

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

Paul Wikstrom,

ORDER OF DISMISSAL

Complainant,

vs.

Jonathan Weinhagen Volunteer
Committee, Jim Demay for Schools, Heidi
Danielson for Mounds View School Board,
Alissa Daire Nelson (ADN for Schools),
40th Senate District DFL, and Minn. DFL
State Central Committee

Respondents.

On March 4, 2024, Paul Wikstrom (Complainant) filed a campaign complaint with the Office of Administrative Hearings alleging that Jonathan Weinhagen Volunteer Committee, Jim Demay for Schools, Heidi Danielson for Mounds View School Board, Alissa Daire Nelson (ADN for Schools) (together, Respondent Candidates), 40th Senate District DFL, and Minnesota DFL State Central Committee (with Respondent Candidates, Respondents) violated Minn. Stat. § 211A.02 (2022) by colluding to launder money in order to circumvent campaign finance regulations, transferring funds among the Respondents, and spending money for campaign purposes without making required disclosures.

The Chief Administrative Law Judge assigned this matter to the undersigned Administrative Law Judge on March 4, 2024. A copy of the complaint was sent by U.S. mail to the Respondents on March 5, 2024. After reviewing the Complaint and attached exhibits, the undersigned Administrative Law Judge has determined that the complaint does not establish a *prima facie* violation of Minn. Stat. § 211A.02

Based upon the Complaint and for the reasons set out in the accompanying Memorandum,

IT IS ORDERED THAT:

The Complaint is **DISMISSED**.

Dated: March 7, 2024


JESSICA A. PALMER-DENIG
Administrative Law Judge

NOTICE

Under Minn. Stat. § 211B.36, subd. 5 (2022), this Order is the final decision in this matter and a party aggrieved by this decision may seek judicial review as provided in Minn. Stat. §§ 14.63-.69 (2022).

MEMORANDUM

I. Background

Respondent Candidates ran for seats on the Mounds View School Board in the general election held on November 7, 2023.¹ The 40th Senate District DFL is a local DFL Basic Political Operating Unit (BPOU), and the Minnesota DFL State Central Committee is engaged in the governance of the Minnesota DFL party.² The Complaint alleges that all six Respondents violated reporting requirements found in Minn. Stat. § 211A.02 by colluding to launder money in order to circumvent campaign finance regulations in connection with Respondent Candidates' campaigns for election to the school board.³

Specifically, the Complaint alleges that Respondent Candidates each made identical contributions of \$1,947.00 to the 40th Senate District DFL, three of which were made on October 17 and one on October 19, 2023.⁴ Respondent Candidates disclosed these disbursements on their pre-general election campaign finance reports filed with Ramsey County.⁵ Complainant notes that the 40th Senate District DFL reported receiving these contributions, but listed them as having been received from the individuals rather than their campaign committees.⁶

The Complaint states that the 40th Senate District DFL contributed \$7,787.00 – one dollar less than those four contributions combined – to the DFL State Central Committee on October 18, 2023.⁷ The Complaint maintains that the DFL State Central Committee reported disbursing \$6,365.30 to a vendor for “Mounds View- Mailer Design, Mailhouse, Postage,” also on October 18, 2023.⁸

Complainant contends that Respondent Candidates laundered campaign funds through the 40th Senate District DFL and DFL State Central Committee, which then spent the funds on behalf of Respondent Candidates.⁹ The Complaint further alleges that the transfers and disbursements of campaign funds were neither timely reported nor reported to the proper filing offices.¹⁰

¹ Complaint at 3.

² *Id.*

³ *Id.* at 2-3.

⁴ *Id.* at 3.

⁵ *Id.*

⁶ *Id.* at 3-4. The 40th Senate District DFL reported the date of three of the contributions as October 17, 2023, while its filings identified one of the contributions as having a date of November 1, 2023. *Id.*

⁷ *Id.* at 4.

⁸ *Id.*

⁹ *Id.* at 5.

¹⁰ *Id.*

II. Standard for Prima Facie Determinations

To establish a prima facie violation of the Fair Campaign Finance Act, a complainant must allege sufficient facts to show that a violation of law has occurred.¹¹ The complaining party must “include evidence or allege facts that, if accepted as true, would be sufficient to prove a violation” of Chapter 211A or 211B (2022).¹²

For purposes of a prima facie determination, this tribunal must accept the facts that are alleged in the Complaint as true, without independent substantiation, provided that those facts are not patently false or inherently incredible.¹³ In determining whether a complaint alleges sufficient facts to state a prima facie case, reasonable inferences must be drawn in the light most favorable to the complainant.¹⁴ A complaint must be dismissed if it does not include evidence or allege facts that, if accepted as true, would be sufficient to prove a violation of law.¹⁵

III. Required Contribution and Disbursement Information – Section 211A.02

The Complaint alleges that Respondents violated Minn. Stat. § 211A.02 in the following ways:

- Respondent Candidates violated Section 211A.02 by “knowingly ‘donating’ \$1,947.00 to the 40th Senate District DFL to help their campaigns and avoid transparency;
- The 40th Senate District DFL violated Section 211A.02 by failing to disclose Respondent Candidates’ contributions and its disbursement of funds to the DFL State Central Committee by making filings with local election officials, and instead reported these transactions to the Minnesota Campaign Finance and Public Disclosure Board (Board) in filings made months after the election;
- The 40th Senate District DFL violated Section 211A.02 by recording Respondent Candidates’ contributions as coming from individuals or lobbyists rather than the campaign committees; and
- The DFL State Central Committee violated Section 211A.02 by failing to report the expenditure of \$6,365.30 in filings with local election officials and instead reported these contributions only to the Board in filings made after the election occurred.¹⁶

Minn. Stat. § 211A.02 governs when and where certain campaign finance reports must be filed, the information required to be listed on campaign finance reports, and

¹¹ Minn. Stat. § 211B.32, subd. 3 (2022).

