STATE OF MINNESOTA

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

CONCILIATION

AGREEMENT

In the matter of the Volunteers for (Kurt) Zellers Committee (#15969);

Pursuant to Minn. Stat. §10A.28, subd. 3, the Campaign Finance and Public Disclosure Board and Representative Kurt Zellers (hereinafter referred to as "the Candidate") hereby agree as follows:

1. During 2004, the Volunteers for (Kurt) Zellers Committee ("the Committee") accepted $6,400 in contributions from special sources. These sources include registered lobbyists from whom the Committee accepted $200, and political committees or political funds from which the Committee accepted $6,200. The total amount of these contributions exceeded by $700 the applicable limit on aggregate contributions from special sources, which for this candidate was $5,700. The Committee has already entered into an agreement for exceeding the limit by $200. The amount of $500 in excess contributions was not returned within 60 days as required by Minn. Stat. §10A.15, subd. 3.

2. A routine reconciliation audit found a discrepancy in the 2004 Report of Receipts and Expenditures of an undisclosed contribution of $500. The committee giving the contribution was notified and responded that the check was cashed. A copy of the check was provided to the Board. The Candidate and Michelle Bassett, treasurer, were notified by letter of the discrepancy.

3. Board records show that this is the first calendar year in which the Committee reported acceptance of contributions that exceeded the applicable aggregate contribution limit. The Committee registered with the Board on January 24, 2003.

4. The parties agree that the Committee accepted excessive contributions from special sources resulting in an inadvertent violation of Minn. Stat. §10A. 27, subd. 11, in calendar year 2004.

5. The Candidate hereby agrees to return $500 to political committees or political funds that contributed to his campaign in calendar year 2004. Copies of the check(s) and the accompanying letter(s) returning the excess amount must be forwarded to the Board within 30 days after the date this Conciliation Agreement is signed by the Board chair.

6. The Board imposes a civil penalty of $500, one times the amount by which the contributions exceeded the applicable limit, to be paid to the Board for deposit in the general fund of the state.

7. The Candidate hereby agrees to forward to the Board $500 by check or money order payable to the STATE OF MINNESOTA within 30 days after the date this Agreement is signed by the Board chair. It is agreed by the parties that payment of the civil penalty of $500, and this Conciliation Agreement will be a bar to any civil proceeding under Minn. Stat. §10A.28, subds. 3 & 4.

8. It is further understood and agreed, however, that if the civil penalty of $500 is not paid within the time specified in paragraph 7 above, then the Candidate will be personally liable to pay a civil penalty, under Minn. Stat. §§10A.28 and 10A.34, subd. 1, in an amount calculated as follows:

(a) $1,000 or two times the amount by which the contributions exceeded the statutory limit, if payment is received 31 to 60 days after the date this Agreement is signed by the Board Chair;

(b) $1,500 or three times the amount by which the contributions exceeded the statutory limit, if payment is received 61 to 90 days after the date this Agreement is signed by the Board Chair;

(c) $2,000 or four times the amount by which the contributions exceeded the statutory limit, if payment is received 91 to 120 days after the date this Agreement is signed by the Board Chair.

8. It is further understood and agreed that this Agreement is confidential until signed by the Candidate and the Board Chair; the signed Agreement then shall become a matter of public record, and the statutory requirement of confidentiality shall no longer apply. Minn. Stat. §§10A.02, subd. 11 and 10A.28, subd. 3.

Kurt P. Zellers

Dated: January 4, 2005

Representative Kurt Zellers

Approved by the Campaign Finance and Public Disclosure Board

By Terri Ashmore

Dated: 1-27-06

Terri Ashmore, ~~chair~~ former chair

Campaign Finance and Public Disclosure Board