

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

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**April 3, 2019  
St Croix Room  
Centennial Office Building**  
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**MINUTES**

The meeting was called to order by Chair Leppik.

Members present: Flynn, Leppik, Moilanen, Rosen (by telephone), Swanson

Members absent: Haugen

Others present: Sigurdson, Engelhardt, Olson, Pope, staff; Angela Behrens for Nathan Hartshorn, counsel

**MINUTES** (March 13, 2019)

After discussion, the following motion was made:

Member Moilanen's motion: To approve the March 13, 2019, minutes as drafted.

Vote on motion: A roll call vote was taken. All members voted in the affirmative.

**CHAIR'S REPORT**

**A. Meeting schedule**

A closed executive session meeting is scheduled for 9:00 a.m. on Wednesday, April 10, 2019. The next regular Board meeting is scheduled for 10:30 a.m. on Wednesday, May 1, 2019.

**EXECUTIVE DIRECTOR REPORT**

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson told members that a press release had been issued about the March lobbyist principal reports. Mr. Sigurdson said that those reports showed over \$77 million had been spent on lobbying in Minnesota in 2018, which was the highest amount in seven years. Mr. Sigurdson stated that most of the increase was attributable to lobbying activity before the Minnesota Public Utilities Commission on the Line 3 project. Mr. Sigurdson also said that he had just attended a hearing on the House Omnibus Elections bill. Mr. Sigurdson said that this bill included the provisions giving the Board authority over Hennepin County political committees and some past Board recommendations but did not include any of the Board's 2019 legislative recommendations. Mr. Sigurdson also said that the bill had no senate companion.

**ENFORCEMENT REPORT**

**A. Waiver requests**

<u>Name of Candidate or Committee</u>	<u>Late Fee &amp; Civil Penalty Amount</u>	<u>Reason for Fine</u>	<u>Factors for waiver</u>	<u>Board Member's Motion</u>	<u>Motion</u>	<u>Vote on Motion</u>
Johnson (Jeff) for Governor (17641)	\$2,000 LFFs	2 24-hour notices due 11/2/2018	Treasurer thought 24-hour notices were filed via CFR software and provided screenshots showing that on her end, the software showed that notices were filed. Our logs indicate that attempt was made to upload a file to our FTP server.	Member Swanson	To waive the late filing fees	Roll call vote taken. All members voted in the affirmative.
Ray Trager (Chippewa SWCD)	\$100 LFF	Original & 2018 annual EIS	Official was appointed to finish term of someone who resigned. Board staff were never notified so didn't know official was serving until after he lost election to retain position. Official was unaware of need to file EIS.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Bly (Breanna) for MN House Campaign Committee (17381)	\$625 LFF	2018 year-end	Treasurer stated he emailed committee's no-change statement for 2018 to Board staff 1/26/2019. He has provided a copy of email, but staff do not have record of email being received.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Walter Hautala (MSHSL)	\$100 LFF	2018 EIS	Official reviewed EIS information online and saved it, but forgot to click submit button. EIS was filed 3/25/2019.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Paul Barsness (Douglas SWCD)	\$100 LFF	2018 EIS	Official reviewed EIS information online and saved it, but forgot to click submit button. EIS was filed 3/26/2019.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Anne Buckvold for House (18090)	\$925 LFF	2018 year-end	Treasurer attempted to file no-change statement for 2018 via CFR software 1/30/2019, but instead filed amended 2017 year-end report. Candidate wasn't aware of issue until 3/17/2019 and has been dealing with ongoing medical issues and related paperwork concerning her child.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.

