STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

PRIMA FACIE
DETERMINATION

IN THE MATTER OF THE COMPLAINT OF LUKE MIELKE REGARDING MPLS FORWARD

On February 5, 2024, the Campaign Finance and Public Disclosure Board received a complaint submitted by Luke Mielke regarding Mpls Forward. Mpls Forward (41347) is a political committee registered with the Board.

The complaint alleges that Mpls Forward paid for digital advertisements in support of four Minneapolis city council candidates. The complaint includes copies of five digital advertisements and estimates for the cost to publish each advertisement on Meta's social media platform. The complaint states, and Board records confirm, that Mpls Forward's 2023 year-end report of receipts and expenditures did not include any approved expenditures or independent expenditures. The complaint also states that if the digital advertisements were not independent expenditures, then they may have been approved expenditures, and the cost of the digital advertisements would have exceeded the \$600 contribution limit applicable to Minneapolis City Council candidates. The complaint alleges that Mpls Forward has violated Minnesota Statutes section 10A.01, subdivision 18.

Determination

Minnesota Statutes section 10A.01, subdivision 18, provides the definition of independent expenditure as "an expenditure expressly advocating the election or defeat of a clearly identified candidate or local candidate, if the expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent or any local candidate or local candidate's agent." That statute section provides a definition of independent expenditures, which is used to determine if advertisements are independent expenditures. Minnesota Statutes section 10A.01 does not provide a reporting requirement for independent expenditures. The complaint therefore does not state a prima facie violation of Minnesota Statutes section 10A.01, subdivision 18.

Minnesota Statutes section 10A.20 pertains to reports which are required to be filed with the Board. Specifically, Minnesota Statutes section 10A.20, subdivision 3, paragraph (h) requires political committees to report:

the name, address, and registration number if registered with the board of each individual or association to whom aggregate expenditures, approved expenditures, independent expenditures and ballot questions expenditures have been made . . . within the year in excess of \$200, together with the amount, date, and purpose of each expenditure, including an explanation of how the expenditure was used, and the name and address of, and office sought by, each

candidate or local candidate on whose behalf the expenditure was made . . . and in the case of independent expenditures made in opposition to a candidate or local candidate, the candidate's or local candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate or local candidate must allocate the expenditure among the candidates and local candidates on a reasonable cost basis and report the allocation for each candidate or local candidate. The report must list on separate schedules any independent expenditures made on behalf of local candidates. . . .

Minnesota Statutes section 10A.20, subdivision 3, paragraph (i) also requires political committees to report "the sum of all expenditures made by or on behalf of the reporting entity during the reporting period." Mpls Forward's 2023 year-end report of receipts and expenditures includes no independent expenditures or approved expenditures and does not refer to any of the local candidates shown in the digital advertisements provided with the complaint. The complaint therefore states a prima facie violation of the reporting requirements in Minnesota Statutes section 10A.20, subdivision 3.

The complaint states that if the digital advertisements were not independent expenditures, then the digital advertisements may be approved expenditures that exceeded the contribution limit for Minneapolis City Council candidates. Minnesota Statutes section 211A.12 provides the contribution limits for local candidates. However, the Board does not have jurisdiction over Chapter 211A, therefore the allegation is not considered in this prima facie determination.

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(d), within 60 days of the date of this determination, the Board will make findings and conclusions as to whether probable cause exists to believe that a violation of Minnesota Statutes section 10A.20 has occurred and warrants a formal investigation. The complainant and the respondent 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.

Date: February 20, 2024

David Asp, Chair

Campaign Finance and Public Disclosure Board