

# **Bond Case Briefs**

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## **BALLOT INITIATIVE - MINNESOTA**

### **Minnesota Voters Alliance v. Anoka Hennepin School Dist.**

**Court of Appeals of Minnesota - December 23, 2013 - Not Reported in N.W.2d - 2013 WL 6725847**

Anoka Hennepin School District is funded in part by levies approved by voters in the district. In 2010, in recognition of the likelihood of flat or declining state funding, shifting legislative priorities, decreased revenue, and the impending expiration of an existing levy, the school district created a committee of residents and educators to recommend options to the school board. The committee delivered its final report in June 2011.

Following its review of the committee's report, the school board unanimously passed a resolution to present three levy-funding questions to voters in the election on November 8, 2011. The ballot questions asked voters whether to (1) renew an existing levy providing \$1,044 per student per year for the next ten years; (2) approve a levy of \$3 million each year for ten years for technology; and (3) approve a levy of \$12 million per year for ten years as a stop-gap measure if the legislature fails to approve inflationary funding.

In September 2011, the school district held two public meetings to address the ballot questions. The school district also created a brochure to inform voters about the ballot questions and the effects of approving or rejecting each levy. The school district hired a company to print and mail the brochures to all addresses in the district.

The printing company completed work on the brochures on October 27, 2011. The school district posted an electronic version of the brochure on its website the same day. On October 31, 2011, the printing company mailed brochures to the 81,235 addresses in the district. In total, the school district spent \$15,935.13 associated with printing and mailing the brochure.

On November 2, 2012, Minnesota Voters Alliance and Donald Huizenga filed a complaint with respondent Office of Administrative Hearings (OAH), asserting that the school district violated Minn.Stat. § 211A.02 by failing to report the expenditures associated with printing and mailing the brochure and Minn.Stat. § 211B.06 by making false statements in the brochure.

The school district moved for summary disposition, arguing that (1) the school district's brochure expenditures were not subject to the finance-reporting requirements of section 211A.02 because the brochure did not "promote" passage or defeat of any ballot question and (2) the one-year limitations period on relators' false-statement claim under section 211B.06 had run. On cross-motion for summary disposition, relators briefly argued that their complaint was timely and focused their argument on the merits of both claims.

The ALJ determined that the one-year limitations period for relators' false-statement claim and financial-reporting claim began running on October 27, 2011, the day the school district first disseminated the ballot-question brochure by posting it on its website. Based on this determination, the ALJ deemed the complaint, dated November 2, 2012, untimely. The ALJ granted the school district's motion for summary disposition and dismissed the complaint. This appeal followed.

Relators sought reversal of the summary-disposition dismissal of their financial-reporting claim under Minn.Stat. § 211A.02. They asserted, and the school district conceded, that that claim was timely. The appeals court agreed.

“The ALJ’s decision was based on the determination that relators’ financial-reporting claim accrued on October 27, 2011, when the school district disseminated allegedly false statements in the ballot-question brochure. But the “failure to act” that is the subject of relators’ financial-reporting claim is not the dissemination of allegedly false statements but the failure to file expenditure reports outlined in section 211A.02. See Minn.Stat. § 211A.02, subd. 1 (requiring an initial report 14 days after campaign disbursements are made and several subsequent reports).”

“Assuming that the school district’s brochure, in this case, is subject to section 211A.02—a question the ALJ did not reach—the limitations period on a claim that the school district failed to meet its reporting obligations would not run until reports were required to be filed. The record does not support the conclusion that those reports were due before November 2, 2011. We therefore conclude that the ALJ erred by determining that relators’ financial-reporting claim was untimely and, accordingly, remand the matter for further proceedings to address the merits of that claim.”