

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

**PROBABLE CAUSE DETERMINATION**

IN THE MATTER OF THE COMPLAINT OF STEVE TIMMER REGARDING MINNESOTA JOBS COALITION AND MINNESOTA JOBS COALITION LEGISLATIVE FUND:

**Background**

This complaint alleges that the Minnesota Jobs Coalition exists for the purpose of influencing Minnesota elections and, as a result, was required to register with the Board as a political committee or fund and to file periodic reports as required by Chapter 10A and that it failed to do so. The complaint also states that the alleged relationship between Minnesota Jobs Coalition and Minnesota Jobs Coalition Legislative Fund (the Legislative Fund) was for the purpose of circumventing the application of the disclosure provisions of Chapter 10A that require attribution of donations to the source of funds.

On the basis of its allegations, the Board Chair determined that the complaint stated a prima facie violation of Chapter 10A.

However, the threshold for a prima facie determination is low. A prima facie determination is a determination that the complaint alleges a violation of Chapter 10A or of the provisions of Chapter 211B that are under the Board's jurisdiction. At the prima facie determination stage, the Board does not examine the strength of the complaint's allegations. The strength of those allegations is examined at the probable cause determination stage.

The Board conducted its probable cause determination hearing in this matter at its meeting of September 2, 2014. The Board had previously been provided with written probable cause arguments by both the complainant and the respondent Minnesota Jobs Coalition. At the hearing, the Board also heard argument from the Minnesota Jobs Coalition chair, Ben Golnick, and the Minnesota Jobs Coalition attorney, Kevin Magnuson.

**Analysis**

In making a probable cause determination, the Board considers the allegations of the complaint in light of the arguments made by the parties and any inferences that a reasonable person could draw from the allegations. Because the Board is an investigative body, it is not necessary that the complainant establish that a violation has actually occurred. That determination will be made based on the investigation, if one is undertaken. However, the complainant must at least provide credible allegations that would justify an investigation.

The Board concludes that under any standard, the complaint must include at least sufficient credible allegations based in fact to justify moving forward with an investigation. The Board concludes that the allegations in the complaint in this matter are not sufficient to find probable cause that a violation exists that should be investigated by the Board.

The complaint first states that the link on the Board's website titled "Minn Jobs Coalition" actually links to records and reports of the Legislative Fund's activities. The link was originally mistitled by Board staff, as the Legislative Fund's original registration statement filed with the Board provides the name of "Minnesota Jobs Coalition Legislative Fund." The link has been corrected to include the "Legislative Fund" portion of the registered committee's name. Moreover, the fact that a registered political committee and an unregistered entity maintain similar names is not evidence of a violation of campaign finance laws. In fact, entities frequently register a political affiliate with a similar name.

The complaint next alleges that the Minnesota Jobs Coalition made a \$25,000 contribution to the Legislative Fund in 2013, which was over a quarter of the total money contributed to the Legislative Fund that year. The supporting argument also notes that the Minnesota Jobs Coalition made a \$30,000 contribution to the Legislative Fund in 2014, which is currently over two-thirds of the Legislative Fund's receipts for the year. These contributions are not disputed and were, in fact, reported on the Legislative Fund's 2013 year-end Report of Receipts and Expenditures and 2014 pre-primary-election Report of Receipts and Expenditures filed with the Board. These contributions do not provide any factual basis to conclude that the Minnesota Jobs Coalition's activities are conducted for the major purpose of influence elections, as they may simply account for a small portion of the corporation's activities as respondent asserts.

Third, the complaint states that the Minnesota Jobs Coalition and the Legislative Fund are nearly identical in name, address, organizing individuals, and apparent purpose. It is not unusual for a registered committee and an affiliated unregistered entity to be nearly identical in name, address, or organizing individuals. No provision in Minnesota's campaign finance laws prevents such a similarity. Although the complainant also states that the organizations are nearly identical in their apparent purpose, no evidence is provided with regard to the Minnesota Jobs Coalition's apparent purpose other than that it made contributions to the Legislative Fund.

Next, the complainant states that the Minnesota Jobs Coalition, or the Legislative Fund, or both, have undertaken activities with the major purpose of influencing elections. But the complainant admits that he cannot tell which entity is undertaking the activities. This speculation does not amount to evidence of the Minnesota Jobs Coalition's major purpose as, by the complainant's own assertion, the Legislative Fund may have undertaken all of the listed activities.

The complaint then again seeks to infer that the Minnesota Jobs Coalition's major purpose is to influence the outcome of elections, given the circumstances surrounding the names, formation, and principal individuals involved. These facts, to the complainant, must inevitably lead to the conclusion that the Minnesota Jobs Coalition was formed for the same purpose as the Legislative Fund, to influence the outcome of elections. However, as discussed above, these similarities are not evidence of any major purpose of the Minnesota Jobs Coalition as they provide no evidence as to any actual activities of the Minnesota Jobs Coalition.

The complainant also states that he is not aware of any record demonstrating any other activities of the Minnesota Jobs Coalition, and that one of the purposes of the Minnesota Jobs Coalition is to fund, or reimburse, the activities of the Legislative Fund. One purpose of an unregistered entity may consist of funding the activities of a committee registered with the Board. This activity is not prohibited by the campaign finance statutes and does not provide a basis on which to conclude that the major purpose of the unregistered entity is to influence elections.

Finally, the complainant states that a conclusion is compelled that the Minnesota Jobs Coalition was formed to avoid the disclosure of contributors. It is not uncommon, nor is it prohibited, for a 501(c)(4) advocacy association to donate some of its general treasury money to an affiliated independent expenditure political committee. The complainant has provided no allegation sufficient to establish probable cause that the transactions in this matter are anything other than such a donation of general treasury money. In addition, the Minnesota Jobs Coalition has provided underlying disclosure statements with contributions to the Legislative Fund that provide information on the source of funds used to make its contributions. The complainant does not argue, and provides no facts that indicate, that these disclosure statements are inaccurate or not forthcoming, and therefore the conclusion that the Minnesota Jobs Coalition was formed to avoid the disclosure of contributors lacks merit.

**Conclusions:**

The allegations in the complaint in this matter are insufficient to establish probable cause that a violation of Chapter 10A exists that should be investigated by the Board.

**Order:**

The complaint in this matter is dismissed.

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/s/ Deanna Wiener  
Deanna Wiener, Chair  
Campaign Finance and Public Disclosure Board

Dated: September 2, 2014