

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

Findings and Order in the Matter of Lifecycle Technologies Inc.

Summary of the Facts

Minnesota Statutes, Section 10A.27, subdivision 13(b), prohibits an association that is not registered with the Campaign Finance and Public Disclosure Board ("the Board") from making a contribution in excess of \$100 to a candidate, political party unit, or political committee that is registered with the Board unless, at the time the contribution was made, the unregistered association provides the recipient with disclosure of the unregistered associations receipts and expenditures in the form specified by statute. An unregistered association that fails to provide the appropriate disclosure with the contribution is subject to a civil penalty of up to \$1,000.

In the 2009 year-end Report of Receipts and Expenditures filed with the Board, the 42nd Senate District RPM Committee disclosed receipt of a contribution of \$150 from Lifecycle Technologies Inc. Lifecycle Technologies Inc. is an association that is not registered with the Board. No financial disclosure was provided with the contribution.

In a response dated February 17, 2010, Jeff Meyerhofer, treasurer of the 42nd Senate District RPM provides that the check, while written from a Lifecycle Technologies Inc. account, was to pay for the attendance of two individuals to attend a fundraising held by the 42nd Senate District RPM. On March 3, 2010, Molly Mehl, bookkeeper for Lifecycle Technology Inc., confirmed in a response to the Board that the payment should be considered for an individual to attend the event.

This matter was considered by the Board in executive session on April 6, 2010. The Board's decision was based upon correspondence from Jeff Meyerhofer, Molly Mehl, and Board records.

Board Analysis

Purchasing a ticket to a fundraiser is a contribution to the organization holding the event. Tickets to fundraising events are classified and reported as contributions under Minnesota Statutes, Section 10A.20, subdivision 3(b). Therefore, the purchase of tickets to attend the event with funds from Lifecycle Technologies Inc. is a \$150 contribution from Lifecycle Technologies Inc. to the 42nd Senate District RPM.

For the purposes of Minnesota Statutes Chapter 10A, Lifecycle Technologies Inc. is an unregistered association subject to the provisions of Minnesota Statute, Section 10A.27, subdivision 13.

The Board understands that provisions of Minnesota Statutes Chapter 211B prohibit corporation contributions entirely. The enforcement of Chapter 211B is outside of the Board's authority.

Based on the above Summary of the Facts and the Relevant Statute, the Board makes the following:

Findings Concerning Probable Cause

1. There is probable cause to believe that Lifecycle Technologies Inc. violated Minnesota Statutes, Section 10A.27, subdivision 13, when it made a contribution in excess of \$100 to the 42nd Senate District RPM Committee without providing the required disclosure.
2. There is no probable cause to believe that this violation was intentional or done with the intent to circumvent the requirements of Minnesota Statutes, Chapter 10A.

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

Order

1. The Board imposes a civil penalty of \$50, one times the amount by which the contribution exceeded \$100, on Lifecycle Technologies Inc. for making a contribution in excess of \$100 to a political party unit without the disclosure required by Minnesota Statutes, section 10A.27, subdivision 13.
2. Lifecycle Technologies Inc. is directed to forward to the Board payment of the civil penalty, by check or money order payable to the State of Minnesota, within 30 days of receipt of this order.
3. If Lifecycle Technologies Inc. does not comply with the provisions of this order, the Board's Executive Director shall request that the Attorney General bring an action for the remedies available under Minnesota Statute, Section 10A.34.
4. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minnesota Statutes, Section 10A.02, subdivision 11, and upon payment by the civil penalty imposed herein, this matter is concluded.

Dated: April 6, 2010



Bob Milbert, Chair
Campaign Finance and Public Disclosure Board

Relevant Statute

Minnesota Statutes, section 10A.27, subdivision 13. Unregistered association limit; statement; penalty. (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$100 from an association not registered under this chapter unless the contribution is accompanied by a written statement that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the board. This subdivision does not apply when a national political party contributes money to its affiliate in this state.

(b) An unregistered association may provide the written statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

(1) fails to provide a written statement as required by this subdivision; or

(2) fails to register after giving the written statement required by this subdivision to more than three committees, funds, or party units in a calendar year.

(c) The treasurer of a political committee, political fund, principal campaign committee, or party unit who accepts a contribution in excess of \$100 from an unregistered association without the required written disclosure statement is subject to a civil penalty up to four times the amount in excess of \$100.