

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

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March 1, 2023
Blazing Star Room
Centennial Office Building

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MINUTES

The meeting was called to order by Chair Soule.

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

Members absent: Rashid

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

MINUTES (February 8, 2023)

The following motion was made:

Member Leppik's motion: To approve the February 8, 2023, minutes as drafted.

Vote on motion: Unanimously passed.

CHAIR'S REPORT

2023 meeting schedule

The next Board meeting is scheduled for 9:30 a.m. on Wednesday, April 5, 2023.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson stated that the annual lobbyist principal report is due on March 15. Mr. Sigurdson explained that this is the first year that political committees and funds and party units that spend money to influence certain local elections within Hennepin County will need to file additional reports with the Board, starting with a report due on April 14.

Mr. Sigurdson said that the Board's legislative recommendations have been introduced in the legislature within several bills. Mr. Sigurdson said that the campaign finance provisions are largely included in S.F. 1943, which is authored by the Chair of the Senate Elections Committee, passed that committee unanimously in February, and was referred to the Senate Judiciary Committee. Mr. Sigurdson explained that provisions regarding noncampaign disbursements were removed from the

bill and are now included within a separate bill. Mr. Sigurdson said that the provisions regarding express advocacy were also removed as similar provisions are already included in S.F. 3 and H.F. 3. Mr. Sigurdson stated that the provisions regarding increasing the maximum political contribution refund amount were drafted as a separate bill. Mr. Sigurdson explained that DFL legislators are seeking to replace the political contribution refund program with a Democracy Dollar coupon program, and Republican legislators have thus far not supported increasing the maximum refund amount, so the proposal to modify the political contribution refund program currently lacks authors.

Mr. Sigurdson stated that the lobbying provisions are included in S.F. 2121, which is authored by both the chair and the Republican lead in the Senate Elections Committee. Mr. Sigurdson said that the bill was heard yesterday in committee and was laid over for possible inclusion in an omnibus bill.

Mr. Sigurdson stated that the economic interest provisions are included in S.F. 2107, which is authored by the chair of the Senate Elections Committee. Mr. Sigurdson explained that language requiring the disclosure of assets held by a domestic partner was removed, but the bill still includes provisions requiring the disclosure of interests of a spouse of an official.

Mr. Sigurdson said that in the House, all three bills will be authored by the chair of the House Elections Finance and Policy Committee.

EXECUTIVE SESSION

Chair Soule recessed the regular session of the meeting and called to order the executive session in order for the Board to accommodate a testifier who was unavailable later in the day. Upon recess of the executive session, the Board proceeded to consider matters in the order listed in the agenda.

COMMENTS FROM ALAN ROEBKE

Mr. Roebke was not present so the Board proceeded to the next agenda item.

ENFORCEMENT REPORT

A. Consent Items

1. Request to Withdraw Lobbyist Registration of Loren Solberg (3070) for Principal Maglron (8047)

Mr. Hager stated that Mr. Solberg is requesting the withdrawal of his registration for principal Maglron (8047), as he has not lobbied on behalf of this principal due to a conflict of interest.

The following motion was made:

Member Swanson's motion: To approve the request.

Vote on motion: Unanimously passed.

B. Discussion Items

1. Security Waiver Request of Michelle Gransee (Public Official)

Mr. Hager stated that Ms. Gransee is a Department of Commerce Deputy Commissioner, and is the adopted parent of three children whose father was murdered by their mother, who has repeatedly continued to attempt to reach out to the children. Mr. Hager said that Ms. Gransee would like a waiver regarding the reporting of the address of non-homestead properties under Minnesota Statutes section 10A.09, subdivision 9, which provides that "Upon written request and for good cause shown, the board may waive the requirement that an official disclose the address of real property that constitutes a secondary residence of the official."

The following motion was made:

Member Asp's motion: To approve the request.

Vote on motion: Unanimously passed.

