

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

**Findings and Order in the Matter of the Complaint of Bob Murray
regarding House District 54A Republican Party of Minnesota and the Citizens for
Laliberte committee.**

The Allegations in the Complaint

On May 1, 2012, the Campaign Finance and Public Disclosure Board accepted a complaint from Bob Murray. To allow the investigation to be completed, the Board laid the matter over at its May, June, and July meetings.

This complaint alleges that an October 23, 2008, event reported as an expenditure on the House District 54A Republican Party of Minnesota 2008 year-end report actually was a contribution to the Citizens for Laliberte committee. A copy of an email promoting the event was attached to the complaint. The subject line stated "Free Buffet and RALLY for Mark" and the body of the email said that House District 54A RPM was having an event to support Mark Laliberte. In addition, the same person was the treasurer for both the party unit and the Citizens for Laliberte committee. These facts suggest that the event was coordinated with the candidate. When there is coordination of effort, the costs paid by the entity other than the candidate's committee are approved expenditures, which are a contribution to the candidate. If the costs of the 2008 event constitute a contribution to the Citizens for Laliberte committee, the aggregate contributions from the party unit to the candidate's committee would exceed the applicable contribution limit for 2008.

The Response to the Complaint

House District 54A RPM submitted a response to the complaint on June 4, 2012. The party unit submitted additional information in early July. Don Hewitt, the treasurer in 2010 for both the party unit and the Citizens for Laliberte committee, also gave a statement to the Board.

In its response, House District 54A RPM states that in 2008, Mark Laliberte was the RPM candidate for the house seat in District 54A. Lisa Belak was Mr. Laliberte's campaign manager. On March 31, 2008, House District 54A RPM gave the Citizens for Laliberte committee a \$5,000 contribution. This was the most that the party unit could give Mr. Laliberte's committee during 2010.

House District 54A RPM also states that on October 17, 2008, the chair of the party unit, Mike Boguszewski, sent an email to the other party unit officers stating that they would meet on October 23, 2008, to discuss matters related to the upcoming election. The email listed three specific topics, one of which was a final campaign push for Mark Laliberte. The email said that Mr. Laliberte would be at the meeting to sign up volunteers for the last two weeks of the

campaign. Mr. Boguszewski had coordinated Mr. Laliberte's appearance at the meeting with Ms. Belak. Mr. Laliberte was the only candidate specifically named in this email.

Mr. Boguszewski also stated that he was going to have the meeting in a new place with a new format. Mr. Boguszewski said he had reserved a room at a local restaurant where there would be a buffet dinner for the attendees. House District 54A RPM paid the restaurant \$1,008.39 for the event.

Before the event, Ms. Belak sent an email to Mr. Laliberte's supporters stating, "The House District 54A Republicans are having an event to support Mark Laliberte." Ms. Belak said that there would be a free buffet at the event and that attendees could sign up to help the Laliberte campaign with various campaign activities. In an email sent on October 23, 2008, to party unit supporters, Mr. Boguszewski called the event a "volunteer rally" and said that this was the party unit's last chance "to plan the final push for Mark Laliberte and our other candidates."

The agenda shows that on the night of the event, the formal presentation covered three items: a welcome and introductions; BPOU items; and a final election plan. The final election plan segment included a talk about poll watchers from a party representative. The next slides told the attendees about Mark Laliberte and asked them to help the Laliberte campaign with literature drops, get out the vote calls, and election day signs and posters. Mark Laliberte was the only Republican candidate specifically named on the literature to be dropped and in the script for the get out the vote calls.

Mr. Laliberte spoke at the event as did candidates for Congress and city council. A representative from the Norm Coleman campaign also spoke. Ms. Belak put Laliberte campaign literature and volunteer sign-up cards on all of the tables as did the other candidates. No fundraising was done at the gathering.

In its response, House District 54A RPM argues that party unit business was discussed at the October 23rd event and other candidates spoke to the attendees. The party unit therefore claims that the event was a party building activity, not a campaign event for Mr. Laliberte.

Board Analysis

The complaint alleges that the October 23, 2008, event was a contribution to Mark Laliberte in the form of an approved expenditure. Minnesota Statutes section 10A.01, subdivision 4, defines an approved expenditure as follows:

an expenditure made on behalf of a candidate by an entity other than the principal campaign committee of the candidate, if the expenditure is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of the candidate, the candidate's principal campaign committee, or the candidate's agent.

Here the record supports a finding that at least half of the October 23rd event was for the benefit of Mark Laliberte. As House District 54A RPM argues, other candidates spoke at the event and other party unit business was discussed. But the materials suggest that at least half of the formal presentation that evening was devoted primarily to the Laliberte campaign. Mr. Laliberte was the only candidate named in the invitation emails, on the event's agenda, and in the slides for the presentation. Mr. Laliberte also was the only candidate for whom volunteers were expressly sought. Finally, Mr. Laliberte was the only candidate named in the discussed literature and the only candidate mentioned in the script for the get out the vote calls. Overall, although a portion of the evening was devoted to party unit business, the Board concludes that at least half of the event was held for the benefit of Mark Laliberte's campaign.

The facts here also show that the October 23rd event was coordinated with the Laliberte campaign. The same person served as treasurer for both the party unit and the Citizens for Laliberte committee. The party unit chair and Mr. Laliberte's campaign manager, Ms. Belak, discussed the event before it occurred and Mr. Laliberte agreed to attend. The invitation emails sent for the event stated that Mr. Laliberte would attend and one email specifically said that the event was being held to support Mr. Laliberte. Because Mr. Laliberte and Ms. Belak knew about and approved the October 23rd event, this event was, in part, an approved expenditure made on behalf of the Laliberte campaign.

