains four provisions that would affect the Board. Mr. Sigurdson explained that the bill would 1) expand the definition of express advocacy to include its functional equivalent; 2) effectively repeal Advisory Opinion 454, which acknowledged that a party unit may operate a meeting space and charge membership fees paid by lobbyists, if the fees are paid prior to the beginning of a regular session of the legislature; 3) change the disclaimer requirement for independent expenditures to require the inclusion of the spender's three top contributors; and 4) require the Board to promulgate administrative rules regarding the disclaimer requirements applicable to social media and other electronic communications. Mr. Sigurdson said that the bill in the Senate, SF 3975, contains two provisions that would affect the Board. Mr. Sigurdson explained that the bill would 1) prohibit lobbyists from attending or having membership in a facility during a regular session of the legislature, effectively repealing Advisory Opinion 454; and 2) reduce the general threshold for registration with the Board from \$750 to \$200. Mr. Sigurdson stated that the differences between the bills will likely be addressed in a conference committee.

D. Board Staffing

Mr. Sigurdson told Board members that the vacant staff position had been posted with an application deadline of April 12.

Member Flynn asked if the Board has a position on lowering the registration threshold to \$200. Mr. Sigurdson explained that the registration threshold had previously been \$200, and before that it was \$100, and the number of registered committees was not dramatically different. Mr. Sigurdson said there may be a slight increase in registrations if the threshold is lowered, but he does not expect such a change to have a significant impact on Board operations.

ADVISORY OPINION 455

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson stated that the Board had received a request for an advisory opinion that does not identify the requester. Mr. Sigurdson said that the request was made on behalf of a Super PAC that is registered with the Federal Election Commission. Mr. Sigurdson explained that at the federal level a Super PAC may only make independent expenditures and may accept unlimited contributions from corporations, labor unions, and individuals. Mr. Sigurdson stated that at the state level a Super PAC is an unregistered association, and is not required to limit its activity to independent expenditures. Mr. Sigurdson said that the requester has an internal policy to only accept contributions from individuals and the Super PAC has invested some of its contributions in order to generate income. Mr. Sigurdson explained that for purposes of liability the Super PAC is

incorporated as a non-stock corporation, it has no shareholders, it was no organized for the purpose of running a business, and it was not established by a business or a labor union.

Mr. Sigurdson stated the generally in Minnesota, corporations are not allowed to make contributions to any entity other than independent expenditure committees and funds. Mr. Sigurdson explained that there is an exception to that prohibition within Minnesota Statutes section 211B.15 for a nonprofit corporation that meets three tests. Mr. Sigurdson then read the criteria set forth in Minnesota Statutes section 211B.15, subdivision 15. Mr. Sigurdson told members that the draft advisory opinion concludes that the Super PAC satisfies those criteria and thereby may make political contributions in Minnesota. Mr. Sigurdson explained that the draft advisory opinion notes that committees and party units registered with the Board also receive investment income, such as interest from interest-bearing bank accounts, certificates of deposit, and other investment tools. Mr. Sigurdson said that investment income is not reported as contributions under Chapter 10A, but rather is reported as miscellaneous income.

Mr. Sigurdson stated that the remainder of the draft advisory opinion confirms the requester's understanding of the requirements the Super PAC would be subject to by making contributions as an unregistered association. Mr. Sigurdson explained that if the Super PAC makes contributions to more than three entities registered with the Board within a calendar year, it would need to register with the Board. Mr. Sigurdson said that if the Super PAC makes contributions in excess of \$200 to a recipient it will be required to provide a disclosure statement, which may consist of a link to the FEC webpage that contains the Super PAC's FEC reports. Mr. Sigurdson explained that the legislature recently amended the disclosure requirement to allow an unregistered association to provide a link to a governmental website where its reports are displayed, which is more convenient both for the recipient entity and for the Board.

Member Asp asked to confirm that a Super PAC would only be able to make independent expenditures at the federal level but would be allowed to make contributions to candidate committees at the state level. Mr. Sigurdson confirmed that that is correct, based on the specific facts provided in the request for an advisory opinion.

