

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

David Weinlick, Minneapolis
DFL Party,

PROBABLE CAUSE
ORDER

Complainant,
vs.

Natalie Johnson Lee Campaign,

Respondent.

The above-entitled matter came on for a probable cause hearing as provided by Minn. Stat. § 211B.34, before Administrative Law Judge Kathleen D. Sheehy on November 7, 2005, to consider a complaint filed by David Weinlick and the Minneapolis DFL Party on November 2, 2005.

Gregory A. Abbott, Esq., 4601 Excelsior Blvd., Suite 407, Minneapolis, MN 55416, participated on behalf of David Weinlick and the Minneapolis DFL Party.

Natalie Johnson Lee and Kimberly Spates, 1700 Oliver Avenue North, Minneapolis, MN 55411, participated on behalf of the Natalie Johnson Lee Campaign.

Based upon the record and all of the proceedings in this matter, including the Memorandum incorporated herein, the Administrative Law Judge finds that there is probable cause to believe that the Natalie Johnson Lee Campaign violated Minnesota Statute § 211B.15, subd. 2, by accepting campaign contributions from three corporations.

ORDER

IT IS HEREBY ORDERED:

1. That there is probable cause to believe that the Natalie Johnson Lee Campaign violated Minnesota Statute § 211B.15, subd. 2 by accepting campaign contributions from three corporations.

2. That this matter is referred to the Chief Administrative Law Judge for assignment to a panel of three administrative law judges pursuant to Minnesota Statute § 211B.35.

Dated: November 8, 2005

/s/ Kathleen D. Sheehy
KATHLEEN D. SHEEHY
Administrative Law Judge

MEMORANDUM

Natalie Johnson Lee is a candidate for the Minneapolis City Council in the Fifth Ward. The Minneapolis DFL Party has filed a complaint alleging that the Natalie Johnson Lee Campaign ("Respondent") received contributions from three corporations, in violation of Minn. Stat. § 211B.15, subd. 2, as follows:

- May 26, 2005 – Yendor Corp, d/b/a Augies, 424 Hennepin Avenue South, Minneapolis, MN 55401, in the amount of \$300
- May 26, 2005 – Farmers Market Annex of Minneapolis, LLC, 200 East Lyndale Avenue North, Minneapolis, MN 55411, in the amount of \$200
- June 8, 2005 – On Track for Life, Inc., 1190 – 102nd Street East, Inver Grove Heights, MN 55077, in the amount of \$100

The Complainant attached a copy of the Johnson Lee Campaign Finance Report, signed by Treasurer Kimberly Spates and dated September 12, 2005, which lists the three contributions above.^[1]

Ms. Johnson Lee testified that the three donations were made at a fundraiser. Kimberly Spates, who was new to the Treasurer position, mistakenly accepted and deposited the checks, which were properly reported on the Johnson Lee Campaign Finance Report dated September 12, 2005. In mid-October, the Johnson Lee Campaign discovered that it had accepted three corporate donations. By October 23 or 24, 2005, the Johnson Lee Campaign issued checks to the donors refunding the donations in their entirety. The Campaign's latest finance report, dated November 1, 2005, reflects the return of those corporate donations.

Mr. Weinlick has seen the Johnson Lee Campaign's November 1, 2005, filing, and he does not dispute that the three donations were refunded before he filed this complaint. The Minneapolis DFL Party is not seeking a civil penalty against the Johnson Lee Campaign, only a finding that a violation of Minn. Stat. § 211B.15, subd. 2 has occurred.

Minn. Stat. § 211B.15, subd. 2 provides as follows:

Prohibited contributions. A corporation may not make a contribution or offer or agree to make a contribution, directly or indirectly, of any money, property, free service of its officers, employees, or members, or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate to a political office that 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, a candidate or committee established to support or oppose a candidate.

Minn. Stat. § 211B.15, subd. 1, defines “corporation” for the purposes of the Fair Campaign Practices Act as (1) a corporation organized for profit that does business in this state; (2) a nonprofit corporation that carries out activities in this state; or (3) a limited liability company that does business in this state.

The purpose of a probable cause hearing is to determine whether there are sufficient facts in the record to believe that a violation of law has occurred as alleged in the complaint.^[2] The material facts in this case are not in dispute. The Johnson Lee Campaign accepted three corporate contributions, and although the contributions were later refunded, the checks were accepted and cashed before the mistake was caught. The fact that the funds were returned before the complaint was filed supports the campaign’s testimony that the error was inadvertent and unintentional; but there is, nonetheless, probable cause to believe that a technical violation of section 211B.15, subd. 2 occurred. This matter will be referred to the Chief Administrative Law Judge for assignment to a panel of three administrative law judges.

K.D.S.

^[1] Ex. 1.

^[2] Minn. Stat. § 211B.34, subd. 2.