

MINNESOTA

LOBBYING DISCLOSURE

These resources are current as of 3/15/12. We do our best to periodically update these resources and welcome any comments or questions regarding new developments in the law. Please email us at advocacy@afj.org.

What's New in This Guide

The following changes/additions have been made since the previous version of this guide:

- ◆ Lobbyists must include email address and employer's website address in registration
- ◆ Additional definitions of [Types of Lobbyists](#)
- ◆ Lobbyists and Lobbyist Principals prohibited from giving [Gifts](#) to judges
- ◆ Updated to exception of [Gifts](#)
- ◆ [Lobbying for Affiliated Entities](#) (Advisory Opinion 413)

This guide summarizes key aspects of laws and regulations governing lobbying on the *state* level. It is not intended to provide legal advice or to serve as a substitute for legal advice

In some jurisdictions, city and/or county regulations may also apply to certain political activities. Check with the appropriate local jurisdiction before undertaking any activity.

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DEFINITIONS

Lobbying

- Lobbying – attempting to influence legislative or administrative action, or the official action of a metropolitan governmental unit, by communicating with decisionmakers or urging others to communicate with those officials. See [MINN. STAT. § 10A.01, subd. 21\(a\)\(1\)](#); [MINN. R. 4511.0100, subp. 3](#).
1. “Lobbying” includes both direct lobbying (directly communicating with public officials) and grassroots lobbying (urging others to communicate with public officials). [MINN. STAT. § 10A.01, subd. 21\(a\)\(1\)](#).
 2. The types of actions being influenced under the definition of lobbying include legislative action, administrative action and action by a Metropolitan Governmental Unit.
 - *Legislative Action:* Action by either house of the legislature, committee, or subcommittee with regard to any bill, resolution, amendment, nomination, appointment or report. A gubernatorial approval or veto of any bill is also included in this definition.
 - *Administrative Action:* Action by any public official, board, commission or agency of the executive branch to adopt, amend or repeal a rule under MINN. STAT. Ch. 14, as well as application of adopted rules in cases of rate setting, power plant and powerline siting, and granting of certificates of need under of [MINN. STAT. § 216B.243](#). [MINN. STAT. § 10A.01, subd. 2](#).
 - *Metropolitan Governmental Unit (MGU):* Any of the seven counties in the metropolitan area as defined in [MINN. STAT. § 473.121, subd. 2](#); a regional railroad authority established by one or more of those counties under section [398A.03](#); a city with a population of over 50,000 located in the seven-county metropolitan area; the metropolitan council; or a metropolitan agency as defined in [MINN. STAT. § 473.121, subd. 5a](#). [MINN. STAT. § 10A.01, subd. 24](#).

Types of Lobbyists

- Lobbyist – an individual is required to register as a lobbyist if the person is either:

1. engaged to be paid or compensated more than \$3,000 from all sources in any year to lobby (including urging others to participate in lobbying); or
 2. not compensated, but spends more than \$250 in any year (not including travel expenses and membership dues) on lobbying or urging others to lobby.
- Exceptions:
 - An individual who volunteers personal time to work without pay or other consideration on a lobbying campaign, and who does not spend more than \$250, is not required to register as a lobbyist.
 - An individual who provides administrative support to a lobbyist and whose salary and administrative expenses attributable to lobbying activities are reported as lobbying expenses by the lobbyist, but who does not communicate or urge others to communicate with public or local officials, is not required to register as a lobbyist.

[MINN. STAT. § 10A.01, subd. 21.](#)

