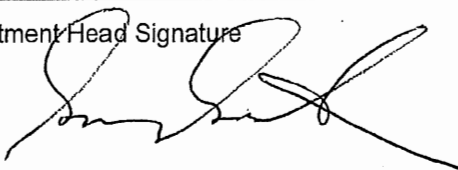




Legislative Advisory Commission Request Form Non Federal (7260-01)

400 Centennial Building, 658 Cedar Street, Saint Paul, Minnesota 55155

NOTE: See instructions on reverse side before filling out this form.

Department, Agency, Program/Activity Campaign Finance and Public Disclosure Board				Date October 13, 2015	
Title of Request Attorney's fee payment in U.S. Federal District litigation of Seaton v. Wiener				Amount Requested \$102,436.55	
FY 2016	Fund 1000	From Appr FinDeptID G9R13002	Appr ID G9R0007	Appr Name General Contingent Account	
Legal Reference (Must be completed)	Laws 15	Chapter 077	Section 01	Subdivision 030	
FY 2016	Fund 1000	To Appr FinDeptID G9J10000	Appr ID G9J1CFB	Appr Name Campaign Finance Board	
Legal Reference (Must be completed)	Laws 15	Chapter 077	Section 01	Subdivision 007	
Type of Request (check one) <input checked="" type="checkbox"/> Emergency Request <input type="checkbox"/> Other LAC Action					
Brief Summary of Request: Summary must be complete on this page with supporting information attached if necessary. The Campaign Finance Board requests \$102,436.55 for transfer from the General Contingent Account to the Campaign Finance Board's operating appropriation to settle current litigation. Plaintiffs Seaton, et. al., sued the Board seeking an order enjoining the Board from enforcing a portion of Minnesota's Campaign Finance and Public Disclosure Act on the basis that the provision was an unconstitutional infringement on their First Amendment right to freedom of speech. The challenge was specifically to the inclusion of "large contributors" in an aggregate limit on campaign contributions from specified types of donors. The Court agreed with plaintiffs and issued a temporary injunction. However, before the conclusion of the litigation, the legislature amended the statute to remove large contributors from the limit, thus making the lawsuit moot. Nevertheless, plaintiffs are considered the "prevailing party" in the matter because of their success in getting the temporary injunction. In First Amendment cases, the prevailing party is entitled to recover attorney's fees from the losing party.					
Nature of the Urgency: In order to encourage settlement, plaintiffs' first demand for attorneys fees and costs was \$141,629.05. The agency and its Assistant Attorney General negotiated a tentative settlement of the fee claim for \$100,000 in fees and \$2,436.55 in costs. However, if the state does not accept this settlement or delays in its acceptance or payment, the agreement can be withdrawn and the plaintiffs can proceed to sue the state again, this time to obtain a judgment for attorney's fees. In litigation, plaintiffs will seek more than the tentative settlement amount and, in fact, more than their initial settlement demand. Additionally, if the state litigates the fees and loses, plaintiffs may be entitled to additional fees for the attorney fee litigation itself.					
Alternatives Considered: 1. Payment out of the agency's operating budget. This alternative was rejected because it would require the layoff of more than one full-time employee and significantly affect the agency's ability to conduct ongoing operations and projects. 2. Proceed to litigation of the fees. Agency analysis of the fee claim based on itemized time records led the agency to conclude that the uncertainty of litigation, the costs to the agency and the Office of the Attorney General in resource use, and the chance of ending with a significantly higher judgment against the state made settlement the more responsible approach. Plaintiffs have informed the agency's attorney that their claim for fees, should litigation be required, will be in the \$160,000 range. 3. Wait and present the matter to the legislature. This option was considered, but given the fact that the legislature does not meet until March and the session will be a short one, the agency concluded that seeking payment through the Contingency Account was the best approach since it eliminated the chance that Plaintiffs would proceed to litigation of the fees.					
Department Head Signature 				Date October 13, 2015	

UNITED STATES DISTRICT COURT

DISTRICT OF MINNESOTA

Douglas P. Seaton, Van L. Carlson, Linda
C. Runbeck, and Scott M. Dutcher,

Civil File No. 0:14-CV-01016 DWF/JSM

Plaintiffs,

vs.

Deanna Wiener, George Beck, Ed
Oliver, Neil Peterson, Daniel Rosen, and
Christian Sande, in their official
capacities as Chair and members of the
Minnesota Campaign Finance and Public
Disclosure Board, and Tony Palumbo
and Chad Larson, in their official
capacities as county attorneys for Anoka
and Douglas Counties,

**SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Defendants.

WHEREAS, on May 19, 2014, United States District Court, Judge Donovan W. Frank, issued an order preliminarily enjoining Defendants during the pendency of this case from applying Minn. Stat. § 10A.27, subd. 11 (Supp. 2013) to “large contributors,” which is defined as “an individual, other than the candidate, who contributes an amount that is more than one-half the amount an individual may contribute during the election cycle segment”;