Member Asp asked if the Super PAC would be able to accept any corporate contributions. Mr. Sigurdson explained that the draft advisory opinion does not address that question because the requester stated that the Super PAC does not accept any corporate contributions. The advisory opinion does provide that if the Super PAC changes its policy to only accept contributions from individuals, then the advisory opinion can no longer be relied on.

The following motion was made:

Member Soule's motion: To adopt the advisory opinion as drafted.

Member Swanson asked if the Super PAC would be able to make unlimited contributions to state-level candidate committees. Mr. Sigurdson stated that state-level candidate committees are subject to a contribution limit that restricts the amount they could accept from the Super PAC, or any unregistered association. Member Swanson also asked if Board staff are aware of the Super PAC's corporate form. Mr. Sigurdson said that the Super PAC is registered as a non-share corporation and is also registered

as a 527 organization. Member Swanson asked whether the term nonprofit corporation is a term of art, as used within Minnesota Statutes section 211B.15, subdivision 15, and whether the Board should look to other Minnesota statutes regarding nonprofit corporations to determine whether the Super PAC is a nonprofit corporation. Mr. Sigurdson stated that the draft advisory opinion is based on the information provided in the request, and in this instance the requester has stated that the Super PAC is a nonprofit that is incorporated for liability purposes. Member Swanson stated that under Minnesota Statutes section 211B.15, subdivision 15, the term nonprofit corporation has meaning that extends beyond the three criteria provided in that subdivision, and he is not completely comfortable with contributions to Minnesota candidates when the Super PAC is prohibited from doing the same at the federal level.

Chair Rashid expressed the belief that the term nonprofit corporation has a specific meaning under Minnesota statutes and noted that the request does not state that the Super PAC is a Minnesota nonprofit corporation. Mr. Sigurdson stated that he does not believe that the Super PAC is registered as a nonprofit corporation in Minnesota. Mr. Sigurdson expressed the belief that the exception provided by Minnesota Statutes section 211B.15, subdivision 15, is not limited to nonprofit corporations registered in Minnesota.

Member Asp agreed that the nonprofit exception is not limited to nonprofit corporations registered in Minnesota and said he feels it is sufficient that the Super PAC is a tax-exempt 527 organization under federal law that is carrying out activities in Minnesota.

Chair Rashid asked whether there is guidance in Chapter 211B or elsewhere that helps define the term nonprofit corporation. Mr. Olson stated that Minnesota Statutes Chapters 200-212 and Minnesota Rules Chapters 8200-8255 do not provide a definition of the term nonprofit corporation, and it would be difficult to rely on the definition provided in another chapter because that would require the nonprofit corporation to be registered in Minnesota. Chair Rashid said that Minnesota Statutes section 211B.15, subdivision 15, provides additional criteria for the exception rather than providing a definition of nonprofit corporation. Chair Rashid asked whether using the Super PAC's federal tax classification would be consistent with the past practice of the Board. Mr. Sigurdson stated that the Board has previously considered the three criteria in Minnesota Statutes section 211B.15, subdivision 15, when considering whether a federal committee, the majority of which are organized as a 527 organization, may make contributions in Minnesota. Chair Rashid suggested that the advisory opinion include a statement in fact number 5 that the requester is a properly formed nonprofit organization.

Member Soule's motion was amended as follows:

Member Soule's motion: To adopt the advisory opinion as drafted with the addition of the sentence discussed above.

Vote on motion: A roll call vote was taken. Five members voted in the affirmative, Swanson voted nay.

ENFORCEMENT REPORT

A. Consent Items

1. Request of Infinite Campus to withdraw registration of lobbyist Sarah Erickson (1469)

Mr. Olson told members that Ms. Erickson registered on behalf of Infinite Campus on February 28, 2022, and after reviewing the applicable statutes Infinite Campus decided not to engage a lobbyist and asked that Ms. Erickson's registration be withdrawn. Mr. Olson stated that no lobbying was done on behalf of the principal.

