STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

CONCILIATION AGREEMENT

In the Matter of the Vote John Poston Volunteer Committee (Registration No. 17985);

- 1. A routine staff review by the Minnesota Campaign Finance and Public Disclosure Board of the Vote John Poston Volunteer Committee's 2016 year-end report of receipts and expenditures identified a contribution that, as reported, appeared to constitute a violation of Minnesota Statutes. Vote John Poston Volunteer Committee is the principal campaign committee of John Poston for the House of Representatives seat in district 9A.
- 2. The committee reported that, on March 10, 2016, it received a contribution from "Poston Property Management, John" in the amount of \$500. An examination of business filings on the Secretary of State's website indicates that Poston Property Management is a Minnesota limited liability company. The committee confirmed that the contribution was from this entity.
- 3. Corporations are prohibited from making contributions to principal campaign committees under Minnesota Statutes section 211B.15, subdivision 2. A limited liability company is considered a corporation for the purposes of the section 211B.15 corporate contribution prohibition. Principal campaign committees are likewise prohibited from accepting corporate contributions under the same section.
- 4. In an email to Board staff, the committee's treasurer explained that the contribution was an oversight that occurred because Mr. Poston and his campaign staff at the time were new to state politics. The current treasurer was brought on board to provide more experience to the committee and understands that the contribution was prohibited by statute.
- 5. The committee returned the prohibited contribution on July 18, 2016. A copy of the check used to return the contribution was provided to the Board. 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.
- 6. The parties agree that the committee accepted a corporate contribution in violation of Minnesota Statutes section 211B.15, subdivision 2, during the 2015-2016 election segment. Board records indicate that this is the first instance in which the committee reported the acceptance of a corporate contribution. The committee registered with the Board on March 11, 2016.
- 7. To resolve this matter informally, and to avoid these violations in the future, the committee agrees that it will refrain from accepting corporate contributions, including contributions from

limited liability companies. On contribution checks, the committee will carefully determine the account from which the contribution is drawn in order to comply with this requirement.

- 8. The committee agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of \$500, one times the amount of the contribution, against the committee for accepting a contribution that was prohibited by Minnesota Statutes section 211B.15, subdivision 2. Of this amount, \$125 is due within 30 days of the date the agreement is signed by both parties. The remaining \$375 of the penalty is, by the terms of this agreement, stayed until January 1, 2019. If the committee violates Minnesota Statutes section 211B.15, subdivision 2 before January 1, 2019, the outstanding civil penalty is due immediately. If the committee does not violate Minnesota Statutes section 211B.15, subdivision 2 before January 1, 2019, the outstanding civil penalty is waived.
- 9. If the candidate or the committee does 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/ John Poston	Dated: <u>6-23-2017</u>
John Poston	
Vote John Poston Volunteer Committee	
/s/ Daniel N. Rosen	Dated: <u>6</u> -14-2017
Daniel N. Rosen, Chair	
Campaign Finance and Public Disclosure Board	