

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

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**October 5, 2022
Ladyslipper Room
Centennial Office Building**

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MINUTES

The meeting was called to order by Chair Rashid.

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

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

MINUTES (September 7, 2022)

The following motion was made:

Member Leppik's motion: To approve the September 7, 2022, minutes as drafted.

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

CHAIR'S REPORT

2022 meeting schedule

The November and December Board meetings will be scheduled because of conflicts with member availability.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson stated that in November he will present a proposal to the Board regarding the standard for staying a portion of a civil penalty imposed by the Board. Mr. Sigurdson said that in November he also hopes to provide the Board with an initial draft of legislative recommendations for the Board to consider. Mr. Sigurdson stated that Board staff is preparing to send notices to those required to file the campaign finance report that is due on October 31.

ENFORCEMENT REPORT

A. Consent Items

1. Request to withdraw political committee registration – Machinists Non Partisan Political League (41317)

Mr. Olson stated that the Machinists Non Partisan Political League was registered with the Board as a political committee on September 7, 2022, but after speaking with Board staff the International Association of Machinists and Aerospace Workers realized that it was not required to register a political committee with the Board and on September 21, 2022, requested that its registration be withdrawn. Mr. Olson said that as of that date there were no outstanding reports because the committee's first report would have been due on September 27, 2022.

The following motion was made:

Member Asp'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. Balance adjustment request – Cass County DFL (20331)

Mr. Olson stated that the party unit's 2019 year-end report of receipts and expenditures listed an ending cash balance of \$8,750.19, while its 2020 year-end report (amendment 2) listed a beginning cash balance of \$8,453.94, leaving a discrepancy of \$296.25. Mr. Olson said that the treasurer, Sandra Shirek, has reviewed the party unit's financial records and discussed the matter with Board staff, but is unable to reconcile the discrepancy and stated that the reported 2020 beginning cash balance is correct and the discrepancy appears to be the result of errors made by a previous treasurer several years ago. Mr. Olson stated that the party unit is asking that its 2019 ending cash balance be adjusted downward by \$296.25 and explained that the attached email exchange also involved other reporting issues that have been resolved.

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. Balance adjustment requests – 26th Senate District DFL (Old) (20872)

The party unit's 2021 year-end report of receipts and expenditures (amendment 1) listed an ending cash balance of \$11,313.82, while its 2022 pre-primary report listed a beginning cash balance of \$11,707.45, leaving a discrepancy of \$393.63. The treasurer, Anastasia Hopkins Folpe, has reviewed the party unit's financial records and discussed the matter with Board staff, but is unable to reconcile the discrepancy. She provided a bank statement showing that the reported 2022 beginning cash balance is correct. The party unit is asking that its 2021 ending cash balance be adjusted upward by \$393.63.

The party unit's 2018 year-end report (amendment 3) listed an ending cash balance of \$8,234.37, while its 2019 year-end report (amendment 1) listed a beginning cash balance of \$9,212.40, leaving a discrepancy of \$978.03. Ms. Folpe has reviewed the party unit's financial records and discussed the matter with Board staff, but is unable to reconcile the discrepancy. She stated that the reported 2019 beginning cash balance is correct, she took over as treasurer in December 2018, and she has very limited financial records covering 2018. The party unit is asking that its 2018 ending cash balance be adjusted upward by \$978.03.

The party unit's 2017 year-end report (amendment 2) listed an ending cash balance of \$8,254.02, while its 2018 year-end report (amendment 3) listed a beginning cash balance of \$8,354.48, leaving a discrepancy of \$100.46. Ms. Folpe has reviewed the party unit's financial records and discussed the matter with Board staff, but is unable to reconcile the discrepancy. She provided a bank statement showing that the reported 2018 beginning cash balance is correct. The party unit is asking that its 2017 ending cash balance be adjusted upward by \$100.46.

If granted the three requests would amount to a total upward adjustment of \$1,472.12. The party unit is seeking to terminate its registration with the Board due to redistricting and intends to file a termination report after the balance discrepancies are resolved.