The following motion was made:

Member Flynn's motion: To approve the request.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

B. Discussion Items

1. Administrative termination of lobbyist Alexandra Vagac (4758)

Mr. Olson told members that Education Minnesota requested that the lobbyist registration of Ms. Vagac be terminated as she ceased to be employed by that principal as of July 2, 2021. Mr. Olson said that the principal and Board staff attempted to contact Ms. Vagac asking her to file a termination statement, but she has not done so. Mr. Olson explained that Education Minnesota is the only principal represented by Ms. Vagac and the principal completed a termination statement on Ms. Vagac's behalf, signed by its director of public affairs. Mr. Olson said that aside from the termination statement there are no outstanding reports as Ms. Vagac's disbursements were reported by another lobbyist for the same principal.

The following motion was made:

Member Swanson's motion: To approve the request.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

2. Request to make termination of lobbyist Charles Repke (608) retroactive to 12/31/2020

Mr. Olson stated that two lobbyist principals, Madison Equities, Inc. and Center Ice LLC, requested that the termination of lobbyist Charles Repke be made retroactive to 12/31/2020. Mr. Olson explained that Mr. Repke died in August 2021 and each principal has stated that he did not lobby on their behalf in 2021. Mr. Olson said that Mr. Repke was the sole lobbyist registered on behalf of each principal and he filed disbursement reports stating that no lobbying disbursements were made during the period from 1/1/2021 through 3/15/2021, and terminating his registration on behalf of each principal effective

3/15/2021. Mr. Olson explained that making the terminations retroactive would prevent the two principals from having to file a report of lobbyist principal for 2021.

The following motion was made:

Member Flynn's motion: To approve the request.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

3. Request to withdraw registration of Sammy T McCarty 4 Minnesota (18780)

Mr. McCarty appeared before the Board and explained his request. Member Asp asked how much the committee raised and Mr. McCarty said the total is \$200. After discussion Mr. Sigurdson confirmed with Mr. McCarty that he would agree to sign a termination report rather than have his committee's registration be withdrawn. Mr. Sigurdson then withdrew the request and stated that Board staff will assist Mr. McCarty in filing a termination report.

4. Balance adjustment request – Sahra (Odowa) For Senate (18508)

Mr. Olson told members that Ms. Odowa was an unsuccessful candidate for state senator in 2020. Mr. Olson said that her committee's original 2020 year-end report listed an ending cash balance of \$5,051.74, but the committee's actual cash balance as of the end of 2020 was zero. Mr. Olson stated that the committee's treasurer, Jimmy Tarpey, explained that he became the committee's treasurer approximately six months after its inception and that a number of practices prior to his tenure likely contributed to the discrepancy. Mr. Olson explained that Mr. Tarpey stated that cash contributions were received and apparently used to make expenditures without being deposited in the committee's bank account, contributions and expenditures were not well documented, and receipts and invoices for many purchases were not retained. Mr. Olson said that Mr. Tarpey explained that he is unable to reconcile the discrepancy and the previous treasurer is estranged from the committee.

Mr. Olson told members that Mr. Tarpey provided copies of the committee's bank statements, ActBlue contribution records, various invoices, receipts, and canceled checks, and records of cash contributions, as well as a complete copy of the committee's Campaign Finance Reporter data. Mr. Olson said that he worked with Mr. Tarpey to correct several reporting errors and Mr. Tarpey filed an amended 2020 year-end report with an ending cash balance of \$3,363.82. Mr. Olson explained that the committee is asking that its 2020 ending cash balance be adjusted downward by \$3,363.82, and if that adjustment is approved the committee's registration with the Board will be terminated. Mr. Olson stated that the committee has provided documentation showing that the committee's bank account had a zero balance as of November 30, 2020, and the committee reported \$67,232 in monetary receipts and \$63,893 in monetary disbursements in 2020.

Mr. Tarpey appeared before the Board and explained that he took over as treasurer partway through 2020. Mr. Tarpey stated that the committee lacked detailed records when he took over and the

committee had to ask vendors for past invoices. Mr. Tarpey stated that the previous treasurer accepted cash contributions that were never deposited, the previous treasurer was terminated, and he is now estranged from the committee.

Member Flynn asked, and Mr. Olson explained, that the Odowa committee received total public subsidy funds of \$8,162.10.

Member Asp asked whether the committee knows how the funds that are not accounted for were used. Mr. Tarpey stated he does not know for sure. Mr. Tarpey said that the previous treasurer, Ibrahim Mohamed, was very unhelpful when Mr. Tarpey attempted to reconcile the committee's financial records.

