

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

**FINDINGS IN THE MATTER OF A COMPLAINT REGARDING
THE SANDRA PETERSON CAMPAIGN COMMITTEE**

Procedural Background

On September 14, 2004, Jeffrey Pauley, Campaign Manager for the Committee to Elect Lynne Osterman, (“Complainant”) filed a complaint with the Campaign Finance and Public Disclosure Board (“Board”) alleging that the Sandra Peterson Campaign Committee (“Committee”) violated certain provisions of Minnesota Statutes, Chapter 10A.

The Complainant alleged that on or about August 10, 2004, the Committee mailed campaign literature that, in part, encouraged donations to the 45th Senate District DFL. The Complainant alleged that the Committee does not identify the campaign literature as a joint fund raising effort or disclose an in-kind donation to the 45th Senate District DFL (Senate District) on the Committee’s Report of Receipts and Expenditures covering the period January 1 through August 23, 2004.

By letter dated September 16, 2004, Board staff notified Sandra Peterson of the complaint and afforded her an opportunity to respond. By letter dated October 7, 2004, Alan Weinblatt, attorney representing Sandra Peterson, provided a response. By letter dated October 14, 2004, Alan Weinblatt provided additional information on the cost of the campaign literature.

In response to the Complainant’s allegation that the Committee did not identify the campaign literature as a joint fundraising effort, Mr. Weinblatt stated that the disclaimer used by the Committee on the campaign literature was appropriate because the campaign literature was not a joint fundraising effort with the Senate District.

In response to the Complainant’s allegation that the Committee did not disclose an in-kind donation to the Senate District on the Committee’s Report of Receipts and Expenditures covering the period January 1 through August 23, 2004, Mr. Weinblatt stated that providing the name and mailing address of the Senate District was not a solicitation on behalf of that party unit. Additionally, Mr. Weinblatt stated that even if the reference to the Senate District is seen as an in-kind donation a fair market valuation of the share of the letterhead, envelope, and postage used to reference the Senate District is \$14.70. Mr. Weinblatt provided the costs of preparing and mailing the campaign literature and the method used to determine the cost of the reference to the Senate District with his response.

This matter was considered by the Board in executive session at its meeting on October 15, 2004. The Board's decision was based upon the complaint, the documents provided in support of the complaint, the two responses, and Board records.

Based on the record before it, the Board issues the following:

STATEMENT OF THE EVIDENCE

1. The Sandra Peterson Campaign Committee is a principal campaign committee that registered with the Board on March 24, 2004.
2. The content of disclaimers used on campaign materials is regulated by Minn. Stat. §211B.04, which is a statute outside the purview of the Board.
3. The Sandra Peterson Campaign Committee's Report of Receipts and Expenditures covering the period January 1 through August 23, 2004, does not itemize any in-kind donations to the 45 Senate District DFL.
4. Minn. Stat. §10A.20, subd. 3 (j), provides that a principal campaign committee must itemize the name and address of party units to which aggregate contributions in excess of \$100 have been made.
5. Minn. Stat. §10A.20, subd. 3 (k), provides that a principal campaign committee must report the sum of all recorded contributions made to party units during the reporting period.
6. Minnesota Rules 4503.0800, subp. 3, provides that multipurpose materials that in part advocate the election of a candidate are a donation in-kind if a reasonable portion of the fair market value of the preparation and distribution of the materials exceeds \$20.
7. Minn. Stat. §10A.13, subd. 1(5), provides that the treasurer of a principal campaign committee does not need to record or report contributions to party units that do not exceed \$20.
8. There is evidence that the portion of the campaign literature preparation and mailing referencing contributions to the 45 Senate District DFL has a fair market cost of \$14.70.

Based on the above Statement of the Evidence, the Board makes the following:

FINDINGS CONCERNING PROBABLE CAUSE

1. There is probable cause to believe that the Sandra Peterson Campaign Committee provided an in-kind donation to the 45 Senate District when it listed the Senate

District and its mailing address in its campaign material prepared and distributed on or about August 10, 2004.

2. There is no probable cause to believe that the fair market value of the in-kind donation from the Sandra Peterson Campaign Committee to the 45 Senate District DFL exceeded \$20.
3. There is no probable cause to believe that the Sandra Peterson Campaign Committee was required to record or report the in-kind donation to the 45 Senate District DFL on the Committee's Report of Receipts and Expenditures covering the period January 1 through August 23, 2004

Based on the above Findings Concerning Probable Cause, the Board issues the following:

ORDER

The complaint regarding the Sandra Peterson Campaign Committee is dismissed and the record in this matter is hereby entered into the public record in accordance with Minn. Stat. §10A.02, subd. 11.

Dated: _____

Will Fluegel, chair
Campaign Finance and Public Disclosure Board