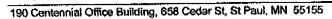
Campaign Finance & Public Disclosure Board



www.cfboard.state.mn.us



10/16/18

Date

Complaint for Violation of the Campaign Finance and Public Disclosure Act

All information on this form is confidential until a decision is issued by the Board.

A photocopy of the entire complaint, however, will be sent to the respondent.

Type a series and the constitution about complaint file? The series of t

Name of complaint filer	Michael John Smith			
Address	836 1st Street N	Email address watabmike@yahoo.com		
City, state, and zip	Sartell, MN 56377	Telephone (Daytime) 320-230-7169		

Identify person/entity you are complaining about

Name of person/entity being complained about	Joe Perske; Perske for Senate	
Address	509 N 10th St	
City, state, zip	Sartell, MN 56377	
Title of respondent (If applicable)		

Send completed form to:

Campaign Finance & Public Disclosure Board

Signature of person filing complaint

190 Centennial Office Building

658 Cedar Street

St. Paul, MN 55155

If you have questions:

Call 651-539-1190, 800-657-3889, or for TTY/TDD communication contact us through the Minnesota Relay Service at 800-627-3529. Board staff may also be reached by email at cf.board@state.mn.us.

This document is available in alternative formats to individuals with disabilities by calling 651-539-1180, 800-657-3889, or through the Minnesota Relay Service at 800-627-3529.

or Minnesota Rules you believe has been violated:	- <i>,</i>
ou will find the complete text of Chapter 10A, Chapter 211B, and Minnesota Rules chapters 4501 - 4525 or he Board's website at www.cfboard.state.mn.us.	1
Nature of complaint	
Explain in detail why you believe the respondent has violated the campaign finance and public disclosure law Attach an extra sheet of paper if necessary. Attach any documents, materials, minutes, resolutions, or other evidence to support your allegations.	
See attached.	

Give the statutory cite to the section of Chapter 10A, Chapter 211B, 211B.04; 10A.27; 211B.15, subd. 2(b)

Minnesota Statutes section 10A.022, subdivision 3, describes the procedures required for investigating complaints. A full description of the complaint process is available on the Board's website.

Briefly, the Board will notify you when it has received your complaint. The Board must send a copy of the complaint to the respondent. Complaints and investigations are confidential. Board members and staff cannot talk about an investigation except as required to carry out the investigation or to take action in the matter. After the Board issues a decision, the record of the investigation is public.

The law requires a complaint to go through two stages before the Board can begin an investigation: a prima facie determination and a probable cause decision. If the complaint does not pass one of the stages, it must be dismissed.

The Board has 10 business days after receiving your complaint to determine whether the complaint is sufficient to allege a prima facie violation of the campaign finance laws. If the Board determines that the complaint does allege a prima facie violation, the Board has 45 days to decide whether probable cause exists to believe a violation that warrants a formal investigation has occurred. Both you and the respondent have the right to be heard on the issue of probable cause before the Board makes this decision. The Board will notify you if the complaint moves to the probable cause stage.

If the Board determines that probable cause does not exist, the Board will dismiss the complaint. If the Board determines that probable cause exists, the Board will start an investigation. The Board will send you monthly updates regarding the status of the investigation. At the end of the investigation, the Board will offer you and the respondent the opportunity to be heard before the Board makes a final decision.

In most cases, the Board will issue findings, conclusions, and an order as its decision. For a spending or contribution limits violation, the Board can enter into a conciliation agreement with the respondent instead of issuing findings, conclusions, and an order. The Board's final decision will be sent to you and posted on the Board's website.

NATURE OF COMPLAINT

Introduction

This Complaint focuses on two offending activities committed by Joe Perske and his principal campaign committee. First, Perske and his campaign committee illegally reused campaign signs paid for and prepared by "Friends for Perske" – Perske's unregistered, former congressional campaign committee. The reused signs constitute a contribution from the old, congressional committee to the current, state senate committee. This contribution results in at least the following violations of Minnesota campaign finance law: Minn. Stat. § 211B.04 for failure to properly display disclaimer; Minn. Stat. § 10A.27, subd. 13, for illegal acceptance of a contribution from an unregistered association; and Minn. Stat. § 10A.27, subd. 1, for acceptance of a contribution in excess of the limit permitted by law.

Second, Perske illegally accepted an in-kind corporate contribution from JR Broadcasting, LLC in the form of free airtime on the radio station AM 950. The airtime was used exclusively to promote Perske's candidacy and to expressly advocate for his election to the state senate. Perske's acceptance of the corporate contribution results in a violation of Minn. Stat. § 211B.15, subd. 2(b).

Background

- Joe Perske was a 2014 DFL candidate seeking election to the U.S. House of Representatives to represent the 6th Congressional District of Minnesota.
- Perske's principal campaign committee for the 2014 congressional election was
 Joe Perske for US Congress, FEC No. C00555029.

- 3. The principal campaign committee was initially named "Friends for Perske," and later renamed to "Perske for Congress" and then to "Joe Perske for US Congress" (hereinafter "Perske Congressional Committee").
- Perske was defeated by Tom Emmer in the general election on November 4,
 and his campaign committee filed a termination report with the Federal Election
 Committee on November 27, 2014.
- 5. During the 2014 campaign, Perske utilized signs—in varying sizes—which stated "Joe Perske for U.S. Congress" with "Joe Perske" in large white font, with "for U.S. Congress" in yellow italicized font, with a matching yellow stylized line and running figure, all against a blue background with a white boarder.
- 6. The disclaimer on the 2014 yard signs indicated that the signs were paid by the Perske Congressional Committee, stating: Paid by Friends for Perske | PO Box 824 | Sartell, MN 56377.
- 7. Perske is currently a DFL candidate seeking election to the Minnesota State Senate to represent District 13.
- 8. Perske's principal campaign committee for the 2018 state senate election is "Perske for Senate" (hereinafter "Perske State Senate Committee"), 509 N 10th St, Sartell, MN 56377, Regis. No. 18339.
- Perske State Senate Committee has modified the Perske Congressional
 Committee signs and is currently using the modified signs in the 2018 state senate election contest.
- 10. In an attempt to cover up the recycling of the signs, the Perske Congressional Committee signs have been modified in at least two different ways:

- a. <u>Labeled Signs</u>: Perske and his campaign committee have placed labels stating "MN Senate" over "U.S. Congress" so that the signs now read "Joe Perske for MN Senate." These signs still contain the old disclaimer stating "Paid by Friends for Perske | PO Box 824 | Sartell, MN 56377." *See Exhibit A*, Labeled Sign Close Up.
- b. <u>Cut Signs</u>: Alternatively, Perske and his campaign committee have also cut 2014 signs so that they simply read "Joe Perske." These signs do not contain any disclaimer. *See* Exhibit B, Cut Signs.
- 11. Examples of the modified signs are available on the campaign committee website at https://www.perskeforsenate.com/gallery.html and on the campaign committee Facebook page at https://www.facebook.com/pg/PerskeForSenate/photos/?ref=page_internal. *See* Exhibit C, Screenshots of Photos from Perske Campaign Website & Facebook Page.
- 12. JR Broadcasting LLC is a Minnesota company that owns and operates the AM 950 radio station.
- 13. Among other programs, AM 950 has a program entitled "Democrat of the Day" which features its radio host, Matt McNeil, speaking with Democratic Farmer Labor ("DFL") candidates running for office in Minnesota. *See* List of on-demand "Democrat of the Day" broadcasts available at http://www.am950radio.com/events/democrat-of-the-day/.
- 14. On October 10, 2018, Perske appeared on the "Democrat of the Day" segment for AM 950 to promote his candidacy for election to District 13.
- 15. The October 10th broadcast provided Perske with approximately 17 minutes and 10 seconds of free radio airtime.

