

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

**PRIMA FACIE DETERMINATION**

IN THE MATTER OF THE COMPLAINT OF JAMES SANBORN REGARDING THE BOB FREY MN  
COMMITTEE:

The undersigned Chair of the Minnesota Campaign Finance and Public Disclosure Board has made a prima facie determination that the complaint submitted in the aforementioned matter is insufficient to allege a violation of Chapter 10A or of those sections of Chapter 211B under the Board's jurisdiction.

The complaint alleges that the respondent's actions included the following:

1. The Bob Frey MN Committee violated Minn. Stat. § 10A.27 when it accepted a personal loan from the candidate in excess of \$5,000.
2. The candidate, Mr. Frey, violated the Public Subsidy Agreement by contributing over \$5,000 to his principal campaign committee.

**Determination:**

The complaint alleges that Mr. Frey made a loan of \$9,000 to his principal campaign committee on June 2, 2014, as reported by his principal campaign committee. The complaint does not allege any further contributions or loans made to the committee by Mr. Frey.

Minn. Stat. § 10A.27, subd. 8, states that a candidate must not permit the candidate's principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by that section. Personal contributions to principal campaign committees by candidates who sign the Public Subsidy Agreement are limited by Minn. Stat. § 10A.27, subd. 10, to five times the standard contribution limit for that candidate. The contribution limit for a House candidate during the 2013-2014 election cycle is \$1,000. Therefore, Mr. Frey is limited to making a contribution and/or loan to his committee of \$5,000.

However, Minnesota Rules 4503.1500, subpart 2, a duly adopted administrative rule that has the force of law, provides that the balance due on a loan *at the end of the calendar year* must not exceed the applicable limit. Because loan balances are evaluated at the end of the year, a complaint based on a loan balance during the year does not state a prima facie violation. Therefore, the complaint does not state a prima facie violation with respect to allegation 1, above.

A Public Subsidy Agreement is a contract by which a candidate agrees to be bound by certain provisions of Chapter 10A which would otherwise be inapplicable had the candidate not chosen to enter into the agreement with the Board. No provision of Chapter 10A provides that the

violation of a Public Subsidy Agreement is a violation separate from the violation of the statutory provisions to which the candidate agreed to be bound. Therefore, the complaint does not state a prima facie violation with respect to allegation 2, above.

Both allegations of the complaint having been found insufficient to state a prima facie violation, the complaint is dismissed.

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

Dated: August 15, 2014