

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

.....  
**March 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: Asp, Flynn, Leppik, Rashid, Soule (was not present during various portions of the meeting), Swanson

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

**MINUTES** (February 2, 2022)

After discussion, the following motion was made:

Member Leppik's motion: To approve the February 2, 2022, minutes as drafted.

Vote on motion: A roll call vote was taken. Five members voted in the affirmative, Asp abstained.

**CHAIR'S REPORT**

**A. Introduction of David Asp**

Chair Rashid welcomed new member David Asp who then introduced himself. Other members and staff then introduced themselves and welcomed Member Asp to the Board.

**B. 2022 meeting schedule**

The next Board meeting is scheduled for 10:00 a.m. on Wednesday, April 6, 2022. Mr. Sigurdson informed members that state office buildings will reopen to the public on April 22, 2022, and he expects that Board meetings held subsequent to that date will be held in person.

**EXECUTIVE DIRECTOR'S REPORT**

**A. Board operations**

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 reports due in early 2022. Mr. Sigurdson said that of the 2,181 lobbyist disbursement reports due in January only one remained outstanding. Mr. Sigurdson stated that notification was sent to 1,458 associations regarding the annual

report of lobbyist principal due in March. With respect to campaign finance reports due in January, Mr. Sigurdson said that only 3 reports of party units, 17 reports of candidate committees, and 3 reports of political committees, remained outstanding. Mr. Sigurdson stated Board staff is reaching out to those committees and that in some cases it may be appropriate seek administrative termination of their registration with the Board. Mr. Sigurdson said that of the 3,054 statements of economic interest due in January only 17 remained outstanding.

Mr. Sigurdson next stated that Member Soule had been confirmed by the Minnesota Senate on February 21, 2022 and the House State Government Finance and Elections committee had voted to recommend the appointments of Members Asp, Leppik, Rashid, and Swanson. Mr. Sigurdson said that the full House was expected to vote on the appointments of all five of those members the day following the March Board meeting, and each of those members except for Mr. Soule would need to receive a vote in the full Senate.

Mr. Sigurdson then provided an update on legislation being considered that would affect Chapters 10A or 211B. Mr. Sigurdson said that HF 2683 received a hearing in the House State Government Finance and Elections committee on February 24, 2022, and was laid over for future consideration. Mr. Sigurdson explained that the bill would require lobbyists to file statements of economic interest. Mr. Sigurdson stated that he has been asked to provide a fiscal note for the bill and has answered questions regarding how the legislation would be implemented by the Board. Mr. Sigurdson noted that the bill would more than double the number of statements of economic interest filed with the Board so the fiscal note calls for the addition of another staff member. Mr. Sigurdson said that he hopes that the House will take up HF 2163 which contains the Board's recommendations regarding the lobbying program. Mr. Sigurdson stated that an amendment to the bill was drafted to address concerns raised by the Minnesota Governmental Relations Council (MGRC).

Mr. Sigurdson next stated that Board staff has emailed all treasurers and chairs of political party units and all candidates and treasurers of candidate committees explaining that they may need to amend their registration with the Board as a result of redistricting. Mr. Sigurdson explained that the process can be particularly challenging for party units, many of which may need to reallocate funds to other party units to account for shifts in legislative district boundaries.

## **B. Board direction on withdrawal of complaints**

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson sought direction from the Board regarding requests to withdraw complaints filed with the Board prior to a prima facie determination being made. Mr. Sigurdson reviewed the applicable statutes and rules which do not provide a clear answer. Mr. Sigurdson explained that he has allowed two complaints to be withdrawn. The first complaint was physically delivered to the Board's office and when the complainant was told that the Board lacked jurisdiction because the complaint concerned a local candidate, the complainant was allowed to withdraw the complaint. The second complaint was received via email outside of business hours, the complainant asked to withdraw the complaint prior to the Board's office reopening, and the complainant was allowed to withdraw the complaint. Mr. Sigurdson then asked for direction as to whether a complainant should be allowed to withdraw a complaint under four specific factual scenarios, prior to a

prima facie determination being made. Mr. Sigurdson noted the concern that allowing a complainant to withdraw a complaint may create a means for individuals to effectively file an anonymous complaint.

After discussion by the Board, Mr. Sigurdson stated that Board staff would look at drafting a proposed administrative rule and bring the matter back to the Board at a future meeting prior to commencing the rulemaking process.

### **ADVISORY OPINION 455**

Mr. Sigurdson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Sigurdson stated that the Board had received a request for an advisory opinion the day before materials for the March 2022 Board meeting were mailed to members, so that request needed to be laid over to the next meeting.

The following motion was made:

Member Flynn's motion: To lay over the request for an advisory opinion to the next Board meeting.

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

### **FEC V. CRUZ**

Mr. Olson presented members with a memorandum regarding this matter that is attached to and made a part of these minutes. Mr. Olson explained that the United States Supreme Court heard oral argument in FEC v. Cruz in January 2022. Mr. Olson stated that the case concerns a limit on the amount of contributions received after an election that may be used by a federal candidate committee to repay personal loans from the candidate. Mr. Olson said that any decision is unlikely to have a direct impact on Minnesota Statutes Chapter 10A, but the level of scrutiny applied by the Court and its analysis of the government's anti-corruption interest may apply to a variety of restrictions on the amount and timing of contributions as well as how candidates may spend campaign funds.

