

## COMPLAINT FOR VIOLATION OF THE CAMPAIGN FINANCE AND PUBLIC DISCLOSURE ACT

All information on this form is confidential until a decision is issued by the Board.  
A photocopy of the entire complaint, however, will be sent to the respondent.

### Information about complaint filer

Name of complaint filer	Adam Strauss		
Address	6337 Penn Avenue South		
City, state, zip	Minneapolis, MN 55423	Daytime telephone no.	(651) 505-3335

### Identify person/entity you are complaining about

Name of person/entity being complained about	Kurt Daudt
Address	100 Rev. Dr. Martin Luther King, Jr. Blvd
City, state, zip	Saint Paul, MN 55155
Title of respondent (if applicable)	Speaker of the House of Representatives
Board/Department/Agency/District # (if legislator)	District 31A

\_\_\_\_\_  
Signature of person filing complaint

\_\_\_\_\_  
Date

3/10/16

Send completed form to: Campaign Finance & Public Disclosure Board  
Suite 190, Centennial Building  
658 Cedar Street  
St. Paul, MN 55155

If you have questions call: 651-539-1190; 800-657-3889; or  
for TTY/TDD communication contact us through the Minn. Relay Service at 800-627-3529  
Board staff may also be reached by e-mail at: cf.board@state.mn.us.

This document is available in alternative formats to individuals with disabilities by calling 651-539-1180; 800-657-3889; or through the Minnesota Relay Service at 800-627-3529.



## EXHIBIT A

On March 8, 2016, an investigative report airing on Minnesota Public Radio revealed that the Speaker of the Minnesota House of Representatives, Kurt Daudt, was a defendant in three separate lawsuits relating to personal, unpaid credit card debts. (See attached, Exhibit 1). The lawsuits were resolved under an undisclosed settlement agreement, dismissed with prejudice, and vacated from the courts records. Attorney and lobbyist, Rondell Reid LaBeau II, defended Speaker Daudt in these lawsuits.

Speaker Daudt has not provided evidence that he paid Mr. LaBeau's full market rate for his legal defense services. In fact, initially Daudt's spokeswoman "pointed to campaign finance forms showing the House Republican Campaign Committee, the main campaign arm for the House GOP, paid attorney Reid LeBeau nearly \$21,000 last year." (See attached, Exhibit 2). If Speaker Daudt did not personally pay Mr. Labeau's full market rate for his legal services, both Speaker Daudt and Mr. Labeau violated Minnesota's ban on gifts from a lobbyist to a legislator. (See Minn. Stat. § 10A.071, Subd. 2).

Kurt Daudt is an "official" as defined by Minn. Stat. § 10A.071, Subd. 1(c).

Rondell ("Ron") Reid Labeau II is a "lobbyist" as defined by Minn. Stat. § 10.01, Subd. 21. He is a partner at Jacobson Magnuson Anderson & Halloran PC.

Under Minn. Stat. § 10A.071, Subd. 2, "[a] lobbyist or principal may not give a gift or request another to give a gift to an official. An official may not accept a gift from a lobbyist or principal."

I am requesting the Minnesota Campaign Finance and Public Disclosure Board investigate this matter.

## House Speaker Daudt sued by debt collectors, was tardy on taxes

Brian Bakst · St. Paul · Mar 8, 2016

Politics



House Speaker Kurt Daudt speaks to legislators during the special session at the State Office Building June 12, 2015. *Jeffrey Thompson | MPR News 2015*

### LISTEN Brian Bakst interview and reaction from Kurt Daudt

6min 3sec ([http://www.mprnews.org/listen?name=/minnesota/news/features/2016/03/08/daudt\\_debt\\_20160308\\_64.mp3](http://www.mprnews.org/listen?name=/minnesota/news/features/2016/03/08/daudt_debt_20160308_64.mp3))

Updated: 9:15 a.m. | Posted: 4 a.m.

Debt collectors sued Minnesota House Speaker Kurt Daudt three times in the past year over thousands of dollars in credit card charges, and he also was late paying taxes for land he owns, MPR News has discovered through public court and property records.

One of the debt cases was due for a court hearing Monday, the day before the Legislature was set to start its election-year session. But the sides worked out a settlement (<https://www.documentcloud.org/documents/2752883-Stipulation-for-Dismissal-Without-Prejudice.html>). Daudt's lawyer, who was present at the courthouse, refused to disclose details of the settlement.

Meanwhile, Daudt incurred penalties for not paying 2015 taxes on the Isanti County property where he lives, and paid the

money he owed only after learning MPR News was working on a story.

Approached Monday outside a pre-session fundraiser at a Roseville country club, Daudt agreed to an interview about his finances later in the day at his Capitol-area office. Hours later, an aide said Daudt had changed his mind and would issue a prepared statement.