WHEREAS, in May 2015, while this case was still pending, the Minnesota Legislature passed, and Governor Mark Dayton signed into law, an act removing large contributors from the special source limit in Minn. Stat. § 10A.27, subd. 11, thereby rendering the case moot, 2015 Minn. Laws ch. 73, § 15;

WHEREAS, on May 29, 2015, the Court dismissed this case based upon the Stipulation for Dismissal filed by the parties;

WHEREAS, the parties' stipulation was made without prejudice to any motions for attorneys' fees or costs; and

WHEREAS, the parties have resolved Plaintiffs' claim for attorney's fees, costs, disbursements, and expenses;

NOW THEREFORE, the parties, by and through their undersigned counsel, hereby agree as follows:

1. In exchange for this Agreement and in full and final settlement, compromise and release of all of Plaintiffs' claims against Defendants for attorneys' fees, costs, disbursements, and expenses, the Minnesota Campaign Finance and Public Disclosure Board agrees to pay the total sum of One Hundred and Two Thousand Four Hundred Thirty-Six Dollars and Fifty-Five Cents (\$102,436.55). Plaintiffs agree to accept this payment in full settlement of all of their claims as set forth herein.

2. The Institute for Justice will register as a State of Minnesota vendor to enable payment. The Minnesota Campaign Finance and Public Disclosure Board will provide instructions and assistance in registering. Payment shall be made in full by direct deposit to the account of The Institute for Justice, 901 N. Glebe Rd., Suite 900, Arlington, Virginia 22203 on or before November 30, 2015. A 1099 tax form will be issued with regard to this payment.

3. This agreement is contingent upon the authorization by Governor Mark Dayton under Minn. Stat. § 3.30 to use One Hundred and Two Thousand Four Hundred

Thirty-Six Dollars and Fifty-Five Cents (\$102,436.55) from the state contingent account for this purpose. If the funds are not authorized on or before November 30, 2015, this entire agreement is void.

4. In consideration for the payment described above, and in exchange for the promises herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Plaintiffs, for themselves and their representatives, agents, attorneys, successors and assigns, completely release and forever discharge the Minnesota Campaign Finance and Public Disclosure Board, Anoka County, Anoka County Attorney Tony Palumbo, Douglas County, and Douglas County Attorney Chad Larson, and all of their respective present and former officers, agents, representatives, employees, attorneys, insurers, predecessors and successors in interest, and assigns, in their official and individual capacities, from each and every legal claim or demand of any kind that Plaintiffs ever had or might now have against Defendants for attorney's fees, costs, disbursements and expenses incurred by Plaintiffs or any of their attorneys, arising out of or relating to the above-referenced matter.

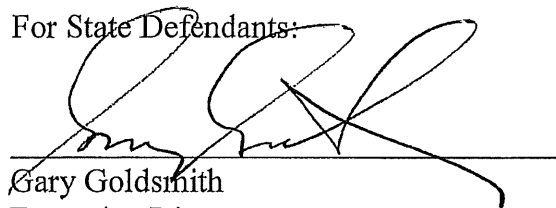
5. The parties agree that this Agreement constitutes the entire agreement between them and no modification of this Agreement and/or other promises or agreements shall be binding unless in writing and signed by all the parties.

6. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

7. Plaintiffs agree that they have read this Agreement, know its contents and have signed it as a free and voluntary act having had adequate opportunity to consider its terms and conditions.

All the signatories hereto represent and agree that they are authorized to sign this Agreement.

Dated: October 7, 2015 For State Defendants:



Gary Goldsmith
Executive Director
Minnesota Campaign Finance and Public
Disclosure Board

Dated: _____, 2015 For Plaintiffs:

ANTHONY B. SANDERS (#0387307)
Institute for Justice
520 Nicollet Mall, Suite 550
Minneapolis, Minnesota 55402
Phone: (612) 435-5875
asanders@ij.org

Dated: October 7, 2015 For Defendants Tony Palumbo and Chad Larson:

A handwritten signature in black ink, appearing to read 'A. Jackola', is written over a horizontal line.

Andrew T. Jackola (#344072)
Anoka County Attorney's Office
2100 Third Avenue, Suite 720
Anoka, MN 55303
Phone: (763) 323-5670
andrew.jackola@co.anoka.mn.us

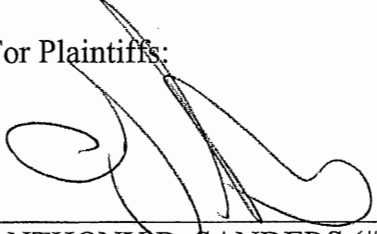
7. Plaintiffs agree that they have read this Agreement, know its contents and have signed it as a free and voluntary act having had adequate opportunity to consider its terms and conditions.

All the signatories hereto represent and agree that they are authorized to sign this Agreement.

Dated: _____, 2015 For State Defendants:

Gary Goldsmith
Executive Director
Minnesota Campaign Finance and Public
Disclosure Board

Dated: 10 / 7, 2015 For Plaintiffs:



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Institute for Justice
520 Nicollet Mall, Suite 550
Minneapolis, Minnesota 55402
Phone: (612) 435-5875
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