

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

**FINDINGS REGARDING THE
SOUTHERN MINNESOTA BEET SUGAR COOPERATIVE PAC
(MINNESOTA COMMITTEE)**

Procedural Background

Campaign Finance and Public Disclosure Board (“Board”) staff’s review of the Southern Minnesota Beet Sugar Cooperative PAC’s (“Minnesota Committee”) Reports of Receipts and Expenditures calendar years 2003 and 2004 disclosed receipt of two contributions totaling \$5,000 from Southern Minnesota Beet Sugar Cooperative Federal PAC (“Federal PAC”), an association not registered with the Board.

Minn. Stat. §10A.27, subd. 13 (a), prohibits a political committee that is registered with the Board from accepting a contribution in excess of \$100 from an unregistered association unless, at the time the contribution was made, the unregistered association provides the political committee with the disclosure required by Minn. Stat. §10A.20.

As an unregistered association the Southern Minnesota Beet Sugar Cooperative Federal PAC is required to provide the disclosure that meets the reporting requirements of Minn. Stat. §10A.20 with any contribution over \$100 to a political party unit registered in Minnesota.

Board staff contacted Jeffrey Plathe, treasurer of both the Minnesota Committee and the Federal PAC, regarding this matter on February 24, 2005. Mr. Plathe replied by letter dated March 10, 2005, and stated “your letter correctly references a \$2,500 contribution to the State PAC from Southern Minnesota Beet Sugar Cooperative Federal PAC (the ‘Federal PAC’). A contribution similar to this amount has been made by the Federal PAC to the State PAC every year since both PACs were established over 20 years ago.” Board staff sent Mr. Plathe additional correspondence regarding this matter on March 25, 2005, March 29, 2005, and April 14, 2005. Mr. Plathe provided additional responses to inquiries from the Board on March 24, 2005, April 7, 2005, April 12, 2005, and May 6, 2005.

In response, on May 9, 2005, Mr. Plathe provided the Board with disclosure statements from the Federal PAC for calendar years 2003 and 2004.

This matter was considered by the Board in executive sessions in its meetings on March 22, 2005, April 26, 2005, and June 7, 2005. The Board’s decision was based upon Board staff’s conversations with Mr. Plathe, correspondence from Mr. Plathe, amendments filed by Mr. Plathe, and Board records.

Based on the record before it, the Board issues the following:

EVIDENTIARY FINDINGS

1. There is evidence that the Southern Minnesota Beet Sugar Cooperative PAC inadvertently violated Minn. Stat. §10A.27, subd. 13, when it accepted two contributions in excess of \$100 from the Southern Minnesota Beet Sugar Cooperative Federal PAC, an unregistered association, without obtaining the required disclosure during calendar years 2003 and 2004.
2. There is evidence that these contributions were not returned within 60 days.
3. Minn. Stat. §10A.27, subd. 13 (c), provides that the treasurer of a political committee that accepts a contribution in excess of \$100 from an unregistered association without the required written disclosure is subject to a civil penalty of up to four times the amount by which the contribution exceeds \$100.
4. The Southern Minnesota Beet Sugar Cooperative PAC has now obtained disclosure statements from the Southern Minnesota Beet Sugar Cooperative Federal PAC and provided this disclosure to the Board.

Based on the above Statement of the Evidence, the Board makes the following:

FINDINGS CONCERNING PROBABLE CAUSE

There is probable cause to believe that the Southern Minnesota Beet Sugar Cooperative PAC inadvertently violated Minn. Stat. §10A.27, subd. 13, when it accepted two contributions totaling \$5,000 from the Southern Minnesota Beet Sugar Cooperative Federal PAC during calendar years 2003 and 2004, without obtaining disclosure statements at the time the contributions were received. The Southern Minnesota Beet Sugar Cooperative PAC has now obtained and provided the Board with these statements.

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

ORDER

1. The Board imposes a civil fine of \$4,800 on the Southern Minnesota Beet Sugar Cooperative PAC for accepting contributions in excess of \$100 from an unregistered association without obtaining the disclosure required by Minn. Stat. §10A.27, subd. 13. This fine equals one times the amount by which the contributions received in 2003 and 2004 exceeded \$100.
2. The Southern Minnesota Beet Sugar Cooperative PAC 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 Board directs the Southern Minnesota Beet Sugar Cooperative PAC to ensure that any future contributions of over \$100 accepted from the Southern Minnesota Beet Sugar Cooperative Federal PAC are accompanied by disclosure statements that meet all the disclosure requirements of Minn. Stat. §10A.20.
4. If the Southern Minnesota Beet Sugar Cooperative PAC does not comply with the provisions of this order, the Board's Executive Director shall refer this matter to the appropriate County Attorney for civil enforcement pursuant to Minn. Stat. §10A.34, subd. 2.
5. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minn. Stat. §10A.02, subd. 11, and upon receipt of the civil penalty imposed herein, this matter is concluded.

Dated: June 7, 2005



Terri Ashmore, Chair
Campaign Finance and Public Disclosure Board