16. AM 950 specifically advocated for Perske by making statements of express advocacy, such as "If you can make a donation, help Joe out here because . . . if Joe goes to the Senate, guess what, the DFL controls the Senate," by directing listeners to Perske's campaign website at "perskeforsenate.com," and by urging listeners to donate to and volunteer for Perske's campaign.

Disclaimer Violation

- 17. Perske and the Perske State Senate Committee violated Minn. Stat. § 211B.04 by preparing and disseminating campaign material that does not prominently include the name and address of the person or committee causing the material to be prepared or disseminated in a disclaimer.
 - a. The labeled signs do not contain a disclaimer that the signs were prepared and disseminated by Perske for Senate.
 - b. The cut signs do not contain any disclaimer.

Contribution from Unregistered Association Violation

- 18. Perske and his campaign committee violated Minn. Stat. § 10A.27, subd. 13, by accepting a contribution of more than \$200 from an association not registered with Campaign Finance Board.
 - a. The Perske Congressional Committee is an unregistered association under Minnesota law.
 - The Perske Congressional Committee contributed signs to the State Senate
 Committee for use in the 2018 state senate election.

- c. On information and belief, the fair market value of the signs is greater than \$200.
- d. Perske for Senate failed to disclose the contribution to the Board.
- e. Perske for Senate accepted this contribution without the required written disclosure statement that meets the disclosure and reporting period requirements imposed by section 10A.20.

Contribution Limit Violation

- 19. Candidate Perske violated Minn. Stat. § 10A.27, subd. 1, by permitting his principal campaign committee to accept aggregate contributions made by an association not registered with the Board in excess of \$1000.
 - a. The Perske Congressional Committee is an unregistered association under Minnesota law.
 - b. Perske is a candidate for state senator.
 - c. The Perske Congressional Committee contributed signs to the State Senate
 Committee for use in the 2018 state senate election.
 - d. On information and belief, the total fair market value of the signs is greater than \$1000.

Violation of Prohibition on Corporate Contributions

20. Minn. Stat. § 211B.15 prohibits corporations from providing, and candidates from accepting, contributions to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office.

- 21. Specifically, Minn. Stat. § 211B.15, subd. 2, prohibits the following:
- (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.
- 22. Minn. Stat. § 211B.15 applies to "corporations" which is defined to include "a limited liability company formed under chapter 322C . . . that does business in this state."
- 23. JR Broadcasting LLC is a "corporation" because it is a Minnesota limited liability company formed under Minnesota Statutes, Chapter 322C.
- 24. JR Broadcasting LLC operates under the assumed names "AM 950" and "AM 950 Radio."
- 25. JR Broadcasting LLC "does business in this state" because it has a registered office in Eden Prairie, Minnesota, is in "active" and "good standing" status with the Minnesota Secretary of State, and operates AM 950 Radio which is self-described as "the only Progressive Talk Radio station in Minnesota."
- 26. Perske violated Minn. Stat. § 211B.15, subd. 2(b), by accepting a corporate contribution from JR Broadcasting LLC.¹

¹ Relatedly, JR Broadcasting LLC violated Minn. Stat. § 211B.15, subd. 2(a), for providing the corporate contribution to Perske.

- 27. The "Democrat of the Day" segment provides an illegal in-kind corporate contribution to candidates because "it has value to a candidate in the exposure it provides to the public of the candidate's name, political beliefs, and views on issues that are important to the candidate and presumably the viewing audience." *See* CFPDB Advisory Op. 365 at 2. Therefore, the free airtime provided by JR Broadcasting, and accepted by Perske, is a contribution because it is a "free service" or otherwise a "thing of monetary value" used to promote the candidacy of Perske and that expressly advocates for his election.
- 28. The following colloquy highlights the extent to which the segment unambiguously advocates for the election of Perske:

Matt McNeil (17:23): Help your local Democrat, by all means. Help your local Democrat. But if you're in a relatively safe district, take some time, get up to 13, we need people on the ground in 13. Door knocking, phone calling, helping out the campaign. If you can make a donation, help Joe out here because if 13 is the Senate and if Joe goes to the Senate, guess what, the DFL controls the Senate and that's, that would be amazing. Joe I am pretty Sure you can use some volunteers, so if someone is looking to get information on this, how can they find out more information?

Perske (17:56): Absolutely. Very simply perskeforsenate. If you just, ah, go google that – go perskeforsenate – you'll get a link to our website, information there as far as making a contribution, or giving us a phone call. And, ah, we got some door knocking times that people can set up, sign up for. Again weekends we are going to be very busy every weekend here down the stretch. And always looking forward to talking to to people at the doors. And it's very simple – when we go to a door and we talk about people, we talk about jobs, education, health care, treating people fairly, then we win because that's meeting the needs of the people.

Matt McNeil (18:35): You got four weekends left people. You want to make this blue wave happen, there's one way you can do it and that's getting out there and helping out. You got four weekends to get on up there and help out in 13. perske – P E R S K E – for – F O R – senate.com perskeforsenate. I'll link to everything a little bit later on

29. Perske knowingly violated Minn. Stat. § 211B.15 because he knew (1) that the free airtime constituted a contribution under chapter 10A, 211A, and 383B and (2) that JR Broadcasting was a corporation subject to the prohibitions of Minn. Stat. § 211B.15, subd. 2.

Conclusion

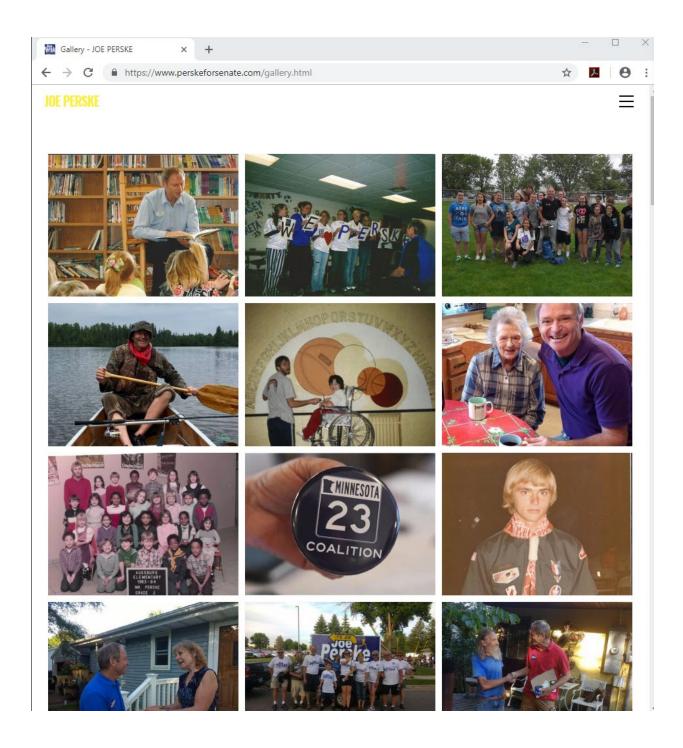
Perske and the Perske State Senate Committee illegally reused campaign signs that were paid for and prepared by the Perske Congressional Committee. This improper reuse of signs constitutes a contribution from the Perske Congressional Committee to the Perske State Senate Committee, resulting in violations of Minn. Stat. §§ 211B.04 and 10A.27. Separately, Perske illegally accepted a corporate contribution from JR Broadcasting LLC in the form of free airtime on AM 950 that was used to expressly advocate for the election of Perske to the state senate. This improper acceptance of a corporate contribution results in a violation of Minn. Stat. § 211B.15, subd. 2(b).

