

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

CONCILIATION AGREEMENT

In the matter of the Mahoney (Tim) for House committee (15823);

1. Mahoney (Tim) for House is the principal campaign committee of former Representative Tim Mahoney. The committee's treasurer, Michael Mollner, filed a no-change statement in lieu of a 2020 year-end report of receipts and expenditures on February 11, 2021, stating that the committee did not receive any contributions or make any disbursements in 2020. After being contacted by Board staff regarding conflicts between the committee's no-change statement and reports filed by other entities registered with the Board, Mr. Mollner filed amended 2020 year-end reports on March 1 and July 7, 2021. These reports disclosed a total of \$14,600 in disbursements made in 2020 consisting of contributions made to other entities totaling \$13,217 and campaign expenditures totaling \$1,383.
2. Minnesota Statutes section 10A.025, subdivision 3, requires a treasurer to "maintain records on the matters required to be reported, including vouchers, canceled checks, bills, invoices, worksheets, and receipts, that will provide in sufficient detail the necessary information from which the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness." A knowing violation of that provision by an individual is a misdemeanor and subjects the violator to a civil penalty imposed by the Board of up to \$3,000. A principal campaign committee or candidate affiliated with an individual who violates the record keeping requirement is subject to a separate civil penalty imposed by the Board of up to \$3,000.
3. Minnesota Statutes section 10A.13 requires a treasurer to keep an account of a variety of transactions including "the name and address of each political committee, political fund, principal campaign committee, or party unit to which contributions in excess of \$20 have been made, together with the date and amount." A knowing violation of that provision by an individual subjects the violator to a civil penalty imposed by the Board of up to \$1,000.
4. The Board first considered this matter at its meeting on July 28, 2021, and directed the Board's executive director to begin a staff review regarding possible violations of Minnesota Statutes sections 10A.025, subdivision 3, and 10A.13.
5. Counsel for the committee and Mr. Mollner explained that when he filed the no-change statement, Mr. Mollner relied on the candidate's mistaken recollection that the committee had no reportable transactions in 2020 because Mr. Mollner was unable to access the committee's electronic banking records. With respect to Chapter 10A's recordkeeping and accounting requirements, counsel for the committee and Mr. Mollner stated that the committee maintained the required records, but those records were in the possession of the candidate because he was unable to meet with Mr. Mollner in person due to the COVID-19

pandemic and the candidate's health concerns. Counsel also asserted that Mr. Mollner did not knowingly fail to keep accounts of contributions and expenditures made as required by Minnesota Statutes section 10A.13, because he had no reason to believe that any disbursements would be made in 2020.

6. The parties agree that Mr. Mollner did not maintain records as required by Minnesota Statutes section 10A.025, subdivision 3. The violation was inadvertent and was caused by several factors including the candidate's decision not to seek reelection, the COVID-19 pandemic, and the candidate's health concerns. The Mahoney (Tim) for House committee agrees to the imposition of a civil penalty of \$475 pursuant to Minnesota Statutes section 10A.025, subdivision 3, for being affiliated with an individual who violated the statute's recordkeeping requirements. That amount is equal to the late filing fee that would have been incurred when the first amended 2020 year-end report was filed on March 1, 2021, had a no-change statement not been filed on February 11, 2021. Payment is due within 30 days of the date the agreement is signed by both parties.
7. 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/ Timothy Mahoney
Timothy Mahoney
Mahoney (Tim) for House

Dated: September 20, 2021

/s/ Stephen Swanson
Stephen Swanson, Chair
Campaign Finance and Public Disclosure Board

Dated: September 1, 2021