Jared LaDuke MN House 4B Committee (17834)	\$625 LFF	2018 year- end	Candidate thought he had terminated his committee and did not need to file a report. He was busy with a child born prematurely and related complications at the end of January. Candidate has filed a termination report.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Clint Carlson (Bassett Creek WMO)	\$100 LFF	2018 EIS	We had incorrect email address on file for official so he did not receive email notifications regarding filing deadline. EIS was filed 3/26/2019.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
WS-3 (Walter Smith III) for District 25B (18264)	\$675 LFF	2018 year- end	Candidate did not raise or spend more than \$750 and thus was not required to register. He emailed Board staff 1/30 asking if he was required to file a report, and if so, for copy of paper form. He again emailed Board staff 2/2, but did not receive response to either email.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Lisa Neal- Delgado for State Representative (18340)	\$275 LFF	2018 year- end	First-time candidate and her treasurer had difficulty using CFR software. Treasurer met with Board staff to resolve issue but report was filed 15 days late.	Member Swanson	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Housley (Karin) For Senate (16964)	\$725 LFF	2018 year- end	Candidate attempted to file no-change statement for 2018 via CFR software 1/31/2019, but instead filed amended 2017 year-end report. No-change statement was filed 3/14/2019.	Member Rosen	To waive the late filing fee	Roll call vote taken. All members voted in the affirmative.
Hainey (Shaun) for House (18295)	\$1,000 LFF	24-hour notice due 8/11/2018	First-time candidate/treasurer did not realize he needed to file 24-hour notice until filing year-end report. Contribution in question was \$1,705 in-kind contribution from candidate for radio ads. Board typically reduces 24-hour notice late fees for first-time violations to \$250.	Member Rosen	To reduce the late filing fee to \$250	Roll call vote taken. All members voted in the affirmative.
28th Senate District DFL (20719)	\$2,000 LFFs \$1,300 CPs	2018 pre- primary; 2018 pre- general	New treasurer said there was considerable confusion when he became treasurer. He states he sent paper 2018 pre-primary report, which staff has no record of receiving. Pre-general report was filed 12/28/2018 and pre-primary report was filed 1/15/2019.	Member Leppik	To reduce the late filing fee to \$250 and the civil penalty to \$250	Roll call vote taken. All members voted in the affirmative.

Joint Council 32 DRIVE (30013)	\$3,000 LFFs	3 24-hour notices due 10/24/18	Treasurer didn't realize that 3 contributions from locals ranging from \$1,067 to \$1,945 received 10/23 triggered 24-hour notice requirement. He stresses that contributions did not impact strategy of political fund.	No motion		
Dennis Zimbrick (Traverse SWCD)	\$5 LFF	2018 EIS	Official thought he had submitted EIS online. Board staff do not show any activity within EIS online reporting system from official in January or February 2019.	No motion		
Stan Wendland (Carver SWCD)	\$100 LFF	2018 EIS	Official was traveling for 3 1/2 weeks starting around filing deadline. EIS was filed 3/26/2019.	Member Swanson	To waive the late filing fee	Roll call vote taken. Motion failed (Flynn, Swanson, Rosen voted aye; Leppik, Moilanen voted nay).

**B. Informational Items**

**1. Payment of late filing fee for 24-hour notice special election**

Nathan Nelson, \$50

**2. Payment of late filing fee for EIS**

Jackie Anderson, \$100  
 Glen Kluis, \$45  
 Jane McDonald Black \$50  
 Rowzat Shipchandler, \$35

**3. Return of payment for anonymous contribution**

Geoff Dittberner, \$57.93

**4. Payment of late filing fee for 2018 2<sup>nd</sup> report of receipts and expenditures**

Fight for our Future, \$25

**5. Payment of late filing fee for 2018 pre-primary report of receipts and expenditures**

Fight for our Future, \$1000

**6. Payment of late filing fee for 2018 pre-general report of receipts and expenditures**

Fight for our Future PAC, \$100  
Freeborn County DFL, \$50  
Lyle Koenen, \$250

**7. Payment of civil penalty for special source limit**

Kari Dziedzic, \$40

**8. Payment of civil penalty for pre-primary report of receipts and expenditures**

Fight for our Future, \$100

**9. Payment of civil penalty for 2018 year-end report of receipts and expenditures**

4<sup>th</sup> CD IPMN, \$25  
Barbara Goodwin, \$50  
Brian Shekleton, \$775  
Faith in Minnesota, \$75  
Geoff Dittberner \$300  
John Lillis, \$25  
Jon Koznick \$25  
MN Realtors PAC \$200  
Northwest Petroleum PAC \$50  
Travis Silvers \$25

**LEGAL COUNSEL'S REPORT**

Mr. Hartshorn presented members with a legal report that is attached to and made a part of these minutes. Angela Behrens attended the meeting for Mr. Hartshorn. Ms. Behrens told members that there was nothing to add to the report.

**OTHER BUSINESS**

There was no other business to report.

There being no other business, the meeting was adjourned by the chair.

Respectfully submitted,



Jeff Sigurdson  
Executive Director

Attachments:  
Executive director's report  
Legal report



# MINNESOTA CAMPAIGN FINANCE BOARD

**Date:** March 6, 2019

**To:** Board Members

**From:** Jeff Sigurdson, Executive Director

**Telephone:** 651-539-1189

**Re:** Executive Director's Report – 2019 Board Operations

## **Legislative Session**

The Governor released a revised budget request on March 25 in response to a reduction in anticipated state revenues. The Board's budget change request to the base operations budget (an additional \$75,000 per year) and the onetime software development request (\$50,000) are still both included in the Governor's overall budget request for the executive branch.

