

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

FINDINGS IN THE MATTER OF THE ALLIANCE FOR A BETTER MINNESOTA

Summary of the Facts

In May 2007 the Campaign Finance and Public Disclosure Board (“Board”) sent a routine reconciliation inquiry to the Alliance for a Better Minnesota (“the Committee”) regarding the Report of Receipts and Expenditures for calendar year 2006. The inquiry questioned two contributions reported as received from registered committees, the International Union of Operating Engineers and the Duluth Building Trades Voluntary Party Fund. Both contributing associations responded that the contributions were made from their general fund.

The Duluth Building and Construction Trades Council is an association that is not registered with the Board, although it has a political committee that is registered with the Board. The name of the political committee is the Duluth Building Trades Voluntary Party Fund. The International Union of Operating Engineers has a committee registered with the Board under that name.

In letters dated June 12 and June 29, 2007, Reid LeBeau stated, “...the Alliance had a good faith belief that the contributions originated from the organizations’ state registered political committees/funds. This good faith belief was a result of the Alliance’s cross referencing the contributing organizations with the Board’s list of registered political committees/funds. Based upon the Alliance’s conversations with the contributors prior to receiving the contributions, the Alliance attests that it firmly believes that they were not made with the intent of violating or circumventing the provisions of Minn. Stat. § 10A.27. Rather, it appears that the contributions were either made by an agent of the organization from the wrong account, or by a person lacking an understanding of the requirements... Although the Alliance recognizes that the sixty-day time period for returning the contribution has passed, it is taking the only steps at its disposal to remedy the error by refunding the contributions...”

Pursuant to Minnesota Statutes, Section 10A.27, subd. 13, political committees registered with the Board may not accept contributions in excess of \$100 from unregistered associations unless each contribution is accompanied by financial disclosure specified by statute. No such disclosure was provided in this case.

This matter was considered by the Board in executive session on July 10, 2007.

Based on the above Summary of the Facts and Relevant Statutes, the Board makes the following:

Finding Concerning Probable Cause

1. There is probable cause to believe that the Alliance for a Better Minnesota Committee inadvertently violated Minnesota Statutes, section 10A.27, subdivision 13, when they accepted contributions from unregistered associations, believing the checks to be from the associations’ registered political committee.

Relevant Statutes

10A.27, subdivision 13. Unregistered association limit; statement; penalty. (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$100 from an association not registered under this chapter unless the contribution is accompanied by a written statement that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the board. This subdivision does not apply when a national political party contributes money to its affiliate in this state.

(b) An unregistered association may provide the written statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

(1) fails to provide a written statement as required by this subdivision; or

(2) fails to register after giving the written statement required by this subdivision to more than three committees, funds, or party units in a calendar year.

(c) The treasurer of a political committee, political fund, principal campaign committee, or party unit who accepts a contribution in excess of \$100 from an unregistered association without the required written disclosure statement is subject to a civil penalty up to four times the amount in excess of \$100.