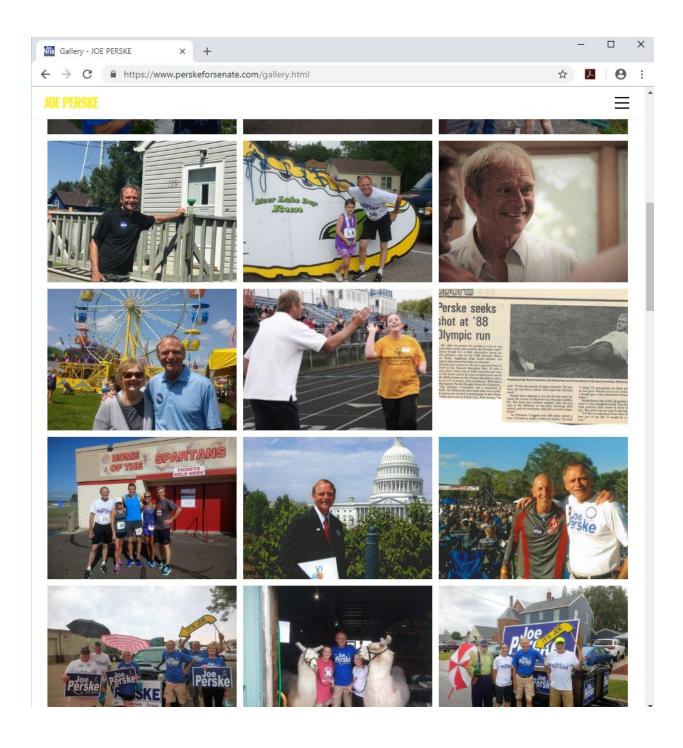
Exhibit A

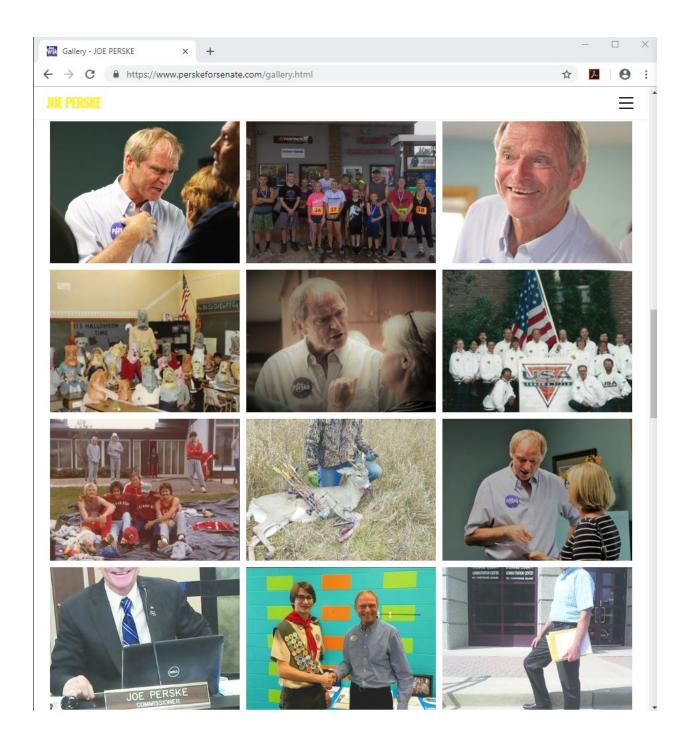


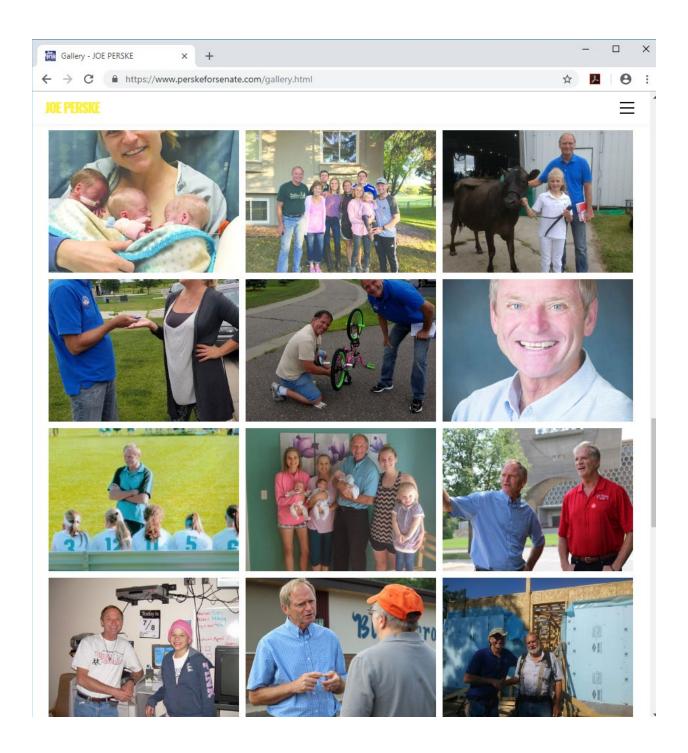
Exhibit B

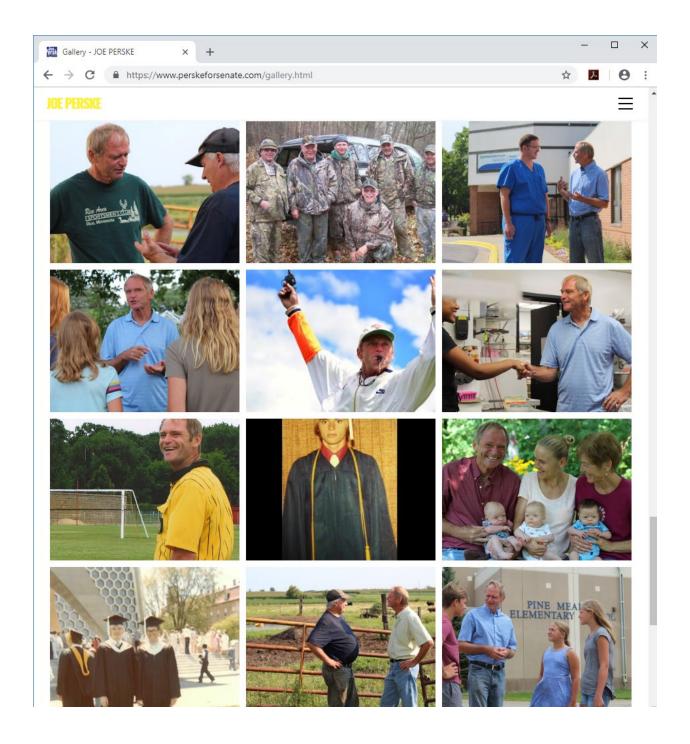


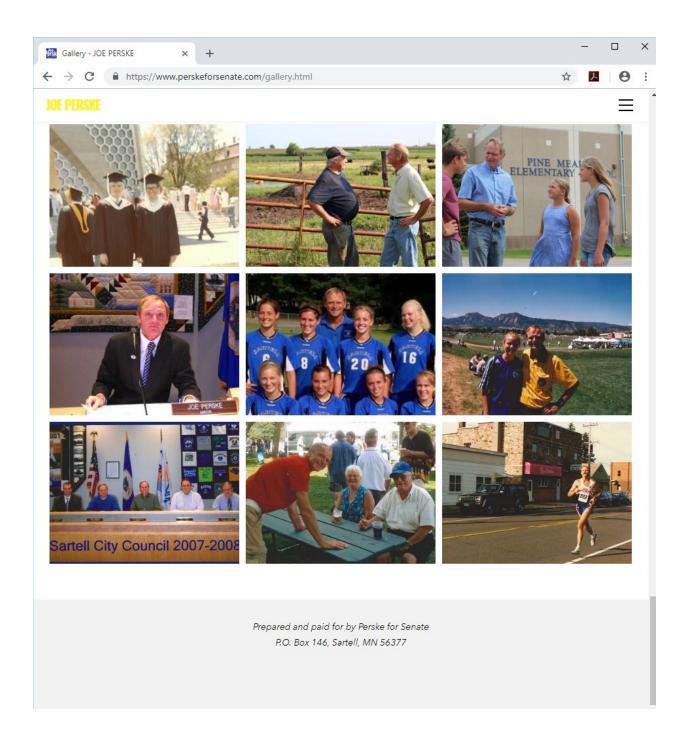


