State of Minnesota Campaign Finance and Public Disclosure Board

In the matter of the Complaint Regarding the Minnesotans for Matt (Entenza) Committee

Statement of the Allegations and Responses

On July 6, 2006, Ron Carey, on behalf of the Republican Party of Minnesota filed a complaint against the Minnesotans for Matt(Entenza), (the "Committee"), alleging that the Committee violated Minnesota Statutes Chapter 10A. The Committee, organized in October, 2005, is Matt Entenza's principal campaign committee for the office of Attorney General.

Complainants allege that the Committee engaged an entity known as Gragert Research to make inquiries of the Office of the Minnesota Attorney General and to conduct research related to the incumbent Attorney General.

Complainants allege that the cost of these inquiries was to influence the nomination or election of Matt Entenza to the office of Attorney General, and that they should have been reported on the candidate's 2005 Report of Receipts and Expenditures as campaign expenditures.

Upon receipt of the complaint, Board staff notified Matt Entenza of the allegations and afforded him an opportunity to respond.

On August 14, 2006, Alan W. Weinblatt, attorney, responded to the complaint on behalf of the Committee. Mr. Weinblatt denied all of the allegations of the complaint. Mr. Weinblatt further explained that the expenditures in question were not for the purpose of influencing the nomination or election of Mr. Entenza, but were personal expenses of Mr. Entenza designed to provide information he needed to make decisions about his political future.

While asserting that the subject expenditures did not fall within the reporting requirements of Minnesota Statutes Chapter 10A, Mr. Weinblatt indicated that it was the intention of the Committee to amend its 2005 Report to include them.

On September 1, 2006, the Committee filed an amended Report of Receipts and Expenditures for 2005. The amended report discloses \$40,000 in previously unreported campaign expenditures for payments made by Matt Entenza to Gragert Research for "Public Document Gathering and Analysis". These expenditures occurred in February and June of 2005.

The amended Report also discloses \$32,125.27 in previously unreported campaign expenditures for payments by Mr. Entenza to The Feldman Group for "Polling" and "Focus Groups". These expenditures were not a subject of the complaint.

Discussion

The parties generally agree on the facts: that money was spent by Mr. Entenza for research about the Office of the Attorney General and about the incumbent Attorney General. The dispute centers on the legal classification of these expenditures. The complainant argues that they were made for the purpose of influencing the nomination or election of Mr. Entenza. Attorney Weinblatt argues that they were preliminary steps taken to determine whether Mr. Entenza should run for office or not.

The expenditures that are the subject of this complaint have now been reported as campaign expenditures. Therefore, it is not necessary for the Board to decide whether Minnesota Statutes Chapter 10A required such reporting.

Under Minnesota Statutes Chapter 10A no fine or other penalty is assessed for failure to disclose a reportable transaction; rather, the reporting entity is given notice of the need to amend the report to include the missing information. That remedy has already been accomplished in this matter.

Based on the above analysis, the Board makes the following:

FINDINGS CONCERNING PROBABLE CAUSE

- 1. All expenditures that were the subject of the Complaint in this matter have been reported on the Minnesotans for Matt (Entenza) committee's 2005 Amended Report of Receipts and Expenditures and the allegations made by the complaint with reference to them are now moot.
- 2, In view of the amended report, there is no probable cause to find that any reporting violation raised by the complaint exists for the Minnesotans for Matt (Entenza) committee with respect to the payments made to Gragert Research.

Based on the above Findings, the Board issues the following:

ORDER

The Board's investigation of this matter is concluded and the records of the investigation are hereby made a part of the public records of the Board pursuant to Minnesota Statutes, Section 10A.02, subdivision 11.

Dated: September 19, 2006

Campaign Finance and Public Disclosure Board

Felicia Bovd, Vice Chair