

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

**Findings and Order in the Matter of Contributions to the 37<sup>th</sup> Senate District Democratic  
Farmer Labor Party from the Volunteers for Mary Nelson Committee**

**Summary of the Facts**

Pursuant to Minnesota Statutes section 10A.27, subdivision 13, candidates, political party units, and political committees registered with the Campaign Finance and Public Disclosure Board (the Board) may not accept a contribution in excess of \$100 from an association that is not registered with the Board unless the contribution is accompanied by financial disclosure of the donating association's receipts and expenditures in the form specified by statute. Acceptance of a contribution in excess of \$100 without the required disclosure is punishable by civil penalty of up to four times the amount of the contribution over \$100.

An unregistered association that makes a contribution of more than \$100 without the required disclosure is in violation of Minnesota Statutes section 10A.27, subdivision 13(b). Failure to provide the appropriate disclosure with a contribution of more than \$100 is punishable by civil penalty of up to \$1,000.

In the 2012 pre-primary-election Report of Receipts and Expenditures filed with the Board, the 37<sup>th</sup> Senate District Democratic Farmer Labor Party (the 37<sup>th</sup> SD DFL) disclosed receipt of a contribution on June 25, 2012, in the amount of \$300 from the Volunteers for Mary Nelson committee. The Volunteers for Mary Nelson committee was formed to support a candidate for local office. A local office candidate does not register their committee with the Board. Therefore, the Volunteers for Mary Nelson committee is an unregistered association that was required to provide the appropriate disclosure with the contribution to the 37<sup>th</sup> SD DFL. No financial disclosure was provided with the contribution.

In a letter dated October 17, 2012, Daniel Peitso, treasurer for the 37<sup>th</sup> SD DFL, explains that he received a compliance warning when he entered the contribution into the Campaign Finance Reporter Software and thought that entering a note that the contributor was a school board committee would take care of the issue. Mr. Peitso further states, "Please accept my apology for this oversight and not calling your office to take care of this issue."

In response to a Board notification of the potential violation, Mary Nelson states, "The omission of my disclosure statement was an unfortunate oversight on my part. This is the first time that I had been a candidate and was not familiar as I should have been with all the rules. I had no intention to circumvent Minnesota Statute 10 A.27 subd. 13 and 13 (b)."

This matter was considered by the Board in executive session on November 7, 2012. The Board's decision is based on the correspondence and information received from Daniel Peitso and Mary Nelson and on Board records.

**Based on the information outlined in the above Summary of the Facts and Relevant Statutes, the Board makes the following:**

**Findings Concerning Probable Cause**

1. There is probable cause to believe that the 37th Senate District Democratic Farmer Labor Party violated Minnesota Statutes section 10A.27, subdivision 13, when it accepted a contribution in excess of \$100 from an unregistered association without receiving the appropriate disclosure with the contribution.
2. There is probable cause to believe that the Volunteers for Mary Nelson committee violated Minnesota Statutes section 10A.27, subdivision 13 (b), when it made a contribution in excess of \$100 to the 37th Senate District Democratic Farmer Labor Party without providing the required disclosure.
3. There is no probable cause to believe that the violations by the 37th Senate District Democratic Farmer Labor Party or the Volunteers for Mary Nelson committee were intentional or were done with the intent to circumvent the provisions of Chapter 10A.

**Based on the above Findings Concerning Probable Cause, the Board issues the following:**

**ORDER**

1. The Board imposes a civil penalty of \$200, one times the amount by which the contribution exceeded \$100, on the 37th Senate District Democratic Farmer Labor Party for accepting and depositing a contribution from an unregistered association without the disclosure required by Minnesota Statutes section 10A.27, subdivision 13.
2. The 37th Senate District Democratic Farmer Labor Party is directed to forward to the Board payment of the civil penalty by check or money order payable to the State of Minnesota within thirty days of receipt of this order.
3. The 37th Senate District Democratic Farmer Labor Party is directed to refund \$200 to the Volunteers for Mary Nelson committee and to forward to the Board a copy of the check used to return the excess contribution within thirty days of receipt of this order.
4. The Board imposes a civil penalty of \$200, one times the amount that the contribution exceeded \$100, on the Volunteers for Mary Nelson committee for making a contribution in excess of \$100 without providing the disclosure required by Minnesota Statutes section 10A.27, subdivision 13 (b).
5. The Volunteers for Mary Nelson committee is directed to forward to the Board payment of the civil penalty by check or money order payable to the State of Minnesota within thirty days of receipt of this order.
6. If the 37th Senate District Democratic Farmer Labor Party or the Volunteers for Mary Nelson committee does not comply with the provisions of this order, the Board's Executive Director may request that the Attorney General bring an action for the remedies available under Minnesota Statutes section 10A.34.

7. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minnesota Statutes section 10A.02, subdivision 11, and upon the return of the excess contribution and payment by the civil penalties imposed herein, this matter is concluded.

Dated: November 7, 2012

/s/ Andrew M. Luge

Andrew M. Luger, Vice Chair  
Campaign Finance and Public Disclosure Board

### **Relevant Statutes**

**Minnesota Statutes section 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.