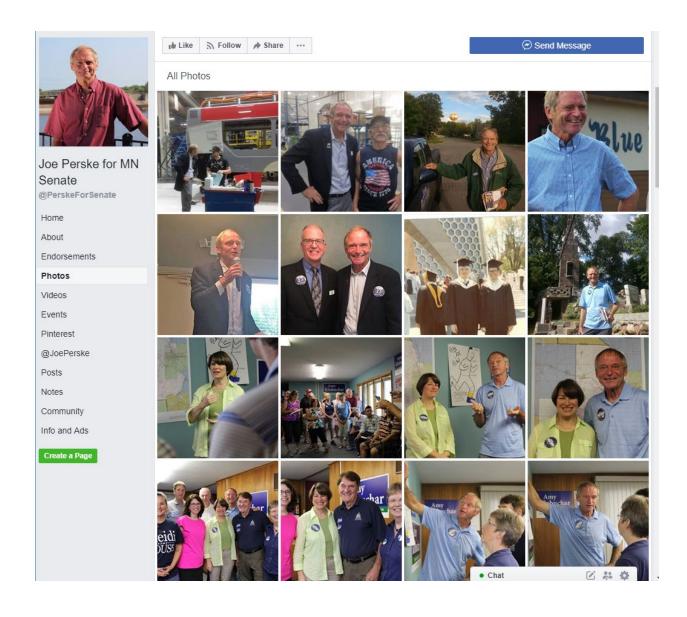


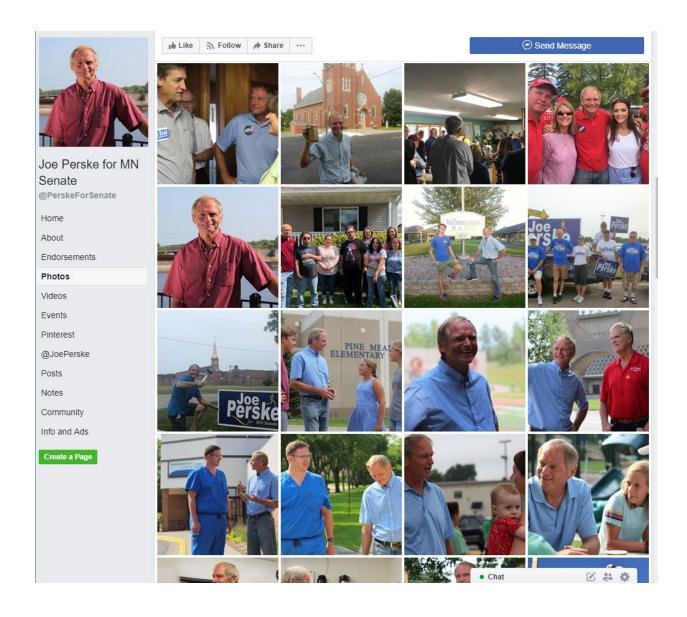


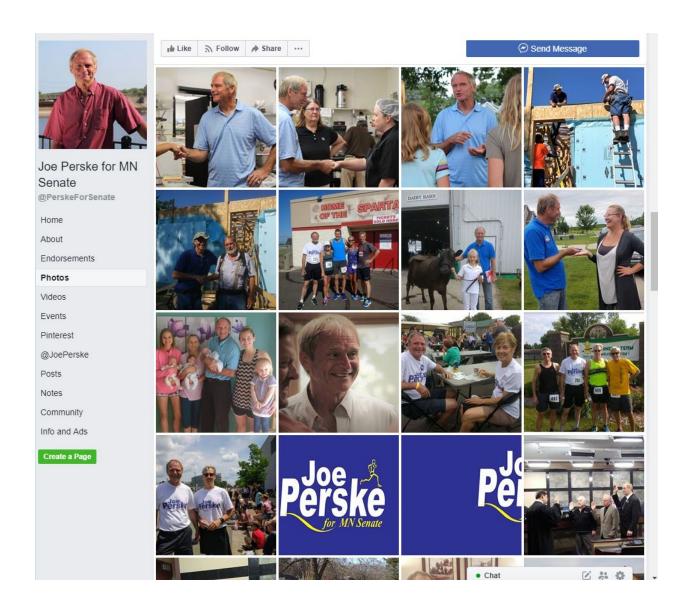


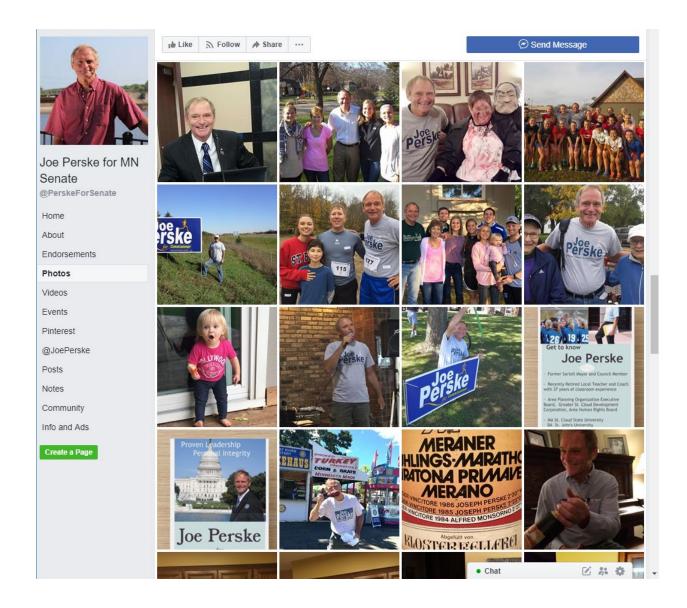


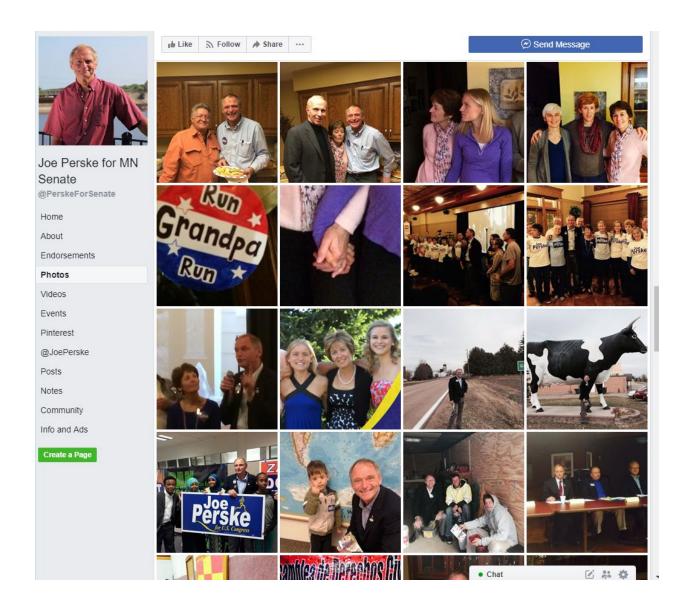