- Designated Lobbyist – a lobbyist responsible for reporting the lobbying disbursements of the entity it represents. An entity that employs lobbyist(s) may only have *one* designated lobbyist at a time. [MINN. R. 4511.0100, subp. 1a.](#) Lobbyist disbursements include all disbursements for lobbying made by the lobbyist, the lobbyist’s employer or employee, or any other person or entity represented by the lobbyist, but does not include the lobbyist’s salary. [MINN. R. 4511.0100, subp. 4.](#)
- Reporting Lobbyist – a lobbyist responsible for reporting lobbying disbursements of two or more lobbyists representing the same entity. Lobbying disbursements made on behalf of an entity may be reported by each individual lobbyist that represents an entity, or by one or more reporting lobbyists, or a combination of individual reports and reports from a reporting lobbyist. [MINN. R. 4511.0100, subp. 7.](#)
- Lobbyist Principal – an organization is required to submit regular reports if it either:
 1. spends more than \$500 in the aggregate in any calendar year to engage a lobbyist, compensate a lobbyist, or authorize the expenditure of money by a lobbyist; or

2. spends a total of at least \$50,000 in any calendar year on lobbying efforts.

[MINN. STAT. § 10A.01, subd. 33.](#)

- Individuals or associations represented by lobbyists are presumed to be principals unless they establish that they do not fall within the statutory definition of a principal.

REGISTRATION

Registration of Principals

- Lobbyist principals are not required to register, although they must [report](#) their activities annually as described below.

Registration of Lobbyists

- Within five days of meeting the definition of “lobbyist,” a lobbyist must register with the Campaign Finance and Public Disclosure Board (the “Board”) by filing a [Lobbyist Registration Form](#). [MINN. STAT. § 10A.03, subd. 2](#). Changes to the registration must be amended within ten days. [MINN. R. 4511.0200](#).
- The information that must be included with the registration includes the following:
 - Name, address, email address and principal place of business of the lobbyist;
 - Name, address and website address (if one exists) of the association on whose behalf the lobbyist is lobbying;
 - Description of the subjects on which the lobbyist intends to lobby (an update should be included in the June 15 Lobbyist Disbursement Report);
 - Name and address of the officers and directors of the association; and
 - Information about whether the lobbyist or another will report for the lobbyist, and whether the lobbyist is the designated lobbyist for the represented association, for purposes of reporting. Minn. Stat. 10A.03, subd. 2; [MINN. R. 4511.0200](#).
- Lobbying for Affiliate Entities – A separate registration is required for each association on whose behalf the lobbyist lobbies. Because meaningful disclosure about lobbying requires that the disclosure be closely linked to the entity whose interests are being represented, lobbyists are required to register on behalf of each affiliate they represent, particularly when it is the affiliate paying for the lobbyist (rather than the parent entity). Additionally,

the affiliate must disclose the underlying sources used to fund the lobbyist (*i.e.*, the parent entity). See [Adv. Op. 413 \(Nov. 1, 2010\)](#).

- Multiple lobbyists representing the same entity must each register separately.
- Registration Fee – There is no fee to register.
- Renewing Registration – Registration is permanent (*i.e.*, lobbyist does not have to send in a registration form every year) until a final Lobbyist Disbursement Report and a Lobbyist Termination Statement are filed with the Board.
- Terminating Lobbyist Registration – A lobbyist may terminate registration at any time by filing a [Lobbyist Termination Statement](#) and a Lobbyist Disbursement Report covering the period from the last report through the termination date. [MINN. R. 4511.0400](#).

REPORTING

Electronic Reporting

- Lobbyists and Principals may file on paper or may choose to file electronically using the Board's [Lobbyist Online Reporting System](#). If filed electronically, reports do *not* need to be filed on paper. Both electronic and paper filings are equally searchable by members of the public.
- Lobbyist Registrations, including the associations represented, and [Lobbyist Disbursement Reports are publicly available on the Board's website](#).

Reporting by Principals

- Lobbyist Principals must report their total lobbying expenses annually, rounded to the nearest \$20,000. The [Annual Report of Lobbyist Principal](#) is due to be filed with the Board by March 15 following the calendar year in which the Principal made the expenditures. The total reportable amount includes the following, which are aggregated for reporting purposes and are not itemized or detailed on the Principal's report (however, more detailed reporting of expenditures are included in the lobbyist's reports, which are broken out by category but aggregate the lobbyist's and Principal's expenditures together):
 - All direct payments by the principal to lobbyists in Minnesota;
 - All expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, or the

- official action of Metropolitan Governmental Units in the state (including gifts to officials); and
- All salaries and administrative expenses attributable to activities of the principal relating to lobbying efforts.