After discussion the following motion was made:

Member Swanson's motion: To approve the request.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

C. Waiver Requests

7. Leili Fatehi (4195) – Three lobbyist reports due 6/15/2020 – \$3,000 LFFs and \$3,000 CPs

Mr. Olson explained that Ms. Fatehi's three reports due June 15, 2020, were filed on October 26, 2020. Mr. Olson stated that the waiver request said that the reports were filed late due to staffing difficulties and Ms. Fatehi's health challenges. Mr. Olson said that in each instance Ms. Fatehi was responsible for reporting the disbursements of one other lobbyist and none of the three reports disclosed any disbursements made during the reporting period. Mr. Olson also explained that the Board has received payment for two late filing fees of \$275 each for Ms. Fatehi's reports that were due in January 2021 as well as for a \$1,000 late filing fee and \$1,000 civil penalty for the 2019 report of lobbyist principal of Minnesotans for Responsible Marijuana Regulation, one of Ms. Fatehi's principals. Mr. Olson explained that the staff recommendation is to reduce the balance owed from \$6,000 to \$500.

Ms. Fatehi then addressed the Board and explained that her business had staffing difficulties during the COVID-19 pandemic that coincided with her health matters.

After discussion the following motion was made:

Member Swanson's motion: To approve the staff recommendation.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

Entity	Late Fee/ Civil Penalty	Report Due	Factors and Recommended Action	Board Member's Motion	Motion	Vote on Motion
1. Committee to Elect Andy Hillebregt for House of Rep 35A (17434)	\$600 LFF	2021 Year-End	Report due 1/31/2022 was filed 3/7/2022. Candidate mistakenly filed a 2022 year-end report via the CFR software on 1/27/2022. After the error was discovered the candidate promptly filed a 2021 year-end report instead. The committee has had no financial activity since 2018 and reported a 2021 ending cash balance of \$3,768. RECOMMENDED ACTION: Waive	Member Leppik	To approve the staff recommendation for requests 1 through 3	A roll call vote was taken. All members voted in the affirmative.
2. Bruce West (Dept. of Public Safety)	\$70 LFF	2021 Annual EIS	Annual EIS due 1/24/2022 was filed 3/7/2022. Official was not aware that he needed to file an EIS covering 2021, he retired in Oct. 2021, and we lacked valid contact information. After Board staff obtained a valid address and a letter was mailed regarding the need to file an EIS, the EIS was promptly filed. RECOMMENDED ACTION: Waive	Member Leppik	To approve the staff recommendation for requests 1 through 3	A roll call vote was taken. All members voted in the affirmative.
3. Shanasha Whitson (4526)	\$225 LFFs	2nd 2020 Lobbyist 2nd 2021 Lobbyist	Report due 1/15/2021 was filed 1/19/2021 resulting in a late fee of \$25. Report due 1/18/2022 was filed 1/28/2022 resulting in a late fee of \$200. Lobbyist stated that medical issues and other effects of COVID-19 prevented her from filing the report due in Jan. 2022 on time. Each report disclosed no disbursements. RECOMMENDED ACTION: Waive	Member Leppik	To approve the staff recommendation for requests 1 through 3	A roll call vote was taken. All members voted in the affirmative.
4. F. Clayton Tyler (9578)	\$200 LFF	2nd 2021 Lobbyist	Report due 1/18/2022 was filed 1/28/2022. Lobbyist filed a report for another principal by the due date but mistakenly did not file the second report at that time. The report disclosed no disbursements. RECOMMENDED ACTION: Reduce to \$100	Member Leppik	To approve the staff recommendation for requests 4 through 6	A roll call vote was taken. All members voted in the affirmative.