2. Jae Hyun Shim – request for payment plan

Mr. Hager stated that Jae Hyun Shim was a public official appointed to the Board of Behavioral Health and Therapy in 2016 and reappointed in May 2020. Mr. Hager said that at the July 28, 2021, Board meeting the Board referred the matter to the Attorney General's Office to seek an order compelling filing of an EIS and payment of the balance owed for a late filing fee and civil penalty. Mr. Hager stated that a judgment was entered against Jae Hyun Shim on November 2, 2022, for a total of \$1,300, which represents \$1,100 in late filing fees and civil penalties for the 2020 annual EIS statement that was due January 31, 2022, and \$200 in court costs, and the Board waived \$500 of the civil penalty at the April 6, 2022, meeting on the condition that the remaining amount of the penalty be paid within 30 days. Mr. Hager explained that no payment was received, therefore the amount waived has been reinstated. Mr. Hager said that at the end of January 2023, Jae Hyun Shim reached out to discuss payment options, explained that they had some health issues and then were unemployed for a period of time, but are willing to enter into a payment plan to pay the \$630 that was due after the Board action in April of 2022. Mr. Hager stated that Mx. Shim states that they can pay \$100 per month with \$130 the last month to resolve this matter. Mr. Hager explained that the Board will need to 1) decide if it will agree to again waive the \$500 civil penalty that was previously waived, 2) decide if the \$200 in court costs should be waived or included in the amount owed, and 3) decide if the Board will authorize the executive director to enter into a payment plan of no less than \$100 a month to collect all funds owed by Jae Hyun Shim.

Member Swanson’s motion: To approve a payment plan of \$100 per month for the total amount owed of \$1,330, including court costs.

Vote on motion: Unanimously passed.

C. Waiver Requests

Entity	Late Fee/ Civil Penalty	Report Due	Factors and Recommended Action	Board Member's Motion	Motion	Vote on Motion
1. 49th Senate District DFL (New) (20932)	\$100 LFF	Pre Primary	Report due July 25, 2022, and received July 27, 2022. New treasurer emailed the report to Board staff but did not submit electronically causing the delay. Ending cash balance as of December 31, 2022, was \$1,018. RECOMMENDED ACTION: Waive	Leppik	Approve staff recommendation	All members present voted in the affirmative
2. 48th Senate District DFL Central Committee (Old) (20784)	\$100 LFF	Pre Primary	Report due July 25, 2022, and received July 27, 2022. New treasurer emailed the report to Board staff but did not submit electronically causing the delay. The committee has subsequently terminated. RECOMMENDED ACTION: Waive	Leppik	Approve staff recommendation	All members present voted in the affirmative
3. Minnesota African American Political Committee (41134)	\$50 LFF	2022 Year End	Year-end report due January 31, 2023. Received by the Board February 2, 2023. The treasurer thought he had submitted the report timely but accidentally submitted the September 2022 report. The treasurer has expressed issues using the CFB software as the text is small and cannot be made larger. There have been minimal transactions since 2014 and all reports in 2022 were no change reports including this one. Balance as of December 31, 2022, was \$6,130. RECOMMENDED ACTION: Waive	Leppik	Approve staff recommendation	All members present voted in the affirmative

<p>4. Draft Kendall Qualls for Governor Committee IE (41271)</p>	<p>\$100 LFF</p>	<p>2022 Year End</p>	<p>Report due January 31, 2023, and received by Board February 6, 2023. The treasurer hit the wrong button and filed an amendment to the pre-general report. Once error was noticed worked quickly to correct. This was a no change statement. Balance as of December 31, 2022, was \$9,081. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve staff recommendation</p>	<p>All members present voted in the affirmative</p>
<p>5. Liedl for House (18811)</p>	<p>\$150 LFF</p>	<p>2022 Year End</p>	<p>Report due January 31, 2023, and received by the Board February 8, 2023. This was a candidate who was not endorsed and not on the general ballot. Due to the early nature of their campaign ending, they forgot to file the annual report. The annual report was also a termination report. The ending balance was \$0. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve staff recommendation</p>	<p>All members present voted in the affirmative</p>
<p>6. Aleta (Borrud) for MN Senate (18491)</p>	<p>\$1,000 LFF</p>	<p>Pre-General 24 HR Notice</p>	<p>Notice due October 27, 2022, and not received until February 9, 2023. This was a software issue in which the notice was filed timely and appropriately as verified by Board staff. Balance as of December 31, 2022 was \$22,068. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve staff recommendation</p>	<p>All members present voted in the affirmative</p>
<p>7. MN Police & Peace Officers Assoc Leg Fund (30288)</p>	<p>\$1,000</p>	<p>Pre-General 24 HR Notice</p>	<p>Notice due October 29, 2022, and filed with the 2022 annual report. The contribution was from the fund's supporting association. This is the first time membership fees which are paid to the fund have fallen within a 24-hour reporting period. Due to the nature of the contribution, it was an oversight by the treasurer. Balance as of 12/31/22 was \$2057. RECOMMENDED ACTION: Waive</p>	<p>Leppik</p>	<p>Approve staff recommendation</p>	<p>All members present voted in the affirmative</p>

