

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

**CONCILIATION**  
**AGREEMENT**

In the matter of the Jerry Newton Committee (#16753);

Pursuant to Minnesota Statutes, section 10A.28, subdivision 3, the Campaign Finance and Public Disclosure Board (“the Board”) and Jerry Newton (hereinafter referred to as “the Candidate”) hereby agree as follows:

1. The Jerry Newton Committee (“the Committee”) is the principal campaign committee of Jerry Newton. During 2010, the Committee accepted \$6,800 in contributions from special sources. These sources include large givers from whom the Committee accepted \$300, registered lobbyists from whom the Committee accepted \$650, and political committees or political funds from which the Committee accepted \$5,850. The total amount of these contributions exceeded by \$300 the applicable limit on aggregate contributions from special sources, which for a state representative candidate was \$6,500. The \$300 in excess contributions was not returned within 60 days, and thus, is deemed accepted under Minnesota Statutes, section 10A.15, subdivision 3.
  
2. In correspondence received August 22, 2011, Jerry Newton acknowledged that the committee exceeded the special source limit and explained that the violation occurred because a

contribution from a large giver was mistakenly believed to be from two individuals when the contribution was accepted. Based on this statement from the candidate the Board voted to offer a conciliation agreement to Mr. Newton at the September 6, 2011, meeting. The terms of the conciliation agreement required the Committee to return a sufficient amount to a special source contributor to bring the Committee into compliance with the \$6,500 limit, and for the Committee to pay a civil penalty of \$300, which is one times the amount the committee exceeded the limit in 2010.

Mr. Newton returned the conciliation agreement to the Board on October 3, 2011. Mr. Newton wrote on the agreement that he believed that the civil penalty should be \$50, rather than the \$300 offered by the Board. On October 24, 2011, Mr. Newton formalized his counter proposal in an e-mail to Board staff, and proposed to return an amount sufficient to clear the violation and to pay a civil penalty of \$50. After discussions with Board staff regarding the strong Board precedent of requiring a civil penalty of one times the amount by which the committee exceeded the limit for a special source violation, Mr. Newton submitted a second counter offer on October 25, 2011.

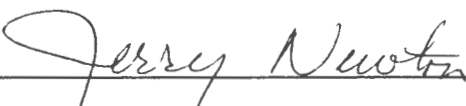
In the second counter offer Mr. Newton states, "I have a balance of \$154.37 in my campaign account, after returning the...excess donation...as per instructions of the Board. Unless there is a major change, I do not plan on running again for the Minnesota State Legislature. ...With that being said, I would like to propose that the fine be reduced from the \$300 previously levied to an amount equal to the remaining balance in my campaign account: \$154.37. This will effectively close out my account." Based on conversations with staff it is the Board's understanding that Mr. Newton proposes that he will terminate his committee's registration as a condition of this agreement.

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 April 4, 2008.
  
4. The parties agree that the Committee accepted excessive contributions from special sources resulting in an inadvertent violation of Minnesota Statutes, section 10A. 27, subdivision 11, in calendar year 2010.
  
5. The Candidate hereby agrees to provide the Board with a copy of the check and the accompanying letter returning the excess amount must be provided to the Board within 30 days after the date this agreement is signed by both parties.
  
6. The Board agrees to accept the Candidate's proposal to pay a reduced civil penalty of \$154.37, on the condition that the Committee terminates its registration with the Board, and that if Mr. Newton registers a principal campaign committee with the Board within four years from the date the agreement is signed by the candidate, that committee will be responsible to pay the remaining \$145.63 in civil penalty to the Board within 30 days of the date of registration.
  
7. The Committee hereby agrees to forward to the Board \$154.37 by check or money order payable to the State of Minnesota within 30 days after the date this Agreement is signed by both parties. During the 30 day period the Committee must also provide a copy of the check used to return the excess amount, close its bank account, and submit a termination report with the Board. It is agreed by the parties that payment of the civil penalty of \$154.37, the copy of the check used to return the excess amount, the termination of the Committee, and this Conciliation Agreement

will be a bar to any civil proceeding under Minnesota Statutes, section 10A.28, subdivisions 3 and 4.

8. It is further understood and agreed, however, that failure to pay the civil penalty of \$154.37, provide a copy of the check that cleared the violation, and terminate the Committee within the time specified in paragraph 7 above is a violation of the terms of this conciliation agreement and the Board may declare this agreement to be null and void and may take further action to resolve this matter.

9. It is further understood and agreed that this Agreement is confidential until signed by the Candidate and the Board Chair. Once signed, the Agreement shall become a matter of public record, and the statutory requirement of confidentiality shall no longer apply. Minnesota Statutes, section 10A.02, subdivision 11 and section 10A.28, subdivision 3.

  
\_\_\_\_\_ Dated: 11 Nov 11  
Jerry Newton

Approved by the Campaign Finance and Public Disclosure Board

By   
\_\_\_\_\_ Dated: November 1, 2011  
John Scanlon, Chair

Campaign Finance and Public Disclosure Board