## STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

**ORDER OF DISMISSAL** 

IN THE MATTER OF THE COMPLAINT OF WAYNE SEVERUD REGARDING THE VOTE FOR LOONAN (ROBERT) COMMITTEE AND LOONAN AND LOONAN CONSULTING

On July 22, 2022, the Campaign Finance and Public Disclosure Board received a complaint submitted by Wayne Severud regarding Robert Loonan, a candidate for Minnesota House of Representatives District 54A. Vote for Loonan (Robert) is the principal campaign committee of Mr. Loonan.

The complaint alleged that Mr. Loonan was the instructor of an approved Minnesota Department of Commerce insurance continuing education class that he was teaching on behalf of Loonan and Loonan Consulting<sup>1</sup>. The complaint stated that Mr. Severud attended the class via Zoom on July 19, 2022, and alleges that at the end of the class, Mr. Loonan asked for donations to his campaign committee. On July 27, 2022, Mr. Severud supplemented his complaint via an email to Board staff stating that the conduct alleged in the complaint violated the prohibition on corporate contributions found in Minnesota Statutes section 211B.15. In his email to Board staff, Mr. Severud states that at the beginning of the class Mr. Loonan mentioned that he was running for Minnesota House of Representatives "and that he would really like to get back in this year." Mr. Severud states that he felt it was "out of place for him to make that pitch . . . so as the class was wrapping up, I felt I would video my screen to see if he brought it up again." Mr. Severud's email included a copy of a video of the end of the class, during which Mr. Loonan states "I am gonna go ahead and turn you loose. Everybody have a good week and stay cool out there. And again, there was a question on here [unintelligible words]. I am running for office again and they have . . . a refund program for political contributions up to \$50." Mr. Loonan then referred to his committee's website without providing an accurate website address2.

Minnesota Statutes section 211B.15, subdivision 2, paragraph (a), provides as follows:

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.

The statute also prohibits a committee or individual from accepting a contribution that a corporation is prohibited from making. Minn. Stat. § 211B.15, subd. 2 (b).

On August 5, 2022, the Board chair determined that the complaint stated a prima facie violation of Minnesota Statues section 211B.15. On August 18, 2022, Mr. Loonan provided a written response to the complaint. Mr. Loonan stated that he conducted a Zoom webinar for the

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<sup>&</sup>lt;sup>1</sup> <u>loonanandloonansconsulting.com</u>

<sup>&</sup>lt;sup>2</sup> www.bobloonanmn.com

purposes of an insurance continuing education class. He stated that he could not see the attendees of the class and that the attendees were unable to connect directly with him, except using the question and answer feature in Zoom. Mr. Loonan said that attendees of the class were able to submit questions via the question and answer feature. During the breaks, Mr. Loonan stated that he would look at the questions submitted. Mr. Loonan said that "[t]here were a few questions that asked if I was going to run for office and how could they help, I did not address these questions during the class." Mr. Loonan stated that he dismissed the class and then he responded verbally to the question in the chat about him running for office and "provided information about the refund program without asking for money."

In his response Mr. Loonan stated that approximately 60 students attended the course and that none of the attendees made a contribution to the Vote for Loonan committee on or after July 19, 2022. Mr. Loonan stated that the course was offered through Loonan and Loonan Consulting and that attendees of the class needed to sign up for the class via Loonan and Loonan Consulting's website. Mr. Loonan also stated that he is an owner of Loonan and Loonan Consulting and also an officer of the company.

At the Board Meeting held September 7, 2022, Mr. Loonan and his legal counsel appeared before the Board in executive session. The Board found that probable cause existed to believe that Loonan and Loonan Consulting made an in-kind contribution that was accepted by the Vote for Loonan committee in violation of Minnesota Statutes section 211B.15, subdivision 2. The Board found that a formal investigation was not warranted and ordered the executive director to initiate a staff review.

At the October 5, 2022, Board meeting, the Board considered draft conciliation agreements for both the Vote for Loonan committee and Loonan and Loonan Consulting. After discussion the Board found that there was not sufficient evidence to find that a violation of the prohibition on corporate contributions occurred, and that continuing the investigation would not be a reasonable use of the Board's limited resources. The Board adopted this order at its meeting on November 14, 2022.

## Order

The investigation of this matter is dismissed and hereby made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.022, subdivision 5.

/s/ Faris Rashid	Date: November 14, 2022

Faris Rashid, Chair Campaign Finance and Public Disclosure Board