

Campaign Finance & Public Disclosure Board
ATTN: Mr. Gary Goldsmith
Executive Director
Suite 190, Centennial Building
658 Cedar Street
St. Paul, MN 55155

Complainant:

Minnesota Jobs Coalition
PO Box 40303
Saint Paul, MN 55104

Violators:

Schindler (Gary) for House
1240 Wright Dr.
Albert Lea, MN 56007

Robin Brown for Minnesota
27667 Mower-Freeborn Rd.
Austin, MN 55912


Wedgewood Peruvian Pasos
27667 Mower-Freeborn Rd Austin, MN
55912

Complaint for Violation of the Campaign Finance and Public Disclosure Act

The Minnesota Jobs Coalition (“MJC”) submits to the Minnesota Campaign Finance and Public Disclosure Board (“Board”) the enclosed Complaint against Gary Schindler, Schindler (Gary) for House, the principal campaign committee of Gary Schindler, Robin Brown, Robin Brown for Minnesota, the principal campaign committee of Former Representative Robin Brown, and Wedgewood Peruvian Pasos, a corporation owned and operated by Ms. Brown doing business in Minnesota. Mr. Schindler knowingly accepted a check for \$2,896.56, which Ms. Brown stated was from her campaign committee but in fact was from her business, Wedgewood Peruvian Pasos. Hence, Mr.

Schindler and his campaign committee knowingly accepted an illegal corporate contribution from Wedgewood Peruvian Pasos and filed a false campaign finance report claiming it was from Ms. Brown's terminating campaign committee, in violation of Minnesota Statutes § 211B.15, Subd. 2, and § 10A.025, Subd. 2. Ms. Brown and her campaign committee violated the same statutes for knowingly making the campaign contribution with corporate funds and then filing a false campaign finance report stating that funds came from her terminating campaign committee. She also violated Minnesota Statute § 10A.11, Subd. 5, when she commingled the campaign funds with business or personal funds.

Respectfully Submitted,



Kevin M. Magnuson
Minnesota Jobs Coalition
President

FACTS

At Mr. Schindler's endorsing convention on March 13, 2016, Schindler personally received a check from former Minnesota State Representative Robin Brown (Attachment A) in the amount of \$2,896.56. Ms. Brown presented the check in front of the audience and stated that the funds came from her Robin Brown for Minnesota terminating campaign account. However, the check actually was drawn on the account of her horse business, Wedgewood Peruvian Pasos (Attachments B and C). Wedgewood Peruvian Pasos is "owned and operated" by Robin Brown.¹

¹ Minnesota Legislators Past & Present – Legislator Record – Brown, Robin." <https://www.leg.state.mn.us/legdb/fulldetail?id=15261>. Retrieved, Aug. 23, 2016.

Mr. Schindler's committee's Pre-Primary Report reported the contribution as a receipt from Ms. Brown's terminating campaign account (Attachment E). Mr. Schindler thus knowingly accepted a corporate contribution and falsely reported it as a contribution from the campaign committee, concealing his receipt of the illegal corporate contribution from Wedgewood Peruvian Pasos.

The campaign committee Robin Brown for Minnesota also falsely reported that *it* made the March 13, 2016, \$2,896.56 contribution to the Schindler for House campaign committee, not Wedgewood Peruvian Pasos. Furthermore, as the campaign funds that comprised Ms. Brown's contribution came from Wedgewood Peruvian Pasos' bank account, she knowingly commingled campaign funds with corporate funds.

VIOLATIONS OF LAW

Pursuant to Minn. Stat. § 10A.022, Subd. 3, and other authority, MJC respectfully requests that the Board investigate the following:

- i. Whether Mr. Schindler received a corporate contribution in violation of Minnesota Statute § 211B.15, Subd. 2(b).
- ii. Whether Mr. Schindler filed a false campaign finance report in violation of Minnesota Statute § 10A.025, Subd. 2(c), when he accepted a check from an entity he knew or had reason to know to be a business but listed it as a contribution from a terminating campaign committee.
- iii. Whether Ms. Brown and Wedgewood Peruvian Pasos made a corporate contribution in violation of Minnesota Statute § 211B.15, Subd. 2(a).
- iv. Whether Ms. Brown commingled campaign funds with other funds in violation of Minn. Stat. § 10A.11, Subd. 5, and § 211B.15, Subd. 5, by writing a check for \$2,896.56 to Mr. Schindler's Campaign from her business account, while stating that these were the terminating funds from her principal campaign committee.

- v. Whether Ms. Brown filed a false campaign finance report in violation of Minn. Stat. § 10A.025, Subd. 2(c).

RELEVANT STATUTES AND RULES

§ 10A.11 ORGANIZATION OF COMMITTEES AND PARTY UNITS.

Subd. 5. Commingling prohibited.

A political committee, principal campaign committee, or party unit may not commingle its funds with personal funds of officers, members, or associates of the committee.