<p>5. 4th Congressional District GPM (20733)</p>	<p>\$950 LFF</p>	<p>2021 Year-End</p>	<p>Report due 1/31/2022 was filed 3/25/2022. Former treasurer stepped down and the party unit's co-chair eventually filed a no-change statement covering 2021 after being contacted by Board staff. The statement reflects a cash balance of \$962. RECOMMENDED ACTION: Reduce to \$150</p>	<p>Member Leppik</p>	<p>To approve the staff recommendation for requests 4 through 6</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>
<p>6. Jae Hyun Shim (Board of Behavioral Health and Therapy)</p>	<p>\$130 LFFs \$1,000 CP</p>	<p>2020 and 2021 Annual EIS</p>	<p>Annual EISs due 1/25/2021 and 1/24/2022 were filed 2/23/2022, resulting in the maximum LFF and CP for the 2020 EIS and a \$30 LFF for the 2021 EIS. The failure to file the 2020 EIS was referred to the AGO in Sept. 2021 and a summons and complaint were served on 2/8/2022. Official has been dealing with chronic health issues over the past year and has been out of work throughout most of that period. Official only attended one BBHT meeting, in May 2020, and despite remaining a member has not participated in the BBHT's business. Board staff terminated the official within the Board's computer system as of the end of 2021 to eliminate the need to file an EIS for subsequent years. RECOMMENDED ACTION: Reduce CP to \$500, leaving a balance owed of \$630.</p>	<p>Member Leppik</p>	<p>To approve the staff recommendation for requests 4 through 6</p>	<p>A roll call vote was taken. All members voted in the affirmative.</p>
<p>8. CPC LLC (Community Partnership Collaborative) (7525)</p>	<p>\$50 LFF</p>	<p>2021 Lobbyist Principal</p>	<p>Report due 3/15/2022 was filed two days late. Lobbyist attempted to file the report on the due date via the Board's website but appears to have attempted to file a lobbyist disbursement report rather than the report of lobbyist principal. After the error was discovered the correct report was promptly filed. The report disclosed no expenditures. RECOMMENDED ACTION: None</p>	<p>No motion</p>		

9. Jennifer Breitinger (9098)	\$150 LFF	2nd 2021 Lobbyist	Report due 1/18/2022 was filed 1/26/2022. Lobbyist filed reports for eight other principals by the due date but mistakenly did not file this report on time. The report disclosed no disbursements. RECOMMENDED ACTION: None	No motion		
10. 7B House District RPM (20332)	\$75 LFF	2021 Year-End	Report was due 1/31/2022. New treasurer doesn't believe he received reminders regarding the 2021 year-end report. Board records reflect that a paper report form was mailed to the treasurer in December 2021 but it appears that no email reminder was sent. Treasurer filed a year-end report for his own principal campaign committee prior to the due date but didn't realize that reports for party units were due at the same time. Treasurer was notified that the party unit's report had not been filed on 2/3/2022 and he completed and filed the report the same day. The party unit had a cash balance of \$812 as of the end of 2021. RECOMMENDED ACTION: None	No motion		
11. 60th Senate District RPM (20493)	\$900 LFF	2021 Year-End	Report due 1/31/2022 was filed 3/23/2022. Treasurer doesn't have the ability to file reports electronically and the party unit only had \$854 in receipts and \$500 in disbursements in 2021. The party unit had a cash balance of \$2,205 as of the end of Jan. 2021. RECOMMENDED ACTION: None	No motion		

A. Informational Items

1. Payment of civil penalty for disclaimer violation

Stonewall DFL Political Action Committee, \$100

2. Payment of late filing fee for 2021 year-end report of receipts and expenditures

Carollo (Ben) for MN 13-B, \$625

Alma (Wetzker) for House, \$250
Fontaine (Kip O'dean) for Senate, \$225
SEIU Local 26 Political Fund, \$175
Wabasha County RPM, \$150
Wright County RPM, \$75
(Kevin) Vickerman for Senate, \$50
College Democrats of Minnesota, \$50
Andrea Nelsen House Committee, \$25

3. Payment of late filing fee for 2018 pre-general report of receipts and expenditures

6th Congressional District DFL, \$100

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

17th Senate District DFL, \$25

5. Payment of late filing fee for lobbyist disbursement report due 1/18/2022

Paul Cassidy, \$175
Samuel Rockwell, \$25

6. Payment of late filing fee for lobbyist disbursement report due 1/15/2021

Laili Fatehi, \$550 (\$275 x 2)