The following motion was made:

Member Soule's motion: To approve the request.

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

C. Waiver Requests

Mr. Hager provided a brief overview of the waiver requests. Member Flynn asked about an amount listed in the request from the 62nd Senate District DFL. Mr. Olson explained that the amount is related to a cash balance discrepancy between two calendar years and staff is working with the party unit to address that issue. Member Soule asked for an explanation of the color-coding of the requests and the staff recommendations. Mr. Sigurdson stated that for the requests in red Board staff is recommending that no action be taken and that for the request in yellow, Board staff is not making a recommendation.

In response to a question from Member Swanson, Mr. Hager explained that the report addressed by waiver request number 2 was filed by a compliance firm on behalf of the lobbyist and Mr. Sigurdson explained that both lobbyists and political organizations sometimes hire compliance firms to prepare and file their reports. In response to a question from Member Leppik, Mr. Sigurdson and Ms. Engelhardt said that it is unclear whether any officer of the 62nd Senate District DFL attended the Board's compliance training. Members discussed each waiver request prior to voting on the following motions.

Entity	Late Fee/ Civil Penalty	Report Due	Factors and Recommended Action	Board Member's Motion	Motion	Vote on Motion
1. 62nd Senate District DFL (20483)	\$1,000 LFF \$1,000 CP	2021 Year-End	Report due 1/31/2022. Received 7/16/2022. Stated the issue was related to turmoil within the party unit in which individuals left the party unit and refused to hold elections so new individuals could be appointed. This was a no change statement. RECOMMENDED ACTION: No recommendation	Soule	Waive CP only	A roll call vote was taken. All members voted in the affirmative.
2. Lobbyist Hue Nguyen (2089)	\$50 LFF	1st 2022 Lobbyist	Report due 6/15/2022 and filed one day late. Report was filed by a compliance firm and lobbyist profile on website was not set up properly by the compliance firm. RECOMMENDED ACTION: None	Asp	Waive	A roll call vote was taken. Asp, Soule, Swanson voted in the affirmative. Flynn, Leppik, Rashid voted in the negative. Motion failed.
3. Jennifer for Minnesota (18736)	\$45 LFF	Original EIS	Candidate EIS due 6/9/2022. Received 7/8/2022. Stated was told to file online and tried multiple times. When contacted Board staff explained since she is a first time candidate, it needed to be completed via a paper form. RECOMMENDED ACTION: None	Swanson	Waive	A roll call vote was taken. All members voted in the affirmative.

D. Informational Items

1. Payment of late filing fee for 2022 pre-primary report of receipts and expenditures

MNYC Action Fund, \$350
RightTech PAC, \$250
Traverse County DFL, \$200
Mahnomen County RPM, \$150
Eichorn (Justin) for MN Senate Campaign Committee, \$100
Leigh Finke for Minnesota, \$50

2. Payment of late filing fee for 2022 pre-primary 24-hour notice of large contributions

Planned Parenthood Minnesota PAC, \$50

3. Payment of late filing fee for June 2022 report of receipts and expenditures

4th Congressional District IAP, \$100

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

MNYC Action Fund, \$25

5. Payment of late filing fee for lobbyist disbursement report due 6/15/2022

Sarah Psick, \$100
Barbara Johnson, \$75
Andy Pomroy, \$75
ThaoMee Xiong, \$50
Matt Privratsky, \$25

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

ThaoMee Xiong, \$50

7. Payment of late filing fee for lobbyist disbursement report due 6/15/2018

Sarah Psick, \$50

8. Payment of late filing fee for original EIS

Chad Tschimperle, \$10

9. Payment of civil penalty for prohibited contribution during legislative session

James Erickson, \$125
Simon (Steve) for Secretary of State, \$125

LEGAL COUNSEL'S REPORT

Mr. Hartshorn provided members with a legal report that is attached to and made a part of these minutes.

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:
Legal report

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD
October 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	8/12/22			
Jae Hyun Shim		Statement of Economic Interest due 1/25/2021	\$100 LFF \$1,000CP	9/7/21	2/9/22	11/1/22		