## STATE OF MINNESOTA CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

PRIMA FACIE DETERMINATION

IN THE MATTER OF THE COMPLAINT OF SENATOR STEVE DRAZKOWSKI REGARDING SENATOR NICOLE MITCHELL

On April 17, 2025, the Campaign Finance and Public Disclosure Board received a complaint submitted by Senator Steve Drazkowski regarding Senator Nicole Mitchell. The complaint alleges that Senator Mitchell violated Minnesota Statutes section 10A.07, which governs conflicts of interest.

The complaint states that on January 27, 2025, the Minnesota Senate considered a motion by Senator Jordan Rasmusson to expel Senator Mitchell from the Senate. The complaint says that the Senate President, Senator Bobby Joe Champion, ruled that the motion was out of order. The complaint states that Senator Rasmusson appealed the President's ruling and requested a roll-call vote, then the Senate upheld the ruling of the President by a vote of 33-33.<sup>1</sup> The complaint asserts that:

Senator Mitchell cast the tie-breaking vote to uphold the ruling of the President, a vote which dismissed the threat to her elected position and every benefit that it brings by preventing the full body from considering her continued membership in the legislature.

In voting to support that ruling, she was voting in her own personal, financial interest, which was to remain a member of the Senate, and therefore continue to receive salary and benefits all senators receive. She did not recuse herself under Senate Rule 56.4, which states, "Members of the Senate must disclose potential conflicts of interest in the discharge of senatorial duties as provided in Minnesota Statutes, section 10A.07."

The complaint refers to a statement of economic interest that Senator Mitchell filed with the Board,<sup>2</sup> and asserts that:

Given this report, it seems likely that her Senate income, along with benefits, is a substantial part of her income and thus a significant financial interest. Being expelled from the Senate would dramatically impact her financial situation.

Senator Mitchell did not recuse herself from this vote and failed to disclose the conflict of interest in the prescribed manner.

<sup>&</sup>lt;sup>1</sup> The January 27, 2025, Journal of the Senate is available at senate.mn/journals//2025-2026/2025012700.pdf.

<sup>&</sup>lt;sup>2</sup> Information from Senator Mitchell's most recent statement of economic interest is available at cfb.mn.gov/reports-and-data/officials-financial-disclosure/official/14749.

Board records reflect that Senator Mitchell has not filed a statement with the Board describing a potential conflict of interest involving the vote described in the complaint, pursuant to Minnesota Statutes section 10A.07, subdivision 2, paragraph (d).

## Determination

The term "public official" is defined by Minnesota Statutes section 10A.01, subdivision 35, to include a member of the legislature. Minnesota Statutes section 10A.07, subdivision 1, provides as follows:

(a) A public official or a local official elected to or appointed by a metropolitan governmental unit who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must take the following actions:

(1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;

(2) deliver copies of the statement to the official's immediate superior, if any; and

(3) if a member of the legislature or of the governing body of a metropolitan governmental unit, deliver a copy of the statement to the presiding officer of the body of service.

If a potential conflict of interest presents itself and there is insufficient time to comply with clauses (1) to (3), the public or local official must orally inform the superior or the official body of service or committee of the body of the potential conflict.

(b) For purposes of this section, "financial interest" means any ownership or control in an asset that has the potential to produce a monetary return.

The definition of the term "financial interest" was added to Minnesota Statutes section 10A.07 in 2018.<sup>3</sup> Prior to that definition being codified in statue, the term "financial interest" was defined by Minnesota Rules 4515.0100, subpart 5, to mean "any ownership or control in an asset which has the potential to produce a monetary return."<sup>4</sup> The word asset is used elsewhere within Minnesota Statutes Chapter 10A to refer to securities owned by a trust, Minn. Stat. § 10A.01, subd. 35a; to "liquid assets" held by an entity filing a campaign finance report, Minn. Stat. § 10A.20, subd. 3 (b); to credit balances, prepaid postage, and "physical assets" held by an entity that files campaign finance reports, Minn. Stat. § 10A.243, subd. 2; and to money and other contributions received by a political fund, Minn. Stat. § 10A.245, subd. 2. Black's Law

<sup>&</sup>lt;sup>3</sup> 2018 Minn. Laws ch. 119, § 11.

<sup>&</sup>lt;sup>4</sup> See Minn. R. 4515.0100, subp. 5 (2002).

Dictionary defines the word asset to mean "An item that is owned and has value" such as "cash, inventory, equipment, real estate, accounts receivable, and goodwill."<sup>5</sup>

In 2012, the Board concluded "that a governmental entity, including a municipality, is not a business and, thus, is never an 'associated business'" as defined by Minnesota Statutes section 10A.01, subdivision 5.<sup>6</sup> Therefore, Senator Mitchell could be required to disclose a potential conflict of interest under Minnesota Statutes section 10A.07, arising from her employment as a state senator, only if that employment is an asset that she personally owns or controls.

When interpreting Minnesota statutes, "words and phrases are construed according to rules of grammar and according to their common and approved usage; but technical words and phrases and such others as have acquired a special meaning . . . are construed according to such special meaning". Minn. Stat. § 645.08. The word asset is not commonly understood to mean an individual's employment, and that is particularly true when the employment relationship is not governed by a contract that entitles the individual to continued employment. The statutory definition of "financial interest" limiting that term to assets with "the potential to produce a monetary return" indicates that the word asset was intended by the legislature to refer to investments or items that may appreciate in value, rather than employment relationships.

Senator Mitchell was a member of the Senate on January 27, 2025. The complaint asserts that Senator Mitchell cast a vote in the Senate regarding her expulsion, and alleges that her expulsion would have substantially affected her financial interests. However, the term "financial interest" is defined to be limited to "ownership or control in an asset that has the potential to produce a monetary return" and the word asset does not encompass a legislator's employment relationship with their house of the legislature. Therefore, the complaint does not state a prima facie violation of Minnesota Statutes section 10A.07.

Pursuant to Minnesota Statutes section 10A.022, subdivision 3, this prima facie determination is made by the Board chair and not by any vote of the entire Board. The complaint is dismissed without prejudice.

Date: April 30, 2025

Campaign Finance and Public Disclosure Board

<sup>&</sup>lt;sup>5</sup> Asset, Black's Law Dictionary (12th ed. 2024).

<sup>&</sup>lt;sup>6</sup> Advisory Opinion 431 (Nov. 7, 2012).