7. Final partial payment of late filing fee for lobbyist disbursement report due 1/15/2020

Marcus Harcus, \$250

8. Payment of late filing fee for lobbyist principal report due 3/16/2020

Minnesotans for Responsible Marijuana Regulation, \$1,000

9. Payment of civil penalty for lobbyist principal report due 3/16/2020

Minnesotans for Responsible Marijuana Regulation, \$1,000

10. Payment of late filing fee for 2021 Annual EIS

Blair Nelson, \$30

11. Final partial payment of late filing fee for original EIS

Jaden Partlow, \$160

12. Forwarded anonymous contributions

52B House District RPM, \$100

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 told members that since the legal report had been prepared, Ms. Rhoades appeared at a default judgment hearing, a ruling on the default judgment motion was postponed, and Ms. Rhoades was given two weeks to file an answer to the complaint.

EXECUTIVE SESSION

Chair Rashid recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the chair had nothing to report into regular session.

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

Respectfully submitted,

Jeff Sigurdson
Executive Director

Attachments:
Executive Director's Report – Board Operations
Public version of memo regarding Advisory Opinion 455 – Contributions from a committee registered with the Federal Election Commission
Draft public version of Advisory Opinion 455
Legal report



MINNESOTA

CAMPAIGN FINANCE BOARD

Board Meeting Dates for Calendar Year 2022

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

2022

Wednesday, August 10

Wednesday, September 7

Wednesday, October 5

Wednesday, November 2

Wednesday, December 7



MINNESOTA CAMPAIGN FINANCE BOARD

Date: June 29, 2022

To: Board Members

From: Jeff Sigurdson, Executive Director

Telephone: 651-539-1189

Re: Executive Director's Report – Board Operations

Board Operations - Reporting Periods

Campaign Finance Program: Notices of the need to file the pre-primary report of receipts and expenditures will be sent to 1,215 constitutional, legislative, and judicial office candidates, political committees, political funds, and political party units. The pre-primary report covers the period from January 1 through July 18, 2022, and is due on July 25, 2022. This is the first report filed for 2022 by legislative candidates and local party units. Staff will be available during the weekend prior to the report due date to help committees with the Campaign Finance Reporter software.

In addition, staff will be reminding candidate committees and political committees and funds of the need to file 24-hour reports of large contributions during the period of July 19 through August 8, 2022. During this period contributions and loans from any one source totaling more than \$500 for legislative candidates, more than \$400 for district court candidates, and more than \$1,000 for political committees and funds must be reported to the Board in person by the end of the next business day after receipt or by electronic means within 24 hours after receipt.

Training: Staff is continuing to conduct campaign finance compliance training for treasurers and candidates with classes offered in June and July. Attendance at the sessions is still strong, so staff will continue to offer training through the summer.

Staff Activity

Conference of Public Campaign Finance Administrators: The city of Albuquerque, New Mexico and the Thornburg Foundation are hosting a conference on July 15 for states, counties, and cities that offer public funding programs to candidates. I will be attending to provide information on Minnesota's public subsidy program, and to gather information on the programs used in other jurisdictions. In particular the public finance program developed in Seattle has generated interest in the legislature, and the Seattle program will be represented at the conference. The conference has identified 27 public finance programs in the country; for your reference a list of the programs is attached.

Attachment: 2022 Public Subsidy Programs

Program	State/Local	Type	Administration Office
Albuquerque	Local	Grant	City Clerk
Santa Fe	Local	Grant	City Clerk
New Mexico	State	Grant	Secretary of State
Arizona	State	Grant	Clean Election Commission
Denver	Local	Matching	City/County Clerk
Maine	State	Grant	Commission on Governmental Ethics
NYC	Local	Matching	NYCCFB
Los Angeles	Local	Matching	City Ethics Commission
Connecticut	State	Matching	Citizens Election Program
DC	Local	Matching	Office of Campaign Finance
Florida	State	Matching	FL Division of Elections
Maryland	State	Matching	State Board of Elections
Montgomery County	Local	Matching	State Board of Elections
Howard County	Local	Matching	State Board of Elections
Massachusetts	State	Matching	Office of Campaign and Political Finance
Minnesota	State	Refunds and Grant	Campaign Finance Board
New Jersey	State	Matching	Election Law Enforcement Commission
Portland	Local	Matching	Office of Small Donor Elections
Seattle	Local	Vouchers	Democracy Voucher Program
Hawaii	State	Matching	Campaign Spending Commission
Vermont	State	Grant	Secretary of State
Boulder	Local	Matching	City Clerk
New Haven	Local	Matching and Grant	Democracy Fund
Tucson	Local	Matching	City Clerk
San Francisco	Local	Matching	Ethics Commission
Oakland	Local	Matching	Ethics Commission
Rhode Island	State	Matching	State Board of Elections



