

**STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

**Findings and Order in the Matter of the Complaint of Kris Pauna
regarding the Eric Pratt for Minnesota House and Senate committees.**

The Allegations in the Complaint

On May 23, 2012, Kris Pauna filed a complaint with the Campaign Finance and Public Disclosure Board regarding the actions of the Eric Pratt for Minnesota House and Senate campaign committees. Mr. Pauna provided additional information to support his complaint on June 3, 2012. The complaint alleges that the Eric Pratt for Minnesota Senate committee did not timely register with the Board and that the Eric Pratt for Minnesota House committee made several in-kind contributions during the legislative session to the Eric Pratt for Minnesota Senate committee. In 2012, the Minnesota legislature was in session from January 24th until May 10th.

The Response to the Complaint

Mr. Pratt's response to the complaint shows that he initially was running for the House seat in District 55B. Mr. Pratt registered Eric Pratt for Minnesota as his principal campaign committee for the House campaign. Eric Pratt for Minnesota received contributions and made expenditures for Mr. Pratt's House campaign. The House committee purchased signs, brochures, and stickers which all stated that Mr. Pratt was running for the House seat.

The Senate District 55 Republican Party of Minnesota convention was held on April 14, 2012. In anticipation of the convention, the Eric Pratt for Minnesota House committee spent \$10 for a table at the convention and an additional \$76.89 for refreshments for the convention table. The day before the convention, however, Senator Claire Robling announced that she was retiring and would not run again for the Senate District 55 seat that she had held for many years. Mr. Pratt was interested in the open Senate seat but "chose to see who else might decide to seek the Senate endorsement [at the convention] before making a decision." The morning of the convention, Mr. Pratt decided to run for the Senate seat and he received the party endorsement.

On April 20, 2102, Mr. Pratt sent a registration form for the Eric Pratt for Minnesota Senate committee to the Campaign Finance and Public Disclosure Board. On the form, however, Mr. Pratt did not indicate that this was a new registration. Instead he indicated that this was an amendment to the registration for the Eric Pratt for Minnesota House committee. Mr. Pratt believed that by filing this amendment he could change his House committee to a Senate committee.

On Friday, May 18, 2012, Mr. Pratt was told by an associate that his House committee had not been transformed into a Senate committee. On Monday, May 21, 2012, Mr. Pratt's campaign manager contacted Board staff and learned that Mr. Pratt needed to terminate his House committee and register a Senate committee. Mr. Pratt had several questions about this process

that took some time to work through. On May 29, 2012, Mr. Pratt filed a termination report for his House committee and registered his Senate committee.

The House committee termination report initially listed the convention table and refreshments as expenditures. The House committee later filed an amended termination report showing these payments as in-kind contributions to the Eric Pratt for Minnesota Senate committee.

Board Analysis

The facts alleged in the complaint raise two issues. The first is whether the Eric Pratt for Minnesota Senate committee timely registered with the Board. The second is whether the Eric Pratt for Minnesota House committee made a prohibited contribution during the legislative session to the Eric Pratt for Minnesota Senate committee.

Minnesota Statutes section 10A.14, subdivision 1, requires a candidate's principal campaign committee to register with the Board no later than 14 days after the committee has either received contributions or made expenditures that exceed \$100.

Here, Eric Pratt began his Senate campaign at the endorsing convention on April 14, 2012. Consequently, April 14, 2012, is the first day that the Eric Pratt for Minnesota Senate committee could have received any contributions or made any expenditures. The effective date of the Eric Pratt for Minnesota Senate committee registration was April 20, 2012, which was the date that the committee filed its amended registration form. The Eric Pratt for Minnesota Senate committee therefore registered well within the statutory 14-day time limit. Although the amendment filed by the Eric Pratt for Minnesota Senate committee was not the proper form to use to register a new principal campaign committee, the filing of this amendment tolled the 14-day registration period.

Minnesota Statutes section 10A.273, subdivision 1, provides that during the legislative session, a candidate or a candidate's principal campaign committee cannot accept a contribution from a dissolving principal campaign committee. The statute also provides that during a legislative session, a dissolving principal campaign committee cannot make a contribution to a candidate or a candidate's principal campaign committee. The Board assumes that this statute is intended to prevent campaign contributions from influencing legislators' actions while they are in session.

In this matter, the Eric Pratt for Minnesota House committee originally bought the convention table and refreshments for the House campaign. Those expenditures, however, became in-kind contributions to the Senate campaign on April 14, 2012, when Mr. Pratt began seeking the Senate office and used the table and refreshments in that endeavor. The legislature was in session on April 14, 2012. Consequently, the Eric Pratt for Minnesota House committee gave a prohibited contribution during the legislative session to the Eric Pratt for Minnesota Senate committee and the Senate committee improperly accepted that contribution.

Although the presumed intent of Minnesota Statutes section 10A.273, is not advanced by prohibiting a transfer from a candidate's dissolving House committee to the very same candidate's

Senate committee, the statute does not include any exceptions to its blanket prohibition. The Board therefore must find that there were violations of Minnesota Statutes section 10A.273, subdivision 1, in this case. Given the technical nature of the violations here, however, the Board declines to impose a penalty on either committee.

Based on the evidence before it and the above analysis the Board makes the following:

Findings Concerning Probable Cause

1. There is no probable cause to believe that the Eric Pratt for Minnesota Senate committee failed to timely register with the Campaign Finance and Public Disclosure Board.
2. There is probable cause to believe that the Eric Pratt for Minnesota House committee made prohibited contributions during the legislative session to the Eric Pratt for Minnesota Senate committee and that the Senate committee improperly accepted the contributions. Due to the technical nature of the violations, the Board will not impose a penalty on either committee.

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

ORDER

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

Dated: July 13, 2012

/s/ Greg McCullough

Greg McCullough, Chair
Campaign Finance and Public Disclosure Board

Relevant Statutes

Minn. Stat. § 10A.14, subd. 1. First registration. The treasurer of a political committee, political fund, principal campaign committee, or party unit must register with the board by filing a statement of organization no later than 14 days after the committee, fund, or party unit has made a contribution, received contributions, or made expenditures in excess of \$100, or by the end of the next business day after it has received a loan or contribution that must be reported under section 10A.20, subdivision 5, whichever is earlier.

Minn. Stat. § 10A.273, subd. 1. Contributions during legislative session.

(a) A candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a House of the legislature, must not solicit or accept a contribution from a registered lobbyist, political committee, political fund, or dissolving principal campaign committee, or from a party unit established by the party organization within a House of the legislature, during a regular session of the legislature.

(b) A registered lobbyist, political committee, political fund, or dissolving principal campaign committee, or a party unit established by the party organization within a House of the legislature, must not make a contribution to a candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a House of the legislature during a regular session of the legislature.