8. Liz (Olson) For Duluth (17946)	\$1,000	Pre-General 24 HR Notice	Notice due October 27, 2022, and filed with 2022 annual report. The contribution was an in-kind contribution from Senate District 8 for advertising. The treasurer was not aware of the in-kind contribution until filing the year end reports. Balance as of 12/31/22 was \$6186. RECOMMENDED ACTION: Reduce to \$250		Removed from agenda as committee will amend its report to show no violation	
9. Pine County DFL (20126)	\$1,250 LFFs \$1,000 CP	2022 Pre-Primary & Pre-General	Pre-Primary report due July 25, 2022, and never received. Pre-general report due October 31, 2022, and received November 7, 2022. This is a new treasurer who has committed to attending training and implementing controls so this does not happen again in the future. Ending cash balance as of December 31, 2022, was \$460. RECOMMENDED ACTION: No recommendation	Swanson	Lay over until next month to allow time for the treasurer to certify that he has completed the Board's compliance training	All members present voted in the affirmative
10. Scott Klein (Public Official)	\$20 LFF	2021 Annual EIS	Report due January 31, 2022 and received February 20, 2022. Does not give reasons why the report was late beyond policy considerations regarding why watershed districts should not have to report. RECOMMENDED ACTION: None		No motion	

D. Informational Items

1. Payment of late filing fee for 2022 year-end report of receipts and expenditures

Campaign for Jill Abahsain, \$25

2. Payment of late filing fee for 2022 pre-general report of receipts and expenditures

- Houston County DFL, \$50
- Cottonwood County RPM, \$50
- NRA Political Victory Fund, \$400
- 51st Senate District DFL (New), \$50
- Simon (Steve) for Secretary of State, \$50
- Take Action PAC, \$50

3. Payment of late filing fee for 2022 pre-general 24 hour notice of large contributions

United Food & Commercial Workers Council 6, \$2,950

4. Payment of late filing fee for lobbyist disbursement report due January 17, 2023

Sherry Munyon, \$175
Stacey Mickelson, \$125
Daniel J. Larson, \$25
Chris Conry, \$50
Steve Gottwalt, \$25
Robert Doar, \$25
Ian Marsh, \$125

5. Payment of civil penalty for failing to register as lobbyist principal

Our Streets Minneapolis, \$4,000

6. Payment of civil penalty for exceeding contribution limits

Doug Wardlow for Attorney General, \$250
Shane Mekeland for MN House Representative, \$125

7. Payment of late filing fee for Original EIS

Foung Hawj, \$5
Taylor Hammond, \$45
Farhio Khalif, \$15

8. Payment of late filing fee for annual EIS due January 31, 2022

Jordan Bergeman, \$100

9. Forwarded anonymous contributions

Campaign Fund of Lauren Bresnahan, \$40

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 stated that a default judgment motion has been drafted and should be filed next week in the Martinez-Perez matter.

EXECUTIVE SESSION

Chair Soule recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the chair reported into regular session the probable cause determination in the Matter of the Complaint of Christine Fischer regarding the Westrom (Torrey) for Senate Committee.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Sigurdson". The signature is written in a cursive, flowing style.

Jeff Sigurdson
Executive Director

Attachments:
Legal report

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD March 2023

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
	Environment America dba Environment Minnesota Contacts: Timothy Schaefer, Chuck Caldart	2021 Annual Report of Lobbyist Principal, due 3/15/22	\$1,000 LFF \$1,000 CP	12/6/22				
Martinez-Perez, Ashley, 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			Currently drafting default judgment motion.
	Trace, LLC Contacts: Ashley Moore, Patrick Hynes	2021 Annual Report of Lobbyist Principal, due 3/15/22	\$1,000 LFF \$1,000 CP	12/6/22				

CLOSED FILES

Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status