

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

**CONCILIATION AGREEMENT**

In the matter of the Minnesota Horsemen's Benevolent & Protective Association, Inc.;

1. The Minnesota Horsemen's Benevolent & Protective Association, Inc. (MNHBP) is a horsepersons' organization that is organized as a nonprofit corporation under section 501(c)(6) of the Internal Revenue Code. The MNHBP does not have a political committee or fund registered with the Board. In August 2019 the MNHBP gave contributions of \$500 each via check to the principal campaign committees of five legislative candidates. Those committees include Tabke (Brad) for MN (18332), Citizens for (Dan) Sparks (15675), the Mike Nelson Volunteer Committee (15548), Bakk (Thomas) for Senate (17140), and the Elect Albright (Tony) Committee (17468).
2. Minnesota Statutes section 10A.27, subdivision 13, prohibits an unregistered association from giving a contribution that exceeds \$200 unless the association also provides a written disclosure statement with the contribution that meets the requirements of Minnesota Statutes section 10A.20. If an unregistered association gives a contribution in excess of \$200, the recipient is required to provide the disclosure statement to the Board when filing the report of receipts and expenditures that first discloses the contribution. The MNHBP did not provide the required disclosure statement to the recipients of its contributions given in 2019. A contribution that is not returned within 90 days of being deposited is deemed to be accepted under Minnesota Statutes section 10A.15, subdivision 3.
3. Cort Holten, the MNHBP's designated lobbyist, explained that the MNHBP's executive director was unaware of restrictions on organizations making political contributions when he wrote the checks. Mr. Holten stated that the five principal campaign committees each returned the \$500 contribution to the MNHBP over 90 days after being deposited.
4. The parties agree that the MNHBP gave contributions in 2019, each in excess of \$200, to five principal campaign committees without the required disclosure statement in violation of Minnesota Statutes section 10A.27, subdivision 13. This is the MNHBP's first violation of the disclosure requirement regarding contributions from unregistered associations.
5. To avoid a similar violation in the future, the MNHBP agrees that it will not give a contribution in excess of \$200 to a principal campaign committee, party unit, or political committee or fund, without either providing with the contribution a disclosure statement in the form required by statute, registering with the Board as a political committee or fund, or seeking advice from Board staff.
6. The MNHBP agrees to provide to the Board, within 90 days of the date the agreement is signed by both parties, copies of the deposited checks or other documentation showing that each of the \$500 contributions were returned.

7. The MNHBPA also agrees to the imposition of a civil penalty in the amount of \$1,500 for giving five contributions each in excess of \$200 without the disclosure statement required by Minnesota Statutes section 10A.27, subdivision 13. The civil penalty is the sum of the amounts by which each contribution exceeded \$200. Of this amount, \$375 is due within 30 days of the date the agreement is signed by both parties. The remaining \$1,125 of the penalty is, by the terms of this agreement, stayed until January 1, 2023. If the MNHBPA violates Minnesota Statutes section 10A.27, subdivision 13, before January 1, 2023, the outstanding civil penalty is due immediately. If the MNHBPA does not violate Minnesota Statutes section 10A.27, subdivision 13, before January 1, 2023, the outstanding civil penalty is waived.

8. If the MNHBPA does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

/s/ Scott Rake

Scott Rake, President

Minnesota Horsemen's Benevolent & Protective Association, Inc.

Dated: June 29, 2020

/s/ Gary Haugen

Gary Haugen, Vice Chair

Campaign Finance and Public Disclosure Board

Dated: June 3, 2020