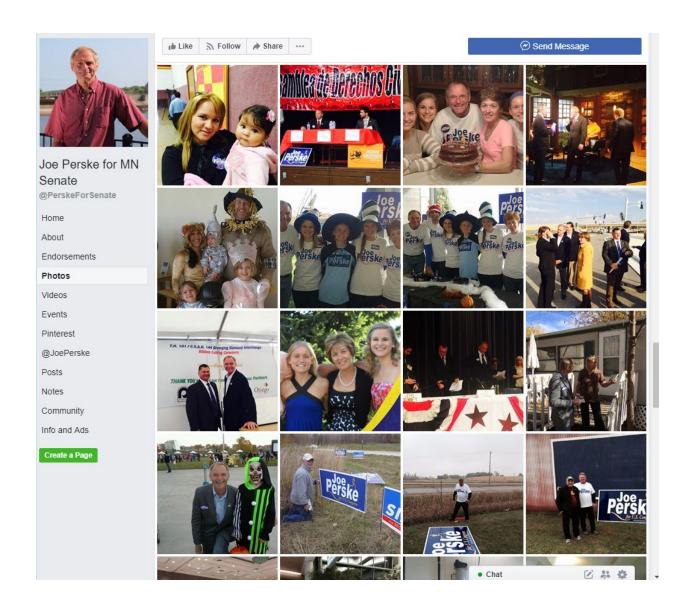


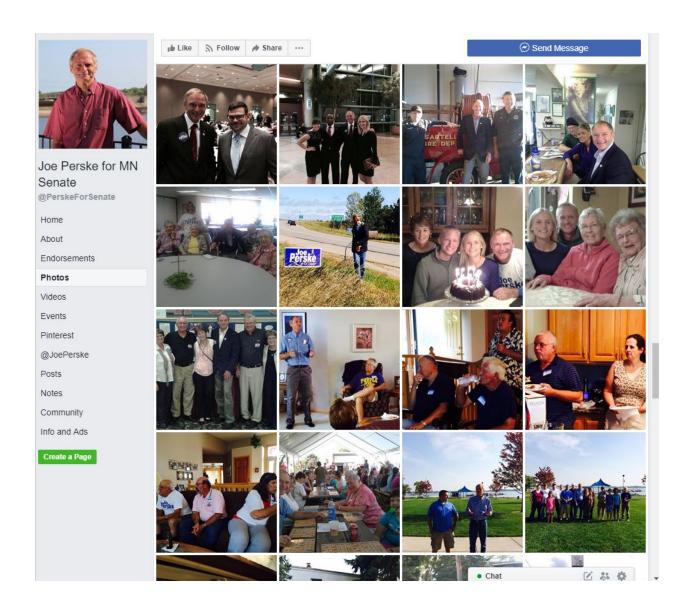


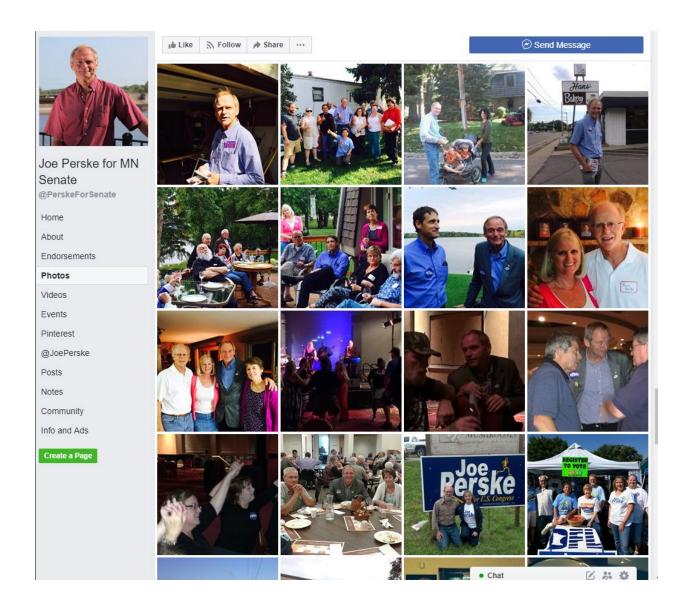


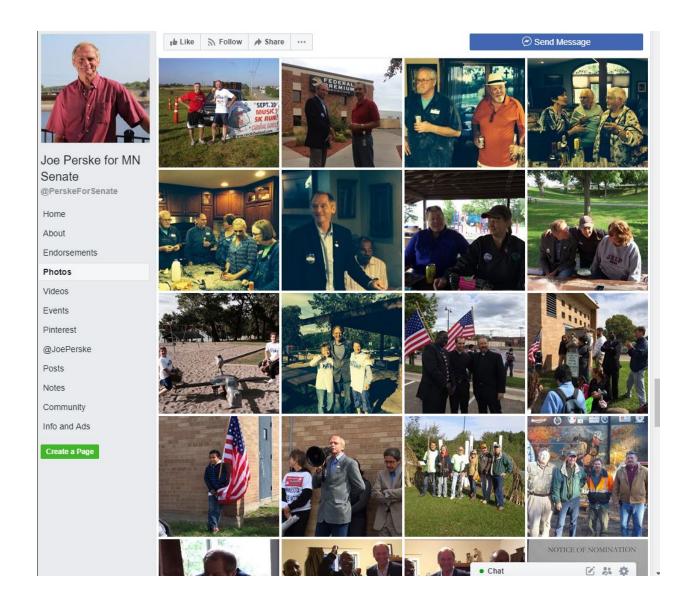


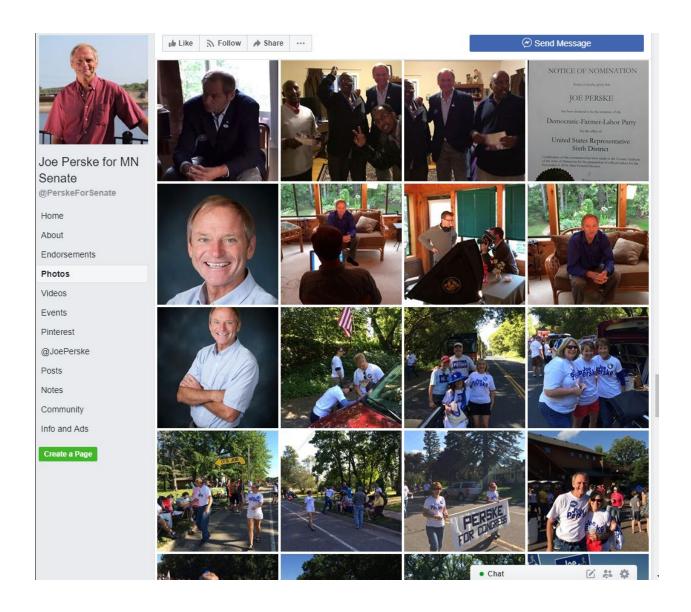


