

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

.....
February 2, 2022

Meeting conducted remotely though Webex due to COVID-19 pandemic

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MINUTES

The meeting was called to order by Chair Rashid.

Members present: Flynn, Leppik, Rashid, Soule, Swanson

Others present: Sigurdson, Engelhardt, Olson, Pope, staff; Hartshorn, counsel

MINUTES (December 1, 2021)

After discussion, the following motion was made:

Member Flynn's motion:

To approve the December 1, 2021, minutes as drafted.

Vote on motion:

A roll call vote was taken. All members voted in the affirmative.

CHAIR'S REPORT

A. 2022 meeting schedule

The next Board meeting is scheduled for 10:00 a.m. on Wednesday, March 2, 2022.

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 first told members about the reports that had been filed with the Board in January. Mr. Sigurdson said that approximately 99% of the lobbyist reports had been filed on time and that only five reports remained outstanding. Mr. Sigurdson stated that 91% of the campaign finance reports were in but that 128 reports remained outstanding. Mr. Sigurdson said that this number was not unusual because many candidate committees have no activity during a non-election year and therefore do not realize that they need to file reports. Mr. Sigurdson stated that staff would reach out to see if any of these committees wanted to terminate. Mr. Sigurdson next told members that 96% of the economic interest statements had been filed on time but that 127 statements remained outstanding. Mr. Sigurdson said that there was a two-week grace period before the late fee would begin for outstanding statements.

Mr. Sigurdson then told members that Ms. Pope would be retiring effective March 1, 2022. Mr. Sigurdson briefly reviewed the projects Ms. Pope had worked on during her tenure, and acknowledged that her retirement represented a major loss for the Board. The vacant position will be posted in March.

Mr. Sigurdson next stated that in January he had testified before a cyber security joint legislative commission about the Board's IT systems and security. Mr. Sigurdson said that the Board is one of the few state agencies whose IT systems and staff are not consolidated under MNIT, the state's IT agency. Mr. Sigurdson explained that the Board was excluded from the MNIT consolidation when it occurred because there were concerns about an executive agency having access to the data collected by an independent board. Mr. Sigurdson said that because MNIT charges agencies for its services, operating under MNIT also is expensive. Mr. Sigurdson stated that there is a strong possibility that the Board's IT operations would be consolidated under MNIT, at least to the extent that servers and data storage would be moved to a MNIT data center. Mr. Sigurdson stated that because the costs associated with a transfer to MNIT are significant, those costs could not be absorbed in the Board's current budget but he was hopeful that the Board's appropriation would be adjusted. Mr. Sigurdson told members that a transfer to MNIT could be beneficial because the Board's IT staff currently had too much on their plates. Mr. Sigurdson said that consolidation would allow MNIT to take over the routine IT functions, thereby giving Board IT staff more time to focus on Board-specific projects such as the online version of Campaign Finance Reporter.

Mr. Sigurdson then reviewed issues related to the legislative session. Mr. Sigurdson stated that all members, other than Member Flynn, needed to be confirmed by the legislature and reviewed the applicable confirmation deadlines. Mr. Sigurdson said that the new person appointed to fill the vacant position on the Board also would need to be confirmed during the session. Mr. Sigurdson stated that the legislature might wait until after that appointment had been made and then hold one confirmation hearing for all members. Mr. Sigurdson also said that he had been working with the Minnesota Governmental Relations Council (MGRC) to resolve its issues with the lobbying recommendations and that he expected this proposal to be heard in the house. Mr. Sigurdson said that there was no interest in hearing the Board's economic interest proposals but that the Board's campaign finance proposal on modifying the definition of express advocacy was expected to be incorporated into other bills. Mr. Sigurdson stated that he would update the Board on the status of bills related to Chapter 10A at upcoming meetings.

ENFORCEMENT REPORT

A. Consent items

1. Approval of administrative termination of lobbyist Faarax Dahir Sheikh-Noor (4845)

Mr. Olson told members that Mr. Sheikh-Noor had died in July 2021. Mr. Olson said that Mr. Sheikh-Noor had been the sole lobbyist registered on behalf of the Business Advocacy Services Corporation and reportedly had not incurred any lobbying disbursements after May 31, 2021, the end of the period covered by his most recent disbursement report. Mr. Olson said that Board staff had terminated Mr. Sheikh-Noor's lobbyist registration effective May 31, 2021.

