

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

**CONCILIATION  
AGREEMENT**

In the Matter of Schmit (Matt) for Senate (Registration No. 17328);

1. A routine staff review by the Minnesota Campaign Finance and Public Disclosure Board of the Schmit for Senate committee's 2013 year-end Report of Receipts and Expenditures identified a contribution which, as reported, constitutes a violation of the Minnesota Statutes.
2. Schmit for Senate reported that, on August 22, 2013, it received a contribution from the North Metro Harness Initiative in the amount of \$250. Schmit for Senate is the principal campaign committee of Matt Schmit (the Candidate) registered with the Board. An examination of business filings on the Secretary of State's website indicates that the North Metro Harness Initiative is a Minnesota Limited Liability Company (LLC).
3. Corporations are prohibited from making contributions to principal campaign committees under Minnesota Statutes section 211B.15, subdivision 2. An LLC constitutes a corporation for the purposes of the section 211B prohibition on corporate contributions. Principal campaign committees are prohibited from accepting corporate contributions under section 211B.13, subdivision 2. A corporate contribution also constitutes a contribution from an association not registered with the Board. Minnesota Statutes section 10A.27, subdivision 13 prohibits a principal campaign committee from accepting a contribution from an unregistered association that exceeds \$200 unless the contributor provides a written disclosure statement as required by that section. The appropriate disclosure was not provided with the North Metro Harness Initiative contribution.
4. Schmit for Senate returned the prohibited contribution to the North Metro Harness Initiative with checks dated July 7, 2014, and February 13, 2015. Copies of the checks used to return the contribution were provided to the Board on June 19, 2015. However, the contribution was not returned within the 90-day period within which a contribution may be returned to avoid a violation and is therefore deemed accepted.
5. To resolve this matter informally, and to avoid these violations in the future, Schmit for Senate and the Candidate agree that they will:
  - a. Not accept any contributions from associations that are not registered with the Board from the date of this agreement through December 31, 2016; and
  - b. Refrain from accepting corporate contributions.

6. The Candidate agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of \$250 against Schmit for Senate for accepting a contribution that was prohibited by Minnesota Statutes section 211B.13, subdivision 2 and without the disclosure required by Minnesota Statutes section 10A.27, subdivision 13. \$62.50 of the penalty is due within 30 days of the date the agreement is signed by both parties. \$187.50 of the penalty is, by the terms of this agreement, stayed until January 1, 2017. If Schmit for Senate violates Minnesota Statutes section 211B.13, subdivision 2 or section 10A.27, subdivision 13 before January 1, 2017, the outstanding civil penalty is due immediately. If Schmit for Senate does not violate Minnesota Statutes section 211B.13, subdivision 2 or section 10A.27, subdivision 13 before January 1, 2017, the outstanding civil penalty is waived.

7. If the Candidate or Schmit for Senate do 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/ Matt Schmit Dated: 7-17-2015  
Matt Schmit  
Schmit for Senate

/s/ Gary Goldsmith Dated: 7-6-2015  
Gary Goldsmith, Executive Director  
Campaign Finance and Public Disclosure Board

Agreement approved by Board at meeting of 7-6, 2015

/s/ George A. Beck  
George A. Beck, Chair  
Campaign Finance and Public Disclosure Board