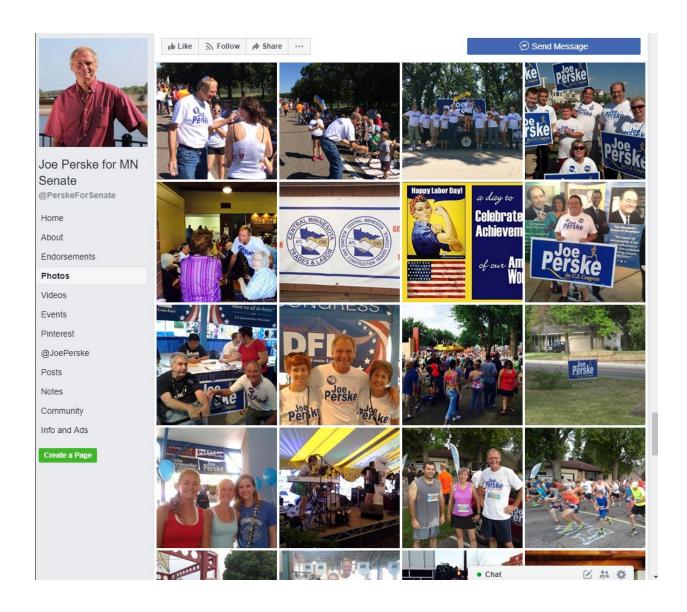


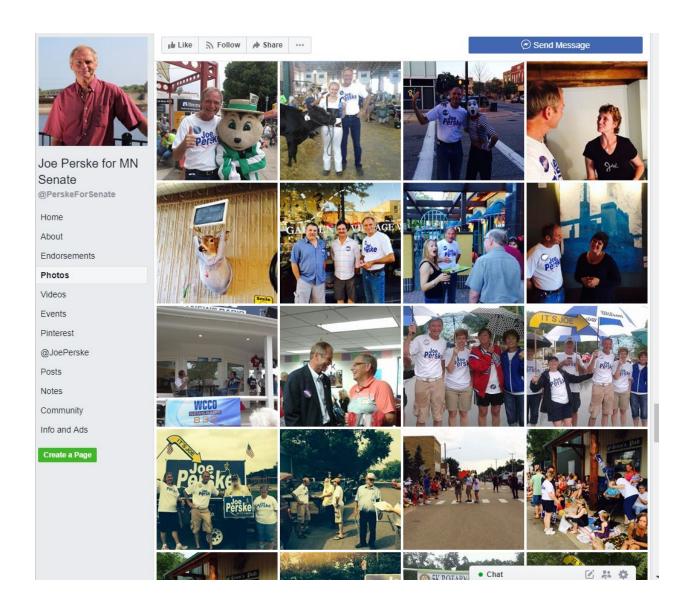


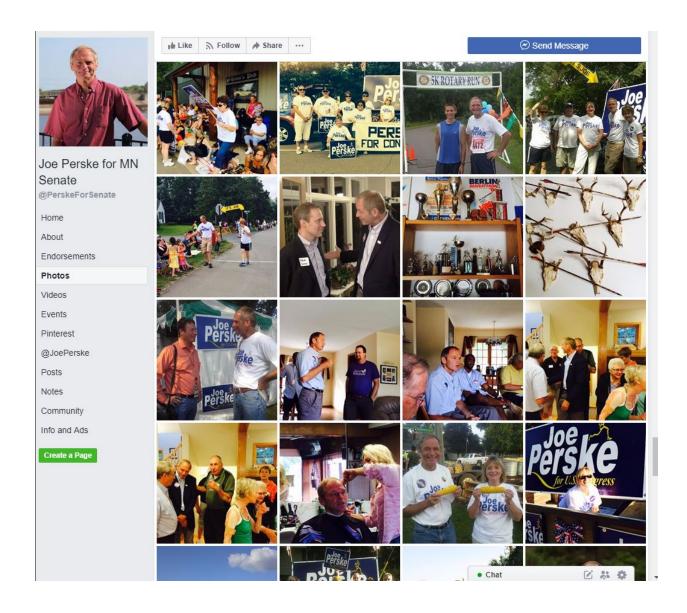


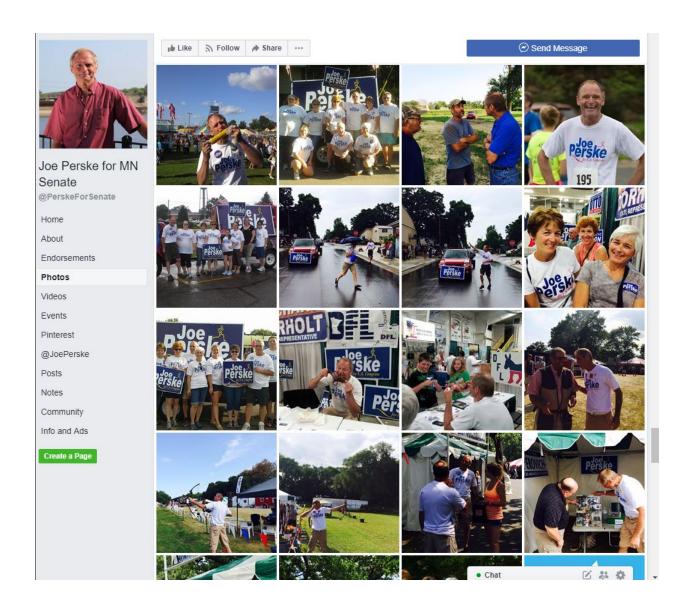


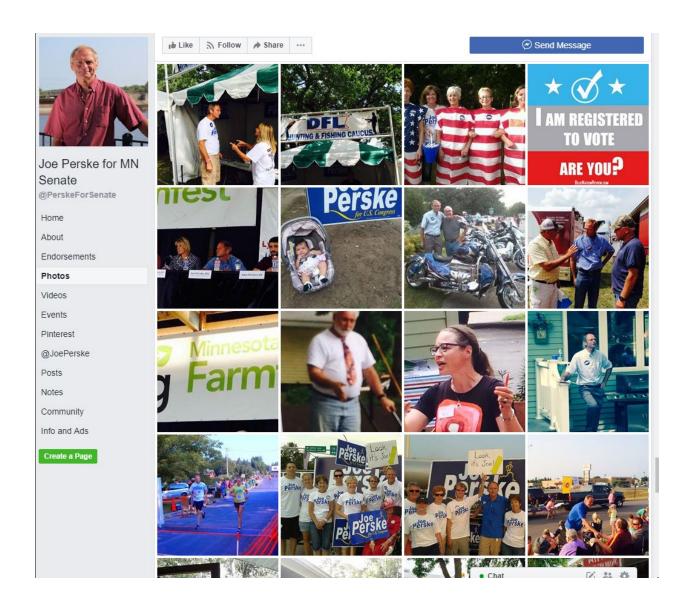


