

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

**CONCILIATION AGREEMENT**

In the matter of the Freedom Club State PAC (40742);

1. The Freedom Club State PAC is a political committee registered with the Board. The Friends of Eric Lucero committee is the principal campaign committee of Representative Eric Lucero. The 2017 and 2018 year-end reports of receipts and expenditures filed by the Lucero committee collectively disclosed receipt of contributions totaling \$1,050 from the Freedom Club State PAC. The 2017 and 2018 year-end reports filed by the Freedom Club State PAC collectively disclosed \$1,000 in contributions to the Lucero committee, but excluded a \$50 in-kind contribution given in 2017. The total amount of \$1,050 exceeded the applicable individual contribution limit during the 2017-2018 election cycle, which for a state representative candidate was \$1,000. The amount that the Lucero committee received that exceeded the limit was not returned within 90 days of being deposited and is therefore deemed accepted under Minnesota Statutes section 10A.15, subdivision 3.
2. Representative Lucero has stated that his committee returned \$50 to the Freedom Club State PAC in July 2019.
3. Richard Morgan, the Freedom Club State PAC's treasurer, acknowledged that the committee paid \$50 for food and beverages for a fundraising event which constituted an in-kind contribution to the Lucero committee.
4. The parties agree that the committee gave contributions in excess of the individual contribution limit in violation of Minnesota Statutes section 10A.27, subdivision 1, during the 2017-2018 election cycle. This is the committee's first violation of the individual contribution limit.
5. To avoid similar violations in the future, the committee agrees to:
  - a. Ensure that the committee's treasurer reviews and enters outgoing contributions, including in-kind contributions, into the Campaign Finance Reporter software within 60 days of being given; and
  - b. 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 \$50, the amount of the violation, for giving contributions in excess of the limit imposed by Minnesota Statutes section 10A.27, subdivision 1. Payment of \$50 is due within 30 days of the date the agreement is signed by both parties.

7. The committee agrees to provide to the Board, within 90 days of the date the agreement is signed by both parties, a copy of the deposited check or other documentation showing that \$50 was returned by the Lucero committee.

8. The committee also agrees to file, within 30 days of the date the agreement is signed by both parties, an amended 2017 year-end report of receipts and expenditures that includes the \$50 in-kind contribution given to the Lucero committee.

9. If the Freedom Club State PAC 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/ Richard Morgan  
Richard Morgan, Treasurer  
Freedom Club State PAC

Dated: September 5, 2019

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

Dated: September 4, 2019