MINNESOTA CAMPAIGN FINANCE BOARD

Date: June 29, 2022
To: Board members
Counsel Hartshorn
From: Andrew Olson, Legal/Management Analyst
Subject: Enforcement report for consideration at the July 6, 2022 Board meeting

A. Consent Items

1. Administrative termination of lobbyist Rebecca Smith (4955)

Guadalupe Lopez, executive director of Violence Free Minnesota, has requested the administrative termination of Rebecca Smith as a lobbyist for that principal. Ms. Smith ceased being employed by the principal on February 1, 2022. The principal attempted to contact Ms. Smith to ask her to file a termination statement but she has not done so. Board staff terminated Ms. Smith's lobbyist registration as of February 1, 2022. There are no outstanding disbursement reports.

2. Administrative termination of lobbyist Jens Undlin (4500) and withdrawal of lobbyist registration of Dillon Gherna (5009)

Dillon Gherna, director of public engagement and intergovernmental relations for the Hennepin County Sheriff's Office, has requested the administrative termination of Jens Undlin as a lobbyist for that principal, retroactive to the end of 2021. Mr. Undlin ceased being employed by the principal on May 2, 2022, and did not engage in lobbying in 2022. Mr. Undlin is currently participating in military basic training and is unable to file a termination statement.

Mr. Gherna also requested that his own lobbyist registration be terminated retroactively, but Mr. Gherna did not register as a lobbyist until January 4, 2022. Because Mr. Gherna stated that neither he nor anyone else engaged in lobbying on behalf of the principal in 2022, Board staff treated this aspect of the request as a request to withdraw Mr. Gherna's lobbyist registration.

Board staff terminated Mr. Undlin's lobbyist registration as of December 31, 2021, and tentatively withdrew the lobbyist registration of Mr. Gherna. There are no other lobbyists registered on behalf of the principal and if those requests are approved, there will be no outstanding disbursement reports.

B. Waiver Requests

#	Committee/ Entity	Late Fee/ Civil Penalty	Report Due	Factors	Prior Waivers	Recommended Action
1	Barsness (Dennis) for MN Senate 5 (18645)	\$275 LFF	2021 Year- End	Candidate mistakenly filed another copy of the committee's 2020 year-end report via the CFR software on the due date, 1/31/2022, rather than a 2021 year-end report. The error occurred because the candidate did not initialize the 2021 calendar year within the CFR software because there was no financial activity. Candidate discovered the error in mid-February and immediately filed a 2021 no-change statement on 2/15/2022, listing a cash balance of \$200. Candidate intends to file a termination report after this issue is resolved.	No	Waive

C. Informational Items

1. Payment of late filing fee for 2022 1st quarter report of receipts and expenditures

Marti (Michael) for Minnesota, \$200

2. Payment of late filing fee for 2021 year-end report of receipts and expenditures

MN350 Action Fund, \$500
7B House District RPM, \$75
Larkin Hoffman Political Fund, \$50

3. Payment of late filing fee for 2020 pre-general report of receipts and expenditures

Local S-6 IAFF Political Fund, \$50

4. Payment of late filing fee for 2020 1st quarter report of receipts and expenditures

Local S-6 IAFF Political Fund, \$25

5. Payment of late filing fee for lobbyist disbursement report due 1/18/2022

Dennis Eagan, \$175

6. Payment of late filing fee for lobbyist principal report due 3/15/2022

Revol Greens MN, LLC, \$200
MN Resource Recovery Association, \$25
Service Employees International Union Council 7, \$25

From: Guadalupe Lopez <glopez@vfmn.org>
Sent: Tuesday, June 21, 2022 2:47 PM
To: Ross, Erika (CFB) <Erika.T.Ross@state.mn.us>
Cc: Katie Kramer <kkramer@vfmn.org>; Olson, Andrew (CFB) <Andrew.D.Olson@state.mn.us>
Subject: Re: Becky Smith at VFMN

Yes, please!