"Like many Minnesotans who struggled as a result of the recession, I lost my job and faced credit card debt," Daudt said in the statement. "This issue is now resolved and there is no outstanding debt. When I stand up for middle-class families who are feeling squeezed, it is not a talking point, it is real life."



Kurt Daudt, as newly elected Speaker of the House, is interviewed following the opening day of the session Jan. 6, 2015. *Jeffrey Thompson | MPR News 2015*

The situation reveals a paradox for Minnesota's highest-ranking Republican: He often rails against a state government for struggling to "live within our means" while failing to do so personally. And it subjects him to scrutiny over whether he's received special treatment because of his political position.

The other two lawsuits took abrupt turns last spring after default judgments were entered against Daudt. Messerli & Kramer PA, a law firm that also has a major lobbying presence at the state Capitol, reversed course shortly after winning the judgments for its client and urged a judge to wipe away the rulings, a rare concession in these types of actions.

On Tuesday morning Daudt spoke with MPR's Cathy Wurzer. He said he did not believe he received special treatment because of his position in state government.

"No, in fact I don't think that they even knew that. And like I said, the debt had been paid in full, and that's why it was dismissed. And I assume that's normal practice," Daudt said.

In all three cases another Capitol lobbyist has been involved on Daudt's behalf, according to public court filings. That lobbyist, attorney R. Reid LeBeau II, is often turned to by the House Republican caucus for work on election law and ethics cases, though it isn't clear who has paid his fees in Daudt's personal finance cases.

• **Minnesota Campaign Finance and Public Disclosure Board: Lobbyist data for Rondell Reid LeBeau II (<http://cfboard.state.mn.us/lobby/lbdetail/lb1439>)**

Monday's court action headed off an attempt by Daudt to have the newest case dismissed on a technicality. He had asked Isanti County District Judge Amy Brosnahan to dismiss the lawsuit filed on behalf of U.S. Bank National Association because Daudt argues that court papers were delivered to a home where the mortgage is in his name, but where he does not reside.

LeBeau wrote in a court filing last month that a summons and complaint were left with Daudt's mother at the Cambridge home connected to the lawmaker, and weren't properly conveyed to him "at his usual place of abode." That other home is 17 miles away in Zimmerman, and Daudt attests in an affidavit that he has lived there for 20 years.

"My home in Zimmerman is my principal place of abode," Daudt said in his sworn statement. "I have received all of my personal mail and personal bills at my Zimmerman address since June 1995."

[Affidavit of defendant \(p. 8\) \(http://www.documentcloud.org/documents/2752127-Court-documents-Tenth-District-Motion-to-Dismiss.html#document/p8/a282073\)](http://www.documentcloud.org/documents/2752127-Court-documents-Tenth-District-Motion-to-Dismiss.html#document/p8/a282073)

View entire document with DocumentCloud (<http://www.documentcloud.org/documents/2752127-Court-documents-Tenth-District-Motion-to-Dismiss.html#document/p8/a282073>)

COURT OF ISANTI COUNTY, MINNESOTA TENTH JUDICIAL DISTRICT

U.S. Bank and its debt collector, Portfolio Recovery Associates, were seeking to recover \$9,356 in overdue charges and legal fees incurred pursuing the money. The credit card debt dates to 2011 and was still outstanding as of last December, when the lawsuit was filed.

Case Type: Default Judgment

Debtor Name: 10-02-05-112

Judge Amy R. Brosnahan

Portfolio Recovery Associates, LLC,  
**Document: Credit card statement (<https://www.documentcloud.org/documents/2752130-Court-document-Amount-due-costs-and-disbursements.html#document/p10/a282076>)**

Plaintiff

AFFIDAVIT OF DEFENDANT  
KURT L. DAUDT

Kurt Daudt,  
Total amount owed (p. 2) (<http://www.documentcloud.org/documents/2752130-Court-document-Amount-due-costs-and-disbursements.html#document/p2/a282069>)

Your affiant, Kurt L. Daudt, after being duly sworn under oath, states under penalty of perjury that everything I have stated in this document is true and correct, based on personal knowledge, and that I am competent to testify to the matters herein:

1. My name is Kurt L. Daudt.
2. My birth date is September 26, 1973.
3. I currently live at [REDACTED] Zimmerman, Minnesota 55398. I reside in the home at this address and have since on or about June 1995.
4. I have lived at the Zimmerman home since on or about June 1995. At no time between 1995 and the present date have I changed my residence to any other location.
5. My home in Zimmerman is my principal place of abode. I have received all of my personal mail and personal bills at my Zimmerman address since June 1995.
6. My mother resides at [REDACTED] Cambridge, MN 55008. She has lived at this address since on or about 2005.