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Subd. 7. Penalty.

A person who knowingly violates this section is subject to a civil penalty imposed by the Board of up to \$1,000.

§ 10A.022 VIOLATIONS AND ENFORCEMENT

Subd. 3. Investigation authority; complaint process.

The board may investigate any alleged violation of this chapter [10A]. The board may also investigate an alleged violation of section 211B.04, 211B.12, or 211B.15 by or related to a candidate, treasurer, principal campaign committee, political committee, political fund, or party unit, as those terms are defined in this chapter.

§ 211B.15 CORPORATE POLITICAL CONTRIBUTIONS.

Subdivision 1. Definitions.

For purposes of this section, "corporation" means:

- (1) a corporation organized for profit that does business in this state;
- (2) a nonprofit corporation that carries out activities in this state; or
- (3) a limited liability company formed under chapter 322B, or under similar laws of another state, that does business in this state.

Subd. 2. Prohibited contributions.

(a) A corporation may not make a contribution or offer or agree to make a contribution directly or indirectly, of any money, property, free service of its officers,

employees, or members, or thing of monetary value to a political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office.

(b) A political party, organization, committee, or individual may not accept a contribution or an offer or agreement to make a contribution that a corporation is prohibited from making under paragraph (a).

(c) For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate to a political office that is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate but does not include an independent expenditure authorized by subdivision 3.

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Subd. 6. Penalty for individuals.

(a) An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation acting on behalf of the corporation who violates this section is subject to a civil penalty of up to ten times the amount of the violation, but in no case more than \$10,000, imposed by the Campaign Finance and Public Disclosure Board under chapter 10A or imposed by the Office of Administrative Hearings under this chapter.

(b) Knowingly violating this section is a crime. An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation acting in behalf of the corporation who is convicted of knowingly violating this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Subd. 7. Penalty for corporations.

(a) A corporation that violates this section is subject to a civil penalty of up to ten times the amount of the violation, but in no case more than \$10,000, imposed by the Campaign Finance and Public Disclosure Board under chapter 10A or imposed by the Office of Administrative Hearings under this chapter.

(b) Knowingly violating this section is a crime. A corporation convicted of knowingly violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation may be dissolved as well as fined. If a foreign or nonresident corporation is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Subd. 7a. Application of penalties.

No penalty may be imposed for a violation of this section that is subject to a civil penalty under section 10A.121.

Subd. 7b. Knowing violations.

An individual or a corporation knowingly violates this section if, at the time of a transaction, the individual or the corporation knew:

(1) that the transaction causing the violation constituted a contribution under chapter 10A, 211A, or 383B; and

(2) that the contributor was a corporation subject to the prohibitions of subdivision 2.

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Subd. 13. Aiding violation; penalty.

An individual who aids, abets, or advises a violation of this section is guilty of a gross misdemeanor.

Subd. 14. Prosecutions; venue.

Violations of this section may be prosecuted in the county where the payment or contribution was made, where services were rendered, or where money was paid or distributed.

§ 10A.025 FILING REQUIREMENTS.

Subd. 2. Penalty for false statements.

(a) A report or statement required to be filed under this chapter must be signed and certified as true by the individual required to file the report. The signature may be an electronic signature consisting of a password assigned by the board.

(b) An individual shall not sign and certify to be true a report or statement knowing it contains false information or knowing it omits required information.

(c) An individual shall not knowingly provide false or incomplete information to a treasurer with the intent that the treasurer will rely on that information in signing and certifying to be true a report or statement.

(d) A person who violates paragraph (b) or (c) is subject to a civil penalty imposed by the board of up to \$3,000. A violation of paragraph (b) or (c) is a gross misdemeanor.

(e) The board may impose an additional civil penalty of up to \$3,000 on the principal campaign committee or candidate, party unit, political committee, or association that has a political fund that is affiliated with an individual who violated paragraph (b) or (c).

RELEVANT DOCUMENTS ATTACHED TO THIS COMPLAINT

- a) **Attachment A:** Video of the presentation of a Check by Robin Brown to Gary Schindler at the Endorsing Convention immediately after endorsement, captured March 13, 2016.
- b) **Attachment B:** First photo of the Check presented to Gary Schindler at the Endorsing Convention with Predominantly the Left side of the check in focus, captured March 13, 2016.
- c) **Attachment C:** Second photo of the Check presented to Gary Schindler with Predominantly the Right side of the check in focus, captured March 13, 2016.
- d) **Attachment D:** Robin Brown for Minnesota, Report of Receipts and Expenditures for Principle Campaign Committee, Jan 1, 2016 through Dec. 31, 2016, cfboard.mn.state.us, filed March 16, 2016.
- e) **Attachment E:** Schindler for Minnesota House, Pre-Primary Report of Receipts and Expenditures for Principle Campaign Committee, Jan 1, 2016 through Dec. 31, 2016, cfboard.mn.state.us, filed July 20, 2016.