Sent from my T-Mobile 4G LTE Device
Get [Outlook for Android](#)

From: Ross, Erika (CFB) <Erika.T.Ross@state.mn.us>
Sent: Tuesday, June 14, 2022 1:45:43 PM
To: Guadalupe Lopez <glopez@vfmn.org>
Cc: Katie Kramer <kkramer@vfmn.org>; Olson, Andrew (CFB) <Andrew.D.Olson@state.mn.us>
Subject: RE: Becky Smith at VFMN

Greetings,

Would you like to request an administrative termination for Becky Smith?

Thank you,

Erika Ross
Program Administrator
Campaign Finance and Public Disclosure Board
(651) 539-1187



From: Guadalupe Lopez <glopez@vfmn.org>
Sent: Tuesday, June 14, 2022 1:14 PM
To: Ross, Erika (CFB) <Erika.T.Ross@state.mn.us>
Cc: Katie Kramer <kkramer@vfmn.org>
Subject: Becky Smith at VFMN

Hello Erica,

This email is to inform you that Becky Smith is no longer employed with VFMN since February 1st, 2022. She also did not lobby before Dec.2021. We cannot contact her and she will not respond to any phone or email correspondence.

If you have any questions feel free to contact me at

Thank you
Guadalupe Lopez
Pronouns: She/Her/Hers
Executive Director
Violence Free Minnesota
60 Plato Blvd., E. - Suite 230
St. Paul, MN 55107
Ph. 651.646.6177 – x125

HENNEPIN COUNTY SHERIFF

June 21, 2022

Minnesota Campaign Finance Board,

I am writing this letter to formally request an administrative termination for Jennings Undlin as our lead Hennepin County Sheriff's Office lobbyist. Jennings (Jens) last day with our agency was May 2, 2022. Jens has been deployed in the military for basic training and then will be relocated to another state.

I can confirm for 2022, Jens nor our agency had any lobbying activity to report. I am requesting this notification to be backdated to December 31, 2021.

I am also requested a backdated termination request for myself. I did not conduct any lobbying in 2022 on behalf of any agency.

If you have any questions or issues with this request, please contact me at Dillon.gherna@hennepin.us or via phone at 612.800.2422.

Sincerely,



Dillon Gherna

Director of Public Engagement and Intergovernmental Relations
Hennepin County Sheriff's Office



From: Duane Barsness <barsnedu@yahoo.com>

Sent: Wednesday, June 15, 2022 10:56 AM

To: Olson, Andrew (CFB) <Andrew.D.Olson@state.mn.us>

Subject: RE: 2021 Year-End Report of Barsness (Dennis) for MN Senate 5

Hi Andrew,

It seems that you may have not received my previous emails about having the board waive late fees for the report in January.

I would like to ask again that the board wave the late fees, as it was a mistake in the year the report was filed. I didn't realize the report was filed for the 2020 and not 2021. It had not been carried over to the next year, but with your help the report was filed correctly.

The campaign wants to terminate as well and will do so once this issue is resolved.

Thank you so much for your support and I hope we can get this taken care of.

Duane Barsness

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD
July 2022
ACTIVE FILES

Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Personally Served	Default Hearing Date	Date Judgment Entered	Case Status
Ashley Martinez- Perez, Candidate	Ashley Martinez- Perez for MN House	2020 pre-general report of receipts and expenditures due 10/26/20, filed 10/28/20 2020 year end report of receipts and expenditures due 1/31/22, not filed	\$100 LFF \$1,000 LFF	6/13/22				Drafting complaint.
Jenny Rhoades		Candidate Statement of Economic Interest due 6/15/20—filed after lawsuit served.	\$100 LFF \$1,000CP	9/23/20	6/29/21 1/1/22	4/4/22		Default judgment motion pending.
Jae Hyun Shim		Statement of Economic Interest due 1/25/2021	\$100 LFF \$1,000CP	9/7/21	2/9/22			Matter taken off hold. Drafting default judgment motion.