STATE OF MINNESOTA
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

CONCILIATION AGREEMENT

In the matter of the Citizens for (Paul) Rosenthal committee (16469);

Pursuant to Minnesota Statutes section 10A.28, subdivision 3, the Campaign Finance and Public Disclosure Board and Representative Paul Rosenthal (the Candidate) agree as follows:

1. The Citizens for Rosenthal committee (the Committee) is the principal campaign committee of Representative Paul Rosenthal. On its 2013 amended year-end Report of Receipts and Expenditures and its 2014 year-end Report of Receipts and Expenditures, the Committee reported that it had made $63,853.99 in total expenditures during the two year period. The Candidate signed a public subsidy agreement on November 7, 2013, covering the 2013-2014 election segment and subjecting the Committee to a spending limit over the same period. The 2013-2014 election segment spending limit for a state representative candidate is $62,600, and therefore the Committee's expenditures exceed the spending limit by $1,253.99.

2. In a letter to the Board dated February 15, 2015, the Committee's treasurer confirmed that the Committee had exceeded the 2013-2014 election segment spending limit. The treasurer explained that the issue arose after "campaign workers had ordered more campaign literature than the campaign could accommodate within the remaining spending limit." The treasurer stated that the Committee became aware of the violation prior to distributing the literature, immediately contacted Board staff to see guidance and, although it could not rectify the issue after the materials had been purchased, the Committee chose to discard the literature.

3. In a letter to the Board dated March 10, 2015, the Committee's treasurer explained that "it [was] not clear exactly who ordered the excess campaign literature[.]" The Candidate believes that the literature must have been purchased by one of three individuals, including himself. In this letter the treasurer also explained that the Committee discarded the literature by requesting that the mail house not distribute the literature. After the election, the literature was picked up, taken to the office of the Senate District 49 Democrats, and deposited in a bin for recyclable paper.

4. Board records show that this is the first instance in which the Committee reported expenditures that exceeded the spending limits or was found to have made expenditures that were not authorized by the Committee's treasurer. The Committee registered with the Board on May 9, 2006.

5. The parties agree that the Committee made excessive expenditures, resulting in a violation of Minnesota Statutes section 10A.25, subdivision 2(a)(5), in the 2013-2014 election segment, and expended money without the authorization of the Committee's treasurer, resulting in a violation of Minnesota Statutes section 10A.17, subdivision 1.

6. The Candidate agrees that the Board's acceptance of this agreement constitutes the imposition of a civil penalty in the amount of $1,253.99 against the Candidate for making expenditures in excess of the limit imposed by Minnesota Statutes section 10A.25, subdivision 2(a)(5). The penalty is, by the terms of this agreement, stayed until January 1, 2017. If the Candidate violates Minnesota Statutes section 10A.25, subdivision 2(a)(5) before January 1,

2017, the civil penalty is due immediately. If the Candidate does not violate Minnesota Statutes 10A.25, subdivision 2(a)(5) before January 1, 2017, the civil penalty is waived.

7. If the Candidate does not comply with the provisions of this agreement, this matter may be reopened by the Board and the Board may take such actions as it deems appropriate.

Dated: 4/21/15

Representative Paul Rosenthal

Dated: 4/15/15

Gary Goldsmith, Executive Director
Campaign Finance and Public Disclosure Board

Agreement approved by Board at meeting of April 15, 2015

George A. Beck, Chair
Campaign Finance and Public Disclosure Board