[MINN. STAT. § 10A.04, subd. 6.](#)

- A lobbyist principal must file a periodic report even if no expenditures were made during the covered reporting period.
- Any disbursements made by the lobbyist principal for lobbying purposes must be reported by the principal's lobbyist, and the principal is required to provide information on its disbursements to its designated lobbyist no later than five days before the lobbyist's filing date. [MINN. STAT. 10A.04, subd. 3.](#)
- Lobbyist principals are subject to detailed recordkeeping requirements that are in the same categories as the information that is reported on the lobbyist principal report and of disbursements that are included in the principal's designated lobbyist's report. These records must be kept for four years. [MINN. STAT. § 10A.025, subd. 3.](#)

Grassroots Lobbying Reporting – The definition of lobbyist includes any person engaged for pay or compensation of \$3,000 or for grassroots as well as direct lobbying. Therefore, the rules described in this article related to registration and reporting apply to organizations conducting grassroots lobbying. Minn. Stat. 10A.01, subd. 21; Adv. Op. 224 (Dec. 11, 2001).

Lobbyist Reporting

- Lobbyists must submit a Lobbyist Disbursement Report twice each year, on January 15 covering June 1 through December 31 of the previous year, and on June 15 for the period from January 1 through May 31. [MINN. STAT. § 10A.04 subd. 2.](#) These reports disclose all disbursements for lobbying made by the lobbyist, the lobbyist's employer or employees, and any person or association represented by the lobbyist. [MINN. R. 4511.0100, subp. 4.](#) A lobbyist files a separate report for each principal represented, although if multiple lobbyists represent a single principal, they may aggregate their disbursements and report them under a single designated "reporting" lobbyist. [MINN. R. 4511.0500.](#)
 - Disbursements are reported in the aggregate by category, in the following categories:
 - Preparing and distributing materials;
 - Media advertising, including web sites;
 - Telephone and communications;
 - Postage and other distribution costs;

- Fees –including legal, surveys, polls;
- Entertainment, food and beverage;
- Travel and lodging;
- Salary and administrative costs for support staff; and
- Any other lobbying disbursements.

[MINN. R. 4511.0600, subp. 5.](#)

- All gifts or benefits provided by the Lobbyist, or by any employer or employee of the Lobbyist, valued at \$5 or more, must be itemized, including the name and address of each official to whom the gift or benefit was given or paid, and the date of that transaction. [MINN. STAT. § 10A.04, subd. 4\(c\).](#) Importantly, these gifts are all prohibited by law. [MINN. STAT. § 10A.071.](#) The reporting requirements do not change the scope of the prohibition on giving gifts nor do they create additional exceptions to that prohibition. [MINN. R. 4511.0600, subp. 6.](#)
- The Lobbyist must report each original source who gave more than \$500 per year for the purpose of funding lobbying activity. For each donor of more than \$500, the disclosure must include the donor's name, address, and employer or, for self-employed donors, the occupation and principal place of business. [MINN. STAT. § 10A.04, subd. 4.](#) The Minnesota Campaign Finance and Public Disclosure Board staff state that this provision is only triggered when a contribution is specifically designated for lobbying purposes or to fund a project that clearly involves lobbying activity, but does not require disclosure of unrestricted or undesignated donations to the lobbyist principal organization or donations that are intended or designated for purposes other than lobbying.
- Reports also must include a list of directors and officers of the association represented and the June 15 report must provide a general description of the type of subjects lobbied in the previous 12 months. [MINN. R. 4511.0500, subp. 3;](#) [MINN. STAT. § 10A.04, subd. 4\(e\).](#)
- Lobbyists are subject to detailed recordkeeping requirements that are in the same categories as the information that is reported on the Lobbyist Disbursement Report. These records must be kept for four years. [MINN. Stat. § 10A.025, subd. 3.](#) The Board may randomly audit the financial records that Lobbyists and Lobbyist Principals are required to retain. [MINN. STAT. § 10A.04, subd. 7.](#)
- Bundling Political Contributions – A lobbyist who directly solicits and causes others to make aggregate contributions in excess of \$5,000 to

candidates or legislative caucuses during a campaign-finance reporting period must keep records for pre-election reports and for an annual report to the Board that include the name of each contributor solicited, amount of each contribution made and the candidate or caucus to whom the contribution was given. [MINN. STAT. § 10A.20, subd. 14](#). These contributions are filed using the [Contribution Solicitor Report Form](#).