Ex. A

(<http://www.documentcloud.org/documents/2752127-Court-documents-Tenth-District-Motion-to-Dismiss.html#document/p8/a282073>)

EXHIBIT 2

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NEWS

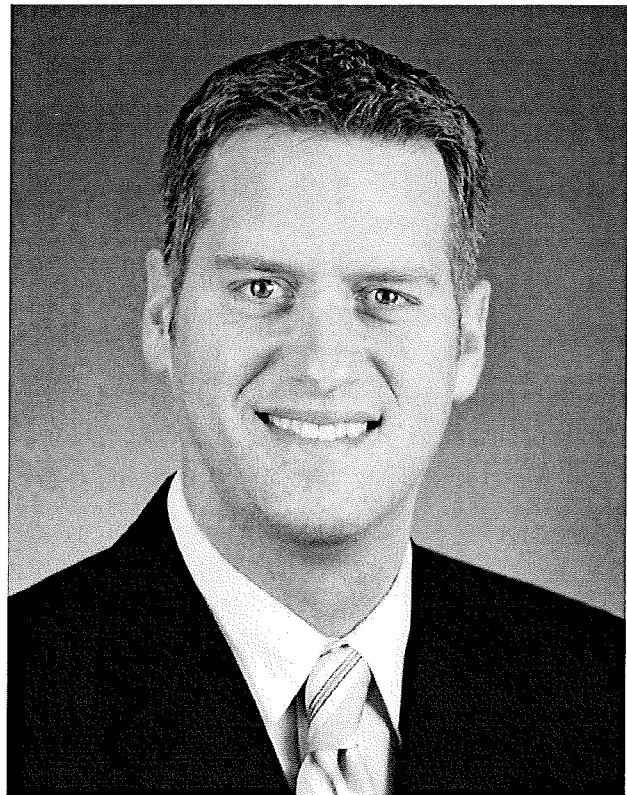
## Kurt Daudt: No preferential treatment in credit card debt handling

By KYLE POTTER / ASSOCIATED PRESS |

March 8, 2016 | UPDATED: 2 days ago

Minnesota House Speaker Kurt Daudt said Tuesday he received no preferential treatment when two credit card debt judgments against him were wiped away last year, and he insisted he has repaid in full the thousands of dollars in debt he racked up.

Minnesota Public Radio News first reported the three lawsuits against the Crown Republican, including a case involving more than \$9,000 in outstanding credit card debt that was recently settled before a hearing scheduled for Monday. But MPR revealed connections in two other cases between a law firm representing the bank and that firm's lobbying presence at Capitol that raised the specter of a powerful lawmaker receiving light treatment.



Minnesota House Speaker Kurt Daudt



The two cases, surrounding a combined \$3,800 in outstanding debt, were vacated last spring at the request of the bank's lawyers at Messerli and Kramer with little explanation. After the judge agreed to wipe away the payments, the law firm asked that the cases be dismissed with prejudice, meaning it wouldn't be allowed to pursue further legal action and agreed to pay for its own court costs.

In addition to its debt collection operation, Messerli and Kramer employs lobbyists to represent big hitters in Minnesota business, including the Minnesota Twins, Target, Best Buy and a push for a Major League Soccer stadium in St. Paul.

Daudt said Tuesday he was never approached by Messerli and Kramer lawyers or lobbyists, and brushed off any suggestion that the conclusion of his credit troubles was politically linked.

"I know that I received no special treatment because I paid every dollar fully," he said in St. Paul. "Many Minnesotans are hurting and haven't had the opportunity to recover from the recession. I, as a legislator, am not immune to those sorts of financial struggles."

The speaker attributed his troubles to being laid off from a second job but wouldn't get into specifics. He said he was let go from a job in 2011 or 2012 and would only describe it as "in the automobile industry," though he's previously been described as a former car salesman. Daudt currently lists his sole profession as a legislator, for which he makes \$43,596 a year — more than most Minnesota lawmakers because of his top position.

Daudt was hounded by calls earlier Tuesday to address the circumstances of his financial troubles and the mysterious manner in which they were resolved.

"It's in the public's interest that he disclose the nature of the settlement he reached on his debt with a law firm with significant lobbying ties at the Capitol," House Minority Leader Paul Thissen, the chamber's top Democrat, said in a statement.

Daudt only said he would consider releasing the terms of the settlement in his latest credit card court battle. Daudt and his attorney had tried to have that case dismissed on a technicality, arguing it wasn't valid because court papers were delivered to his mother's house, on which he owns the mortgage.

It's unclear who paid for his legal fees. Daudt's spokeswoman pointed to campaign finance forms showing the House Republican Campaign Committee, the main campaign arm for the House GOP, paid attorney Reid LeBeau nearly \$21,000 last year. Later Tuesday, Daudt said he personally had paid the attorney, who regularly works for the campaign committee on election matters.

Also Monday, Daudt paid \$68 he owed in back property taxes in Isanti County, MPR reported. With interest, he paid \$114. He said that he overlooked the tax bill.

Tags: Minnesota Legislature, Politics



**Kyle Potter / Associated Press**