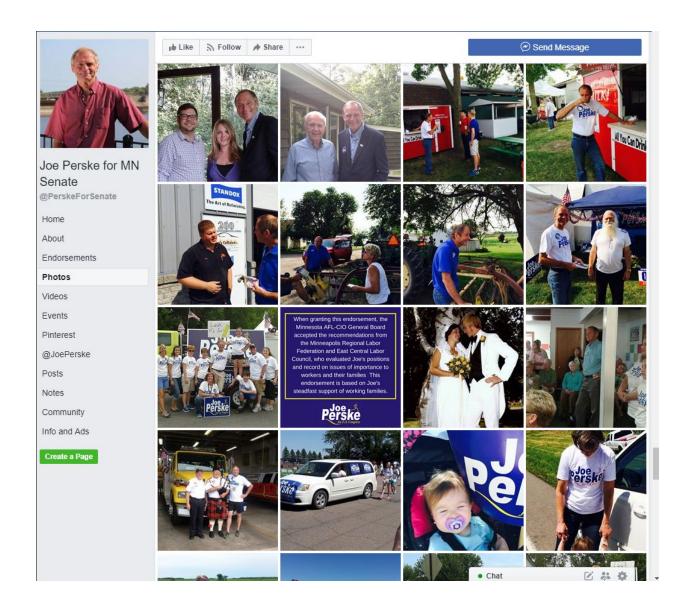


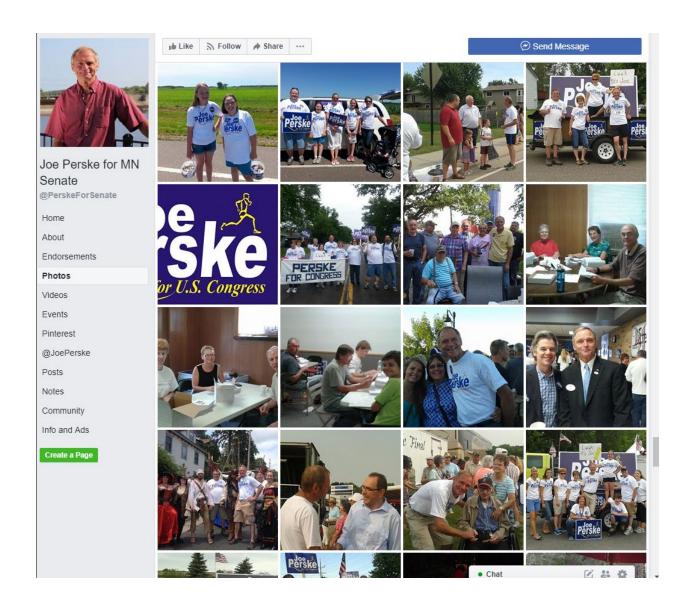


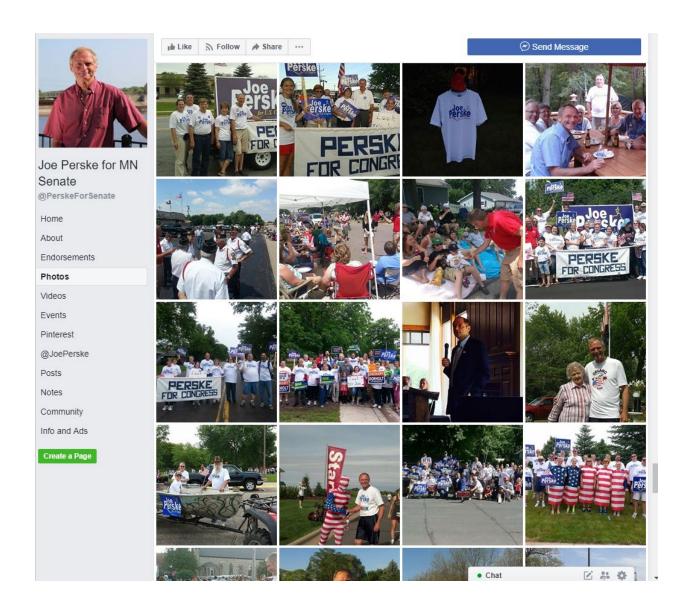


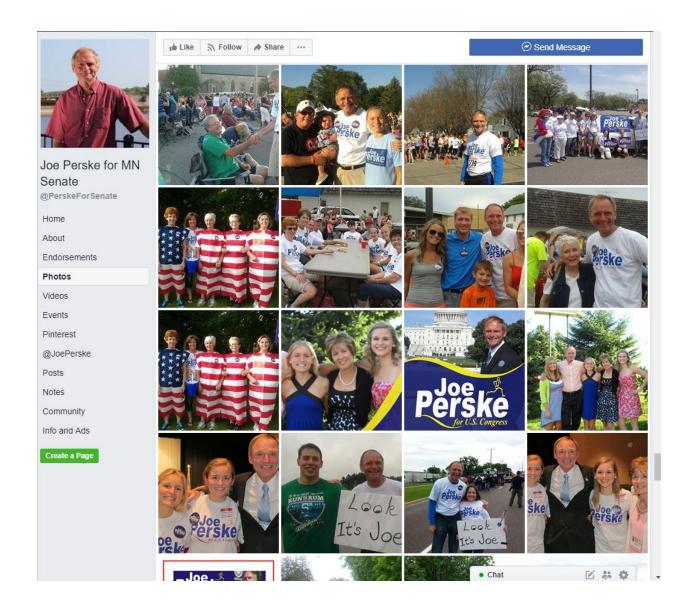


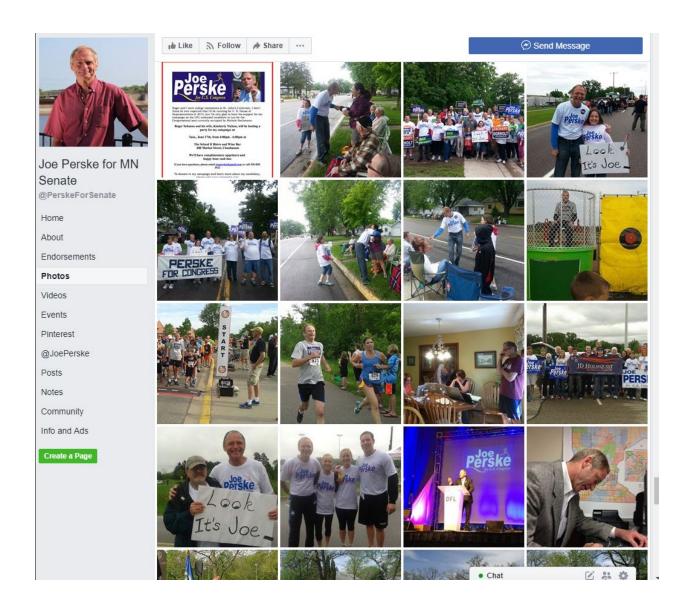


