

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

FINDINGS AND ORDER IN THE MATTER OF THE MILLE LACS BAND OF OJIBWE

Summary of the Facts

Minnesota Statutes, Section 10A.27, subdivision 13(b), prohibits an association that is not registered with the Campaign Finance and Public Disclosure Board (“the Board”) from making a contribution in excess of \$100 to a candidate, political party unit, or political committee that is registered with the Board unless, at the time the contribution was made, the unregistered association provides the recipient with disclosure of the unregistered association’s receipts and expenditures in the form specified by statute. An unregistered association that fails to provide the appropriate disclosure with the contribution is subject to a civil penalty of up to \$1,000.

During a routine reconciliation of the contributions made and received as reported on the 2007 year-end Report of Receipts and Expenditures the Board contacted the 8th Congressional District DFL political party unit (“the Congressional District”) about an apparent discrepancy. The Congressional District reported a \$500 contribution which is listed in the committee name section of the report as coming from the Mille Lacs Band of Ojibwe. In the donor committee registration number section of the report, the Congressional District listed the registration number of the Mah-Mah-Wi-No-Min Fund I, a registered political committee. The Mah-Mah-Wi-No-Min Fund I did not report making a contribution to the Congressional District.

The Congressional District provided the Board with a copy of the check used to make the contribution. The check used to make the contribution was written from the Mille Lacs Band of Ojibwe account. The Mille Lacs Band of Ojibwe is a Minnesota Indian Tribe. The Mah-Mah-Wi-No-Min Fund I is the political committee established by the Tribe. Historically, the Board has recognized the unique nature of Indian Tribes and has modified the disclosure requirements for Tribes under Minnesota Statutes, Section 10A.27, subdivision 13(b). However, from the Board’s perspective, Tribes are required to provide certain disclosure when making contributions to political committees, funds, or party units registered with the Board when those contributions are made directly from Tribal funds rather than through the Tribe’s registered political committee.

In a letter dated May 27, 2008, Reid LeBeau, on behalf of the Mille Lacs Band of Ojibwe, stated that the check was issued by the Mille Lacs Band of Ojibwe on the premise that it would be used only for federal election purposes. Mr. LeBeau provided additional information in a letter dated June 23, 2008. He states, “Under Federal law, Indian tribes are treated as persons when making federal election contributions, which obviates the need for a federal political action committee. ...Therefore, when tribes make contributions for federal election purposes it comes from the tribe itself and not a political committee.” Mr. LeBeau further states “We believe that the Eighth Congressional District DFL has in the past operated a federal account and we were under the impression that it was currently in existence.”

An Affidavit of Tadd Johnson, Government Affairs Director and Special Counsel of the Mille Lacs Band of Ojibwe, was provided on June 23, 2008. The statement describes his recollection of the events at the time the contribution was solicited and made. Mr. Johnson acknowledges that the contribution to the 8th Congressional District DFL was for the purchase of tickets to a fundraising event. However, he states that it was his intention and understanding that the contribution was going to a federally registered political committee of the Congressional District. Board staff contacted DFL party officials and were informed that at some point in the past, the 8th Congressional District DFL party unit did have a registered federal political committee. Staff

examination of Federal Elections Commission records indicate that any such registration would have ended prior to 1999.

This matter was considered by the Board in executive session at its meeting on August 19, 2008. The Board's decision was based upon correspondence from, Mr. LeBeau, the 8th Congressional District DFL, and Board records.

Based on the above Summary of the Facts and the Relevant Statute, the Board makes the following:

Findings Concerning Probable Cause

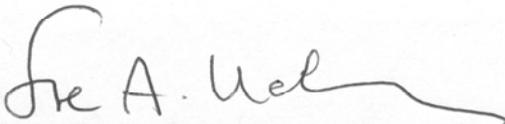
1. There is probable cause to believe that the Mille Lacs Band of Ojibwe, an association not registered with the Campaign Finance and Public Disclosure Board, contributed to the 8th Congressional District DFL political party unit without providing the disclosure required in Minnesota Statutes, Section 10A.27, subdivision 13.
2. There is no probable cause to believe that this violation was intentional or done with the intent to circumvent the requirements of Minnesota Statutes, Chapter 10A.

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

ORDER

1. The Board imposes a civil penalty of \$400, one times the amount of the contribution over \$100, on the Mille Lacs Band of Ojibwe for making a contribution to a political party unit without the disclosure required by Minnesota Statutes, section 10A.27, subdivision 13.
2. The Mille Lacs Band of Ojibwe is directed to forward to the Board payment of the civil penalty, by check or money order payable to the State of Minnesota, within 30 days of receipt of this order.
3. If the Mille Lacs Band of Ojibwe does not comply with the provisions of this order, the Board's Executive Director may request that the Attorney General bring an action on behalf of the Board for the remedies available under Minnesota Statutes, section 10A.34.
4. The Board investigation of this matter is hereby made a part of the public records of the Board pursuant to Minnesota Statutes, section 10A.02, subdivision 11, and upon payment by the civil penalty imposed herein, this matter is concluded.

Dated: August 19, 2008



Sven A. Wehrwein, Chair
Campaign Finance and Public Disclosure Board

Relevant Statute

Minnesota Statutes, section 10A.27, subdivision 13. Unregistered association limit; statement; penalty. (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$100 from an association not registered under this chapter unless the contribution is accompanied by a written statement that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the board. This subdivision does not apply when a national political party contributes money to its affiliate in this state.

(b) An unregistered association may provide the written statement required by this subdivision to no more than three committees, funds, or party units in a calendar year. Each statement must cover at least the 30 days immediately preceding and including the date on which the contribution was made. An unregistered association or an officer of it is subject to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

- (1) fails to provide a written statement as required by this subdivision; or
- (2) fails to register after giving the written statement required by this subdivision to more than three committees, funds, or party units in a calendar year.