¹² *Barry v. St. Anthony-New Brighton Indep. Sch. Dist.* 282, 781 N.W.2d 898, 902 (Minn. Ct. App. 2010).

¹³ *Id.*

¹⁴ *Abrahamson v. St. Louis Cnty. Sch. Dist.*, 819 N.W.2d 129, 136 (Minn. 2012).

¹⁵ *Barry*, 781 N.W.2d at 902.

¹⁶ Complaint at 5-6.

electronic reporting and online accessibility of campaign finance reports.¹⁷ Candidates or committees governed by this statute are required to report their total cash on hand and the total amount of contributions and disbursements.¹⁸ Pursuant to Minn. Stat. § 211A.02, subd. 2(5), candidates are also required to report “the amount, date, and purpose for each disbursement” of campaign funds. Furthermore, Minn. Stat. § 211A.02, subd. 2(6), requires candidates to report “the name, address, and employer, or occupation if self-employed,” of any individual or committee that makes contributions that in the aggregate exceed \$100. For these contributors, the candidate must also list the amount and date of each contribution.¹⁹

Complainant’s allegations do not support finding a *prima facie* violation of Minn. Stat. § 211A.02. Complainant acknowledges that Respondent Candidates disclosed the donations to the 40th Senate District DFL in their pre-general election filings with Ramsey County. Although Minn. Stat. § 211A.02 governs the campaign finance reports of Respondent Candidates, the 40th Senate District DFL and DFL State Central Committee are governed by Chapter 10A (2022), not Chapter 211A; the Complaint itself references Complainant’s understanding that the 40th Senate District DFL is an entity governed by Chapter 10A.²⁰ Minn. Stat. § 10A.20 provides the requirements for campaign finance reports filed by the 40th Senate District DFL and DFL State Central Committee, which filings are made to the Board, not local elections officials.

Further, Complainant’s allegations suggest that his claims may fall under the provisions of Chapter 10A. Minn. Stat. § 10A.16 prohibits earmarking, and states: “An individual, political committee, political fund, principal campaign committee, or party unit may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate other than the initial recipient.” Minn. Stat. §§ 10A.175-.176 relate to coordinated expenditures. Under Minn. Stat. § 10A.175, subd. 4, “coordinated” means something done 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.” Coordinated expenditures include those “made after the spender receives from the candidate information that is not publicly available regarding the candidate’s campaign plans, strategy or needs” and expenditures made with the candidate’s participation in “budgeting decisions, media design, acquisition of graphics and text, production, and distribution of the final product” or “any decision regarding the content, timing, location, intended audience, volume of distribution, or frequency of the expenditure.”²¹

¹⁷ Minn. Stat. § 211A.02.

¹⁸ *Id.*, subd. 2(3)-(4).

¹⁹ *Id.*, subd. 2(6).

²⁰ See Complaint at 3 (acknowledging that the 40th Senate District DFL is under the jurisdiction of Chapter 10A and stating “[t]his appears to be a coordinated attempt to circumvent campaign finance regulations by having a 10A committee spend money on behalf of their campaigns without reporting it to the voters.”).

²¹ Minn. Stat. § 10A.176, subds. 5, 7.

The Office of Administrative Hearings does not have jurisdiction to adjudicate claims that arise under, or relate to filings required by, Chapter 10A.²² Rather that jurisdiction lies with the Board, and any complaint related to these claims should be made to that agency, not the Office of Administrative Hearings.²³

IV. Conclusion

Complainant acknowledges that Respondent Candidates disclosed their contributions in filings made with local election officials. Therefore, Complainant has not established a *prima facie* violation of Minn. Stat. § 211A.02 against those parties. The Office of Administrative Hearings lacks jurisdiction to adjudicate the remainder of Complainant's claims. Therefore, the Complaint is **DISMISSED**.

J. P. D.

²² See Minn. Stat. §§ 211B.31-.32 (establishing the Office of Administrative Hearing's jurisdiction over complaints of unfair campaign practices alleging violations of Chapter 211A and 211B).

²³ Minn. Stat. § 10A.022, subd. 3 (granting jurisdiction to the Board to investigate and adjudicate violations of Chapter 10A); *see also* Minn. Stat. § 211B.32, subd. 1(b) ("Complaints arising under those sections and related to those individuals and associations specified in section 10A.022, subdivision 3, must be filed with the Campaign Finance and Public Disclosure Board.").