

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

**PROBABLE CAUSE  
DETERMINATION**

IN THE MATTER OF THE COMPLAINT OF MARK LIEBOW REGARDING THE NELS (PIERSON III) FOR HOUSE COMMITTEE

On August 10, 2020, the Campaign Finance and Public Disclosure Board received a complaint submitted by Mark Liebow regarding the Nels (Pierson III) for House committee. Nels (Pierson III) for House is the principal campaign committee of Representative Nels Pierson, a candidate for Minnesota House District 26A.

The complaint alleged that Representative Pierson filed to run for office in 2020 and, according to election officials, he did not file by petition. Therefore, either the Pierson committee must have paid the \$100 filing fee or someone must have paid that fee on the committee's behalf. The filing period ended on June 2, 2020, and all the Pierson committee's financial activities through July 20, 2020, needed to be disclosed on its pre-primary report of receipts and expenditures. The complaint stated that the Pierson committee's pre-primary report, however, declared that the committee had not had any disbursements of any kind during the reporting period. The complaint therefore alleged that the Pierson committee violated Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), by omitting the \$100 filing fee from its pre-primary report.

On August 17, 2020, the Board chair determined that the complaint alleged a prima facie violation of Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), and the reporting requirements in Minnesota Statutes section 10A.20, subdivision 3. On August 29, 2020, the treasurer for the Pierson committee responded to the complaint. The treasurer confirmed that the committee had paid the \$100 filing fee and that he had been remiss in not including this payment on the pre-primary report. The omission, however, was inadvertent. The treasurer has filed an amended report that includes the filing fee in the committee's unitemized noncampaign disbursements.

**Analysis**

When the Board chair makes a finding that a complaint raises a prima facie violation, the full Board then must determine whether probable cause exists to believe an alleged violation that warrants an investigation has occurred. Minn. Stat. § 10A.022, subd. 3 (d). A probable cause determination is not a complete examination of the evidence on both sides of the issue. Rather, it is a determination of whether a complaint raises sufficient questions of fact which, if true, would result in the finding of a violation.

If the Board finds that probable cause exists, the Board is required to determine whether the alleged violation warrants a formal investigation, considering the type and magnitude of the

alleged violation, the knowledge of the respondent, any benefit to be gained from a formal investigation, the availability of Board resources, and whether the violation has been remedied. Minn. R. 4525.0210, subp. 5. If the Board finds that probable cause exists but does not order a formal investigation, the Board is required to either dismiss the complaint or order a staff review. Minn. R. 4525.0210, subp. 6.

Minnesota Statutes section 10A.20, subdivision 3, requires a committee to disclose all of its financial activity on its reports to the Board. Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), provides that a person “shall not sign and certify to be true a report or statement knowing it contains false information or knowing it omits required information.” The Pierson committee treasurer acknowledged that the committee paid the \$100 filing fee and that he was remiss in not including that fee on the pre-primary report. The omission, however, was inadvertent.

Based on the complaint and the response from the Pierson committee, there is probable cause to believe that a violation of the reporting requirements in Minnesota Statutes section 10A.20, subdivision 3, has occurred. There is no probable cause to believe that there has been a violation of the false certification provisions in Minnesota Statutes section 10A.025, subdivision 2, paragraph (b). There is no need for a formal investigation of the reporting violation because the Pierson committee has filed an amended report disclosing the \$100 filing fee as an unitemized noncampaign disbursement.

### **Order**

1. The allegation that the Nels (Pierson III) for House committee violated the reporting requirements in Minnesota Statutes section 10A.20, subdivision 3, is dismissed without prejudice because although there is probable cause to believe that this violation occurred, no further investigation is warranted due to the committee’s filing of an amended report.
2. The allegation that the Nels (Pierson III) for House committee violated the certification requirements in Minnesota Statutes section 10A.025, subdivision 2, paragraph (b), is dismissed without prejudice because there is no probable cause to believe that this violation occurred.

/s/ Gary Haugen  
Gary Haugen, Chair  
Campaign Finance and Public Disclosure Board

Date: September 9, 2020