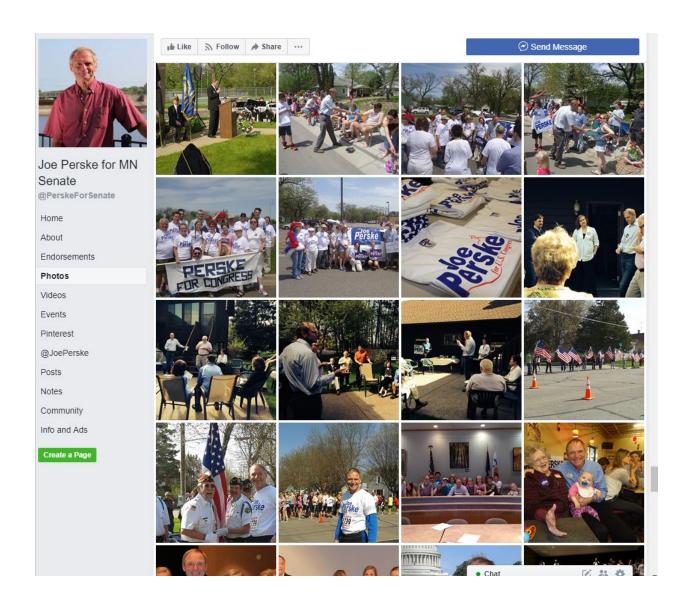


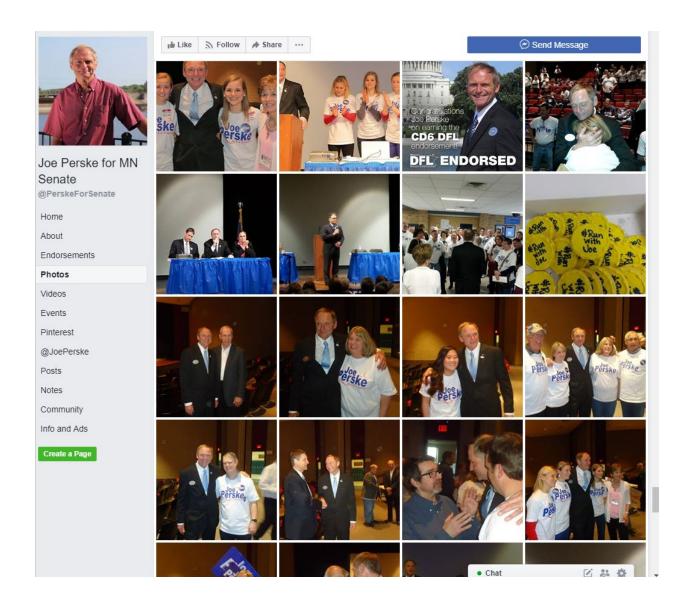


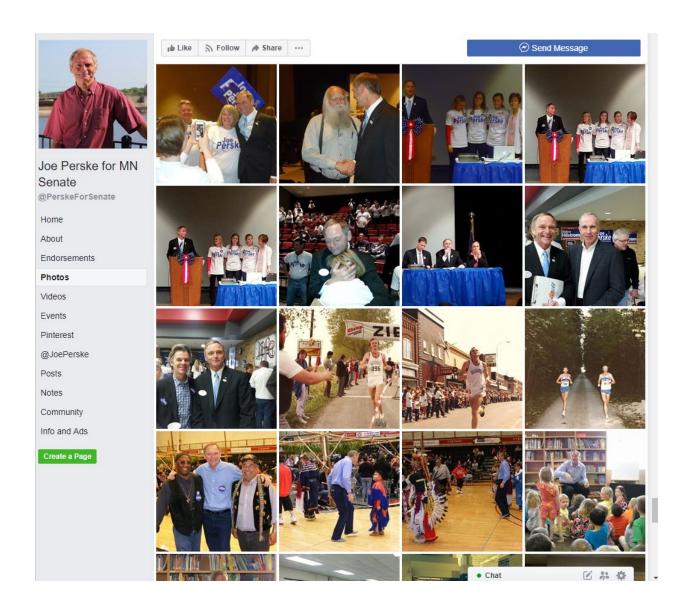


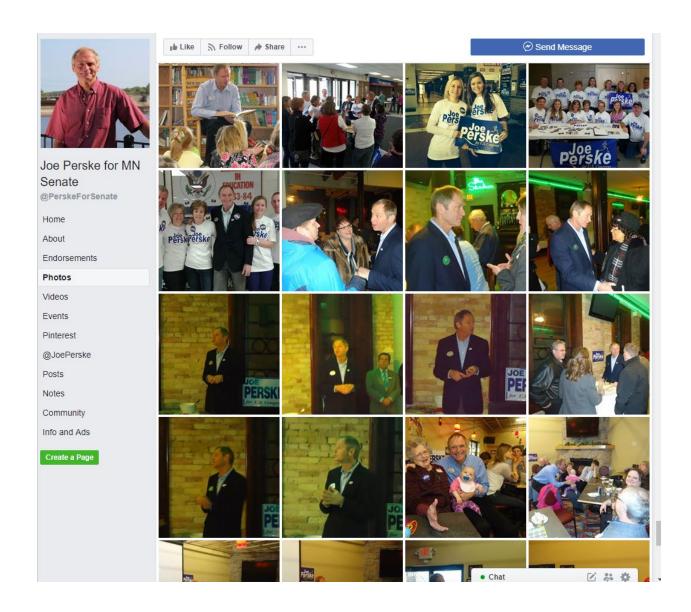


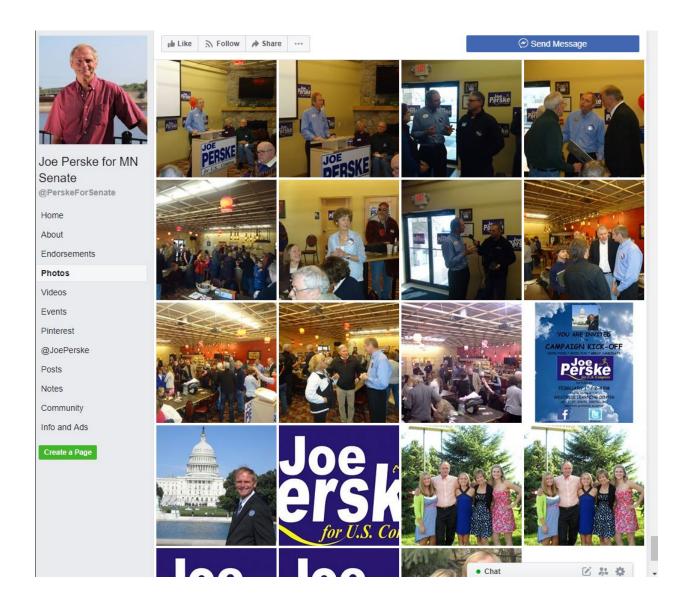














10/15/2018