

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

**CONCILIATION AGREEMENT**

In the matter of the Klabunde (Bryan) for MN House committee (17853);

1. The Klabunde (Bryan) for MN House committee is the principal campaign committee of former House candidate Bryan Klabunde. In an amended report filed May 10, 2019, the committee reported receiving \$12,666 in contributions from political party units and terminating principal campaign committees in 2016. This amount exceeded by \$2,666 the \$10,000 limit on contributions from these sources to a House candidate during the 2015-2016 election cycle. The \$2,666 that exceeded the limit was not returned within 90 days and therefore is deemed to be accepted under Minnesota Statutes section 10A.15, subdivision 3.
2. Mr. Klabunde said that the committee will return a total of \$2,666 to one or more party units that gave a contribution to the committee in 2016.
3. The original 2016 year-end report filed by the committee on January 31, 2017, accounted for only ten of fifteen separate contributions the committee received from party units and terminating principal campaign committees in 2016, and six of those ten were misclassified as contributions from individuals. Because five contributions were not entered into the software in a timely manner and six were entered incorrectly, the committee was not aware that it had exceeded the limit in time to return the excess contributions within 90 days and avoid a violation.
4. The parties agree that the committee accepted excessive contributions from party units and terminating principal campaign committees in violation of Minnesota Statutes section 10A.27, subdivision 2, during the 2015-2016 election cycle. This is the committee's first violation of the limit on contributions from party units and terminating principal campaign committees.
5. To avoid a similar violation in the future, the committee agrees to either cease accepting contributions and terminate its registration with the Board, or:
  - a. Ensure that the committee's treasurer reviews and enters contributions, including in-kind contributions, into the Campaign Finance Reporter software within 60 days of receipt;
  - b. Ensure that each contribution entered into the software is properly categorized as a contribution from an individual, lobbyist, party unit, terminating principal campaign committee, political committee or fund, or association not registered with the Board; and
  - c. Run a batch compliance report after each time contributions are entered and take steps to remedy any violations the software identifies so that problems may be resolved within

the 90 days provided by statute for the return of a contribution before it is deemed accepted.

6. The committee agrees to the imposition of a civil penalty of \$2,666, the amount of the violation, for accepting contributions in excess of the limit imposed by Minnesota Statutes section 10A.27, subdivision 2. Of this amount, \$670 is due within 30 days of the date the agreement is signed by both parties. The remaining \$1,996 of the penalty is, by the terms of this agreement, stayed until January 1, 2021. If the committee or the candidate violates Minnesota Statutes section 10A.27, subdivision 2, before January 1, 2021, the outstanding civil penalty is due immediately. If the committee and the candidate do not violate Minnesota Statutes section 10A.27, subdivision 2, before January 1, 2021, the outstanding civil penalty is waived.

7. The committee also agrees to provide to the Board, within 90 days of the date the agreement is signed by both parties, copies of the deposited checks or other documentation showing that \$2,666 was received by the party units to which it was returned.

8. If 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/ Bryan Klabunde  
Bryan Klabunde  
Klabunde (Bryan) for MN House

Dated: June 8, 2019

/s/ Margaret Leppik  
Margaret Leppik, Chair  
Campaign Finance and Public Disclosure Board

Dated: June 5, 2019