2. Approval of administrative termination of lobbyist Steve Peterson (4611)

Mr. Olson told members that Mr. Peterson was gravely ill, was no longer engaged in lobbying, and was unable to complete a disbursement report or termination statement. Mr. Olson said that Mr. Peterson was one of two lobbyists registered on behalf of the East Itasca Joint Sewer Board and his last disbursement report covered the period ending on December 31, 2020. Mr. Olson stated that because Mr. Peterson was unable to complete a disbursement report or termination statement, Board staff had terminated his lobbyist registration effective December 31, 2020.

After discussion, the following motion was made:

Member Soule's motion: To approve consent items 1 and 2.

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

B. Discussion item

1. Administrative termination of lobbyist Jordan Craig (4536)

Mr. Olson told members that the American Forest & Paper Association was asking that the lobbyist registration of Mr. Craig be terminated as he had ceased to be employed by that principal as of September 16, 2021. Mr. Olson said that the principal had tried to contact Mr. Craig to ask him to file a termination statement, but that Mr. Craig had not done so. Mr. Olson stated that Mr. Craig was the principal's sole lobbyist registered with the Board. The principal had stated in writing that no lobbyist disbursements had occurred after the period covered by the lobbyist disbursement report filed in June 2021. Mr. Olson said that the Board did not have valid contact information for Mr. Craig. Mr. Olson stated that staff was asking the Board to deem the statement from the principal as sufficient to satisfy Mr. Craig's reporting obligation and to approve terminating his registration effective May 31, 2021.

After discussion, the following motion was made:

Member Leppik's motion: To approve the administrative termination as requested by staff.

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

C. Informational Items

1. Partial payment of civil penalties for conversion to personal use and false certification

Tamara Jones, \$372

2. Payment of civil penalty for exceeding aggregate special source contribution limit

Neighbors for Dan (Wolgamott), \$350

3. Payment of late filing fee for 2020 pre-primary 24-hour notice

Athena Hollins for State Representative, \$50

4. Partial payment of late filing fee for lobbyist disbursement report due 1/15/2020

Marcus Marcus, \$300 (\$150 x 2)

5. Payment of late filing fee for 2020 annual EIS

Chris Gerlach, \$20

6. Partial payment of late filing fee for original EIS

Jaden Partlow, \$320 (\$160 x 2)

7. Forwarded anonymous contributions

Caitlin Cahill for Minnesota House, \$30

LEGAL COUNSEL'S REPORT

Mr. Hartshorn presented members with a legal report that is attached to and made a part of these minutes. Mr. Hartshorn told members that since the legal report had been prepared, additional activity had occurred in five matters. Mr. Hartshorn stated that Sandra Blaeser had filed her statements of economic interest and had offered to pay the outstanding late fees and civil penalties, which would resolve the matter. Mr. Hartshorn said that summary judgement had been entered for the Board in the Chilah Brown matter and that a default judgement had been entered for the Board in the Laitinen matter. Mr. Hartshorn stated that Jenny Rhoades had notified him that she planned to attend the upcoming default judgement hearing to contest that matter. Mr. Hartshorn finally said that a summons and complaint had been served in the Shim matter. Mr. Hartshorn then answered a question from a member regarding the legal report.

OTHER BUSINESS

Members took a few moments to thank Ms. Pope for her service and to wish her well in retirement. Ms. Pope thanked the members for their good wishes and said that it had been a pleasure working with them and with Board staff, particularly Mr. Sigurdson and Ms. Engelhardt.

EXECUTIVE SESSION

The chair recessed the regular session of the meeting and called to order the executive session. Upon recess of the executive session, the chair had nothing to report into regular session.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Sigurdson". The signature is written in a cursive style with a large initial "J".

Jeff Sigurdson
Executive Director

Attachments:
Executive director report
Legal report