In the House there is an omnibus elections and campaign finance bill, HF 1603. The bill does not contain the legislative recommendations of the Board. It does however include a change to the definition of express advocacy that is similar to the Board recommendation. The bill includes extensive provisions on electioneering communications, association registration, and increased disclosure on the source of contributions to associations not registered with the Board. The bill also contains language that will eliminate the election related provisions of Chapter 383B, which are specific to Hennepin County. If enacted, approximately 25 political committees and funds that are registered with Hennepin County will need either to terminate or register with the Board. There is no comparable bill in the Senate, and to my knowledge, no policy bills related to elections or campaign finance have been heard in the Senate.

## **Annual Lobbyist Principal Report**

The Annual Lobbyist Principal Reports were due on March 15, 2019. As of March 27<sup>th</sup>, reports had been received from 1,378 of the 1,398 principals required to file. The reports filed so far disclose that \$62,135,509 was spent in 2018 to influence the official actions of the legislature, administrative agencies, and metropolitan governmental units.

The amount spent to influence administrative action by the Minnesota Public Utilities Commission in cases of rate setting, power plant and power line siting, and granting of certificates of need is reported separately. In 2018, principals reported spending \$15,234,661 to influence administrative actions of the Minnesota Public Utilities Commission. This amount is the highest amount ever reported to the Board for lobbying the Minnesota Public Utilities Commission.

Total lobbying expenditures reported for 2018 amount to \$77,370,170. Below is a table showing the total spending reported on the Annual Principal Reports for the last seven years. A principal is permitted to round the amount reported to the nearest \$20,000.

Year	Amount Spent to Influence Legislative Actions, Administrative Actions, and Actions of Metropolitan Governmental Units	Amount Spent to Influence the Actions of the MN Public Utilities Commission	Total Amount of Spending Reported by Principals
2018	\$62,135,509	\$15,234,661	\$77,370,170
2017	\$64,295,738	\$9,855,230	\$74,150,968
2016	\$62,094,344	\$6,222,560	\$68,316,904
2015	\$63,979,699	\$5,177,019	\$69,156,718
2014	\$64,733,179	\$5,673,292	\$70,406,471
2013	\$69,420,091	\$5,337,767	\$74,757,858
2012	\$59,725,768	\$2,749,590	\$62,475,358

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**  
**April 2019**

**ACTIVE FILES**

Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status
Jamal Abdulahi	Resilient PAC	2018 pre-primary;  2018 pre-general;  Amended 2018 report	\$1,000 LF \$1,000 CP \$1,000 LF \$1,000 CP Accruing LF Accruing CP	2/19/19	3/27/19			
Chilah Brown Michele Berger	Brown (Chilah) for Senate	Unfiled 2016 Year- End Report of Receipts and Expenditures  Unpaid late filing fee on 10/31/16 Pre- General Election Report	\$1,000 LF \$1,000 CP  \$50 LF	3/6/18	8/10/18			Personal Service Requested 3/26/19
Brenden Ellingboe	Ellingboe (Brenden) for House	Unfiled 2015 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	11/29/16	5/26/17			Placed on hold by Board
Richard Hamer		2017 Annual Statement of Economic Interest	\$100 LF \$1,000 CP	1/28/19	3/27/19			



Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status
Katy Humphrey, Kelli Latuska	Duluth DFL	Unfiled 2016 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	3/6/18	8/10/18			Board is working on the matter. Placed on hold. 3/5/19
Bryan Klabunde	Klabunde for MN House	Unfiled 2017 Year- End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	9/4/18	11/2/18			Personal Service Requested 3/26/19
Christopher John Meyer	Meyer for Minnesota	2016 Year-End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	7/28/17	9/6/17			
Dan Schoen		2017 Annual Statement of Economic Interest	\$100 LF \$1,000 CP	1/28/19	3/27/19			
Kaying Thao	Friends of Kaying	2017 Year-End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	7/10/18	8/10/18			Personal Service Requested 3/27/19

**CLOSED FILES**

Candidate/Treasurer/ Lobbyist	Committee/Agency	Report Missing/ Violation	Late Fee/ Civil Penalty	Referred to AGO	Date S&C Served by Mail	Default Hearing Date	Date Judgment Entered	Case Status
Sean White	Committee to Elect Sean White	2017 Year-End Report of Receipts and Expenditures	\$1,000 LF \$1,000 CP	7/10/18	8/10/18			Reports were filed. Closed