### **ENFORCEMENT REPORT**

#### **A. Waiver Requests**

Lucy Bahn addressed the Board regarding waiver request 1 concerning the Randy Brock for House committee. Ms. Bahn stated that she filed a year-end report via the Board's Campaign Finance Reporter software. Because the report did not appear on the Board's website, she contacted Board staff and was told that the report that was filed was for the wrong reporting period. Ms. Bahn explained that she promptly filed the correct report after discovering the error.

Entity	Late Fee/ Civil Penalty	Report Due	Factors and Recommended Action	Board Member's Motion	Motion	Vote on Motion
1. Randy Brock for House (18636)	\$150 LFF	2021 Year-End	Report due 1/31/2022. Treasurer mistakenly filed another copy of the 2020 year-end report prior to the due date. After discovering the error the treasurer immediately filed a 2021 no-change statement on 2/8/2022, listing a cash balance of \$8,857. RECOMMENDED ACTION: Waive	Member Flynn	To approve the staff recommendation for requests 1 through 4	A roll call vote was taken. All members voted in the affirmative.
2. Friends Helping Katy (Westlund) (18625)	\$200 LFF	2021 Year-End	Report due 1/31/2022. Treasurer was unable to prepare the report. Candidate did not realize that the report had not been filed until after the due date. After realizing the report was late the candidate immediately filed a termination report with an ending cash balance of \$93. RECOMMENDED ACTION: Waive	Member Flynn	To approve the staff recommendation for requests 1 through 4	A roll call vote was taken. All members voted in the affirmative.
3. 51st Senate District RPM (20424)	\$125 LFF	2021 Year-End	Report due 1/31/2022 was filed 2/7/2022. Treasurer's medical issues made it difficult to complete the report on time and she also had difficulty using the CFR software. The party unit reported a cash balance of \$4,103 as of the end of 2021. RECOMMENDED ACTION: Waive	Member Flynn	To approve the staff recommendation for requests 1 through 4	A roll call vote was taken. All members voted in the affirmative.
4. Todd County RPM (20386)	\$200 LFF	2021 Year-End	Report due 1/31/2022. Report was completed late as the treasurer was attending to his wife's medical issues. After the paper report was completed on 2/4/2022, the treasurer had difficulty attempting to email a copy of the report to Board staff and it was not received until 2/10/2022. The party unit reported a cash balance of \$2,170 as of the end of 2021. RECOMMENDED ACTION: Waive	Member Flynn	To approve the staff recommendation for requests 1 through 4	A roll call vote was taken. All members voted in the affirmative.

5. Wabasha County RPM (20455)	\$300 LFF	2021 Year-End	Report due 1/31/2022 was filed 2/16/2022. New treasurer took over in March 2021 and the party unit's registration was not updated in a timely manner so the new treasurer did not receive notices regarding the year-end report. The party unit reported a cash balance of \$8,536 as of the end of 2021. RECOMMENDED ACTION: Reduce LFF to \$150	Member Leppik	To approve the staff recommendation	A roll call vote was taken. All members voted in the affirmative.
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**B. Informational Items**

**1. Payment of civil penalty for exceeding party unit aggregate contribution limit**

Raines (Brian) for 34A, \$100

**2. Payment of late filing fee for 2021 year-end report of receipts and expenditures**

BAILPAC, \$200

**3. Payment of late filing fee for 2020 year-end report of receipts and expenditures**

BAILPAC, \$750

**4. Payment of late filing fee for 2020 pre-general 24-hour notice**

Raines (Brian) for 34A, \$250

**5. Partial payment of late filing fee for original EIS**

Jaden Partlow, \$160

**6. Payment of late filing fee for 2019 Annual EIS**

Sandra Blaeser, \$100

**7. Payment of civil penalty for 2019 Annual EIS**

Sandra Blaeser, \$1,000

**8. Payment of late filing fee for 2018 Annual EIS**

Sandra Blaeser, \$100

**9. Payment of civil penalty for 2018 Annual EIS**

Sandra Blaeser, \$1,000

**10. Forwarded anonymous contributions**

Carver County RPM, \$70

**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, Mr. Marcus had paid the final portion of the amount owed and Jae Hyun Shim had filed their statement of economic interest and submitted a waiver request to be considered by the Board at its next meeting. Mr. Hartshorn also told members that Mr. Partlow was expected to make his final payment soon.

**EXECUTIVE SESSION**

Chair Rashid 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,



Jeff Sigurdson  
Executive Director

Attachments:

Executive Director's Report – Board Operations

Request for Guidance – withdrawal of a complaint before the prima facie determination

Memo regarding Advisory opinion 455 – Contributions from a committee registered with the Federal Election Commission

Memo regarding FEC v. Cruz

Legal report