Minnesota Statutes section 10A.01, subdivision 4, provides that an approved expenditure is a contribution to the candidate. Here, the October 23rd event cost \$1,008.39. As discussed above, at least half of the event was a contribution to the Laliberte campaign in the form of an approved expenditure. Half of the cost of the October 23rd event is \$504.20. Consequently, the October 23rd event constitutes a \$504.20 in-kind contribution from House District 54A RPM to the Citizens for Laliberte committee. House District 54A RPM must amend its 2008 year-end report to include this contribution.

Minnesota Statutes section 10A.27, prohibits a political party unit from giving, and a candidate's principal campaign committee from accepting, more than \$ 5,000 in an election year. A committee or party unit that violates this provision is subject to a civil penalty of up to four times the amount by which the contribution exceeded the limit. The penalty imposed for the first violation of this statute, however, is usually limited to one times the amount of the excess contribution. In addition, the candidate's committee is typically ordered to return the amount of the excess contribution to the contributor.

Here, House District 54A RPM gave \$5,000 in cash and \$504.20 in the form of an approved expenditure to the Citizens for Laliberte committee. The aggregate amount of these contributions exceeds the applicable limit by \$504.20. This is the first violation of this contribution limit for both House District 54A RPM and the Citizens for Laliberte committee. Consequently, a civil penalty of \$504.20 is imposed against House District 54A RPM. Typically, the Citizens for Laliberte committee also would be ordered to return \$504.20 to House District 54A RPM and to pay a civil penalty of \$504.20. The Citizens for Laliberte committee, however, terminated its registration with the Board on December 31, 2011. Consequently, the

return of the contribution and the collection of the civil penalty against the Citizens for Laliberte committee will be suspended. If, in the future, Mark Laliberte registers a principal campaign committee with the Board, the civil penalty is reinstated and must be paid by Mr. Laliberte's new committee.

The Board recognizes that as a result of the 2012 redistricting, the House District 54A RPM party unit committee has been renamed the House District 66A RPM party unit committee.

Based on the evidence before it and the above analysis the Board makes the following:

Findings Concerning Probable Cause

1. There is probable cause to find that \$504.20 of the cost of the October 23, 2008, event was an in-kind contribution in the form of an approved expenditure from House District 54A Republican Party of Minnesota to the Citizens for Laliberte committee.
2. There is probable cause to find that in 2008, House District 54A Republican Party of Minnesota gave, and the Citizens for Laliberte committee accepted, a contribution that exceeded the applicable contribution limit by \$504.20.

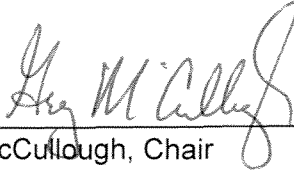
Based on the above Findings, the Board issues the following:

ORDER

1. House District 54A Republican Party of Minnesota, now known as House District 66A Republican Party of Minnesota, must amend its 2008 year-end report to show an additional \$504.20 in-kind contribution to the Citizens for Laliberte committee in the form of an approved expenditure.
2. The Board imposes a civil penalty of \$504.20, one times the amount by which the contribution exceeded the applicable limit, on House District 54A Republican Party of Minnesota, now known as House District 66A Republican Party of Minnesota.
3. House District 54A Republican Party of Minnesota, now known as House District 66A Republican Party of Minnesota, 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.
4. The Board orders the Citizens for Laliberte committee to return \$504.20 to House District 54A Republican Party of Minnesota and imposes a civil penalty of \$504.20, one times the amount by which the contribution exceeded the applicable limit, on the Citizens for Laliberte committee. The return of the contribution and the collection of the civil penalty from the Citizens for Laliberte committee are suspended. If Mark Laliberte registers a principal campaign committee with the Board in the future, the civil penalty is reinstated and must be paid by Mr. Laliberte's new committee.

5. 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 payment of the civil penalties imposed herein, this matter is concluded.

Dated: August 7, 2012



Greg McCullough, Chair
Campaign Finance and Public Disclosure Board

Relevant Statutes

Minn. Stat. § 10A.01, subd. 4. Approved expenditure. "Approved expenditure" means an expenditure made on behalf of a candidate by an entity other than the principal campaign committee of the candidate, if the expenditure is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of the candidate, the candidate's principal campaign committee, or the candidate's agent. An approved expenditure is a contribution to that candidate.

Minn. Stat. § 10A.27, subd. 1. Contribution limits.

(a) Except as provided in subdivision 2, a candidate must not permit the candidate's principal campaign committee to accept aggregate contributions made or delivered by any individual, political committee, or political fund in excess of the following:

.....

(4) to a candidate for state representative, \$500 in an election year for the office sought and \$100 in the other year; and

.....

(c) A lobbyist, political committee, political party unit, or political fund must not make a contribution a candidate is prohibited from accepting.

Minn. Stat. § 10A.27, subd. 2. Political party and dissolving principal campaign committee limit.

A candidate must not permit the candidate's principal campaign committee to accept contributions from any political party units or dissolving principal campaign committees in aggregate in excess of ten times the amount that may be contributed to that candidate as set forth in subdivision 1. The limitation in this subdivision does not apply to a contribution from a dissolving principal campaign committee of a candidate for the legislature to another principal campaign committee of the same candidate.