STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

PRIMA FACIE DETERMINATION

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. On July 27, 2022, Mr. Severud supplemented his complaint with additional information.

The complaint alleges 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's Consulting¹. The complaint states 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 for House of Representatives. 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. Mr. Severud's email included a copy of a video of the end of the class, during which Mr. Loonan states "I am running for office again and they have . . . a refund program for political contributions up to \$50," and refers to his committee's website².

Determination

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). The term "contribution" includes donations in kind. Minn. Stat. § 10A.01, subd. 11 (a). Donations in kind include approved expenditures and "anything of value that is given, other than money or negotiable instruments." Minn. Stat. § 10A.01, subd. 13.

¹ Home - Loonan & Loonan's Consulting (loonanandloonansconsulting.com)

² <u>www.bobloonanmn.com</u>

The complaint and the video contain evidence that Mr. Loonan was acting in his capacity as an instructor of Loonan and Loonan Consulting when he was conducting the Zoom continuing education class. The evidence provided supports the statement that Mr. Loonan asked for campaign contributions during the continuing education class. Loonan and Loonan Consulting appears to be a corporation³. The value of making a request for a donation during a Zoom continuing education class may be an in-kind contribution from the corporation to the candidate committee. The chair therefore concludes that the complaint states a prima facie violation of the corporate contribution prohibition in Minnesota Statutes section 211B.15, subdivision 2.

Pursuant to Minnesota Statutes section 10A.022, subdivision 3, this prima facie determination is made by a single Board member and not by any vote of the entire Board. This prima facie determination does not mean that the Board has commenced, or will commence, an investigation or has made any determination of a violation by any of the individuals or entities named in the complaint.

Pursuant to Minnesota Statutes section 10A.022, subdivision 3, within 45 days of the date of this determination, the Board will make findings and conclusions as to whether probable cause exists to believe that the violation of Minnesota Statutes section 211B.15 alleged in the complaint has occurred and warrants a formal investigation. The complainant and the respondents named in this prima facie determination will be given an opportunity to be heard by the Board prior to any decision on probable cause.

Until the Board makes a public finding or enters into a conciliation agreement, this matter is subject to the confidentiality requirements of Minnesota Statutes section 10A.022, subdivision 5.

Faris Rashid, Chair

Date: August 5, 2022

³ Business Filing Details (state.mn.us)