REGULATIONS

Note that many states' rules on gifts, travel and other benefits provided to public officials are extremely complex. The laws outlined below are only summaries of some of the more commonly encountered issues; organizations and lobbyists are advised to consult with legal counsel for a complete analysis of their proposed activities before giving gifts or other benefits to officials.

Activity	Regulated by State? (Y/N)	Statutory Citation
Lobbying by Former Officials	No	N/A
Limits on Lobbyists' Gifts to Officials	Prohibited for both Lobbyists and Lobbyist Principals	MINN. STAT. § 10A.071
Hospitality Provided to Officials	Prohibited for both Lobbyists and Lobbyist Principals	MINN. STAT. § 10A.071
Trips Organized by Lobbyists	Prohibited for both Lobbyists and Lobbyist Principals	MINN. STAT. § 10A.071
Contingent Fees	Prohibited	MINN. STAT. § 10A.06

Gifts

- Prohibition: A lobbyist or lobbyist 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 its principal. [MINN. STAT. § 10A.071](#). The gift prohibition applies to gifts to public officials, local officials, judges and legislative staff, at any time.
- Exceptions:
 - The lobbyist or lobbyist principal receives consideration of equal or greater value in return.
 - A bona fide independent contractor relationship wherein an official provides services to a lobbyist for compensation is not a gift and, thus is not prohibited. *Adv. Op.* 215, 231.

- Payment at regular prices for commercial services purchased by a lobbyist or lobbyist principal from an official was not a gift. *Adv. Op.* 213. Promulgated as [MINN. R. 4512.0600, subp.1.](#)
- If the gift is:
 - A political contribution to a candidate.
 - Services to assist an official in the performance of official duties (e.g., providing advice, consultation, information, and communication in connection with legislation, and services to constituents);
 - Services of insignificant monetary value, such as a ride home;
 - A plaque with a resale value of \$5 or less;
 - A trinket or memento costing \$5 or less;
 - Informational material of with a resale value of \$5 or less;
 - Food or a beverage given at a reception, meal, or meeting by an organization before whom the recipient appears to make a speech or answer questions as part of a program. To qualify, the speech or program must be scheduled and formally held, not merely an opportunity to ask questions in an informal setting;
- Or if the gift is given:
 - Because of the recipient's membership in a group, a majority of whose members are not officials, and an equivalent gift is given to the other members of the group; or
 - By a lobbyist or principal who is a member of the family of the recipient, unless the gift is given on behalf of someone who is not a member of that family.

[MINN. STAT. § 10A.071, subd. 3.](#)

Contingency Fees

- Payment for lobbying may not be contingent upon the lobbyist's success at securing the desired outcome. [MINN. STAT. § 10A.06.](#)

Travel and Entertainment

- Paying for travel and entertainment is prohibited by the gift ban. See [Guide to Interpretation of Minn. Stat. 10A.071](#), at p. 13.

CONTACT INFORMATION FOR STATE AND LOCAL AGENCIES

Minnesota Campaign Finance and Public Disclosure Board

190 Centennial Office Building
658 Cedar Street
St. Paul, Minnesota 55155-1603

By telephone at (651) 296-5148 or toll free (800) 657-3889.

By TTY by calling (800) 627-3529 and asking for (651) 296-5148.

By fax to (651) 296-1722 or fax toll free (800) 357-4114.

Email to board:
cf.board@state.mn.us

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FOR FURTHER ASSISTANCE

For assistance regarding these resources or for more information about federal law, please contact our attorney one-on-one counseling service:

Email: Advocacy@afj.org
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