

Office of the Revisor of Statutes

Administrative Rules



TITLE: Adopted Permanent Rules Relating to Campaign Finance

AGENCY: Campaign Finance and Public Disclosure Board

REVISOR ID: R-4809

MINNESOTA RULES: Chapters 4501, 4503, 4511, 4512, and 4525

The attached rules are approved for
filing with the Secretary of State

A handwritten signature in black ink, appearing to read "J. F. Kuenle", written over a horizontal line.

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Assistant Deputy Revisor

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Office of the Minnesota
Secretary of State, Steve Simon

1.1 **Campaign Finance and Public Disclosure Board**

1.2 **Adopted Permanent Rules Relating to Campaign Finance**

1.3 **4501.0100 DEFINITIONS.**

1.4 *[For text of subparts 1 to 3, see Minnesota Rules]*

1.5 Subp. 4. **Compensation.** "Compensation" means every kind of payment for labor or
1.6 personal services, including any amount withheld by an employer for the payment of income
1.7 tax. Compensation does not include payments of ~~Social Security~~ for Federal Insurance
1.8 Contributions Act taxes, unemployment compensation taxes, insurance, or benefits, workers'
1.9 compensation insurance or benefits, disability insurance or benefits, life insurance, health
1.10 care insurance or benefits, retirement benefits, or pension benefits.

1.11 *[For text of subparts 4a to 7a, see Minnesota Rules]*

1.12 Subp. 7b. **Original signature.** "Original signature" means:

1.13 A. a signature in the signer's handwriting or, if the signer is unable to write, the
1.14 signer's mark or name written in the handwriting of another or applied by stamp at the
1.15 request, and in the presence, of the signer;

1.16 B. an electronic signature consisting of the letters of the signer's name, applied
1.17 using a cursive font or accompanied by text or symbols clearly indicating an intent to apply
1.18 a signature, including but not limited to the letter S with a forward slash mark on one or
1.19 both sides of the letter S or the placement of a forward slash mark before and after the
1.20 signer's name; or

1.21 C. the signer's name on the signature line of an electronic file submitted using the
1.22 filer's personal identification code.

1.23 *[For text of subparts 8 and 9, see Minnesota Rules]*

2.1 **4501.0500 FILINGS, SUBMISSIONS, AND DISCLOSURES.**

2.2 Subpart 1. **Format.** A report or statement required under Minnesota Statutes, section
2.3 10A.20, must be filed electronically in a format specified by the board, to the extent required
2.4 by that section. Any other report or statement required under Minnesota Statutes, chapter
2.5 10A, must be filed electronically in a format specified by the board or on the forms provided
2.6 by the board for that purpose. The board may provide alternative methods for submitting
2.7 information, including other means for the electronic submission of data.

2.8 *[For text of subparts 1a to 4, see Minnesota Rules]*

2.9 **4503.0100 DEFINITIONS.**

2.10 Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota
2.11 Statutes, chapter 10A, except that the definition in subpart 4a applies to Minnesota Statutes,
2.12 section 211B.15. The definitions in chapter 4501 and Minnesota Statutes, chapter 10A, also
2.13 apply to this chapter.

2.14 *[For text of subparts 2 to 3a, see Minnesota Rules]*

2.15 Subp. 3b. **County office.** "County office" means the offices specified in Minnesota
2.16 Statutes, chapter 382, and does not include the office of Three Rivers Park District
2.17 commissioner.

2.18 *[For text of subpart 4, see Minnesota Rules]*

2.19 Subp. 4a. **Headquarters.** For the purpose of Minnesota Statutes, section 211B.15,
2.20 subdivision 8, "headquarters" means a building or other structure that is used for all or part
2.21 of the year as the primary location where the party's business is conducted.

2.22 Subp. 4b. **Legislative caucus.** "Legislative caucus" means an organization whose
2.23 members consist solely of legislators belonging to the same house of the legislature and the
2.24 same political party, and is not limited to a majority or minority caucus described in
2.25 Minnesota Statutes, chapter 3, but does not include a legislative party unit.

3.1 Subp. 4c. **Legislative caucus leader.** "Legislative caucus leader" means a legislator
3.2 elected or appointed by a legislative caucus to lead that caucus, and is not limited to leaders
3.3 designated pursuant to Minnesota Statutes, section 3.099.

3.4 Subp. 4d. **Legislative party unit.** "Legislative party unit" means a political party unit
3.5 established by the party organization within a house of the legislature.

3.6 Subp. 4e. **Nomination.** Except as used in Minnesota Statutes, sections 10A.09 and
3.7 10A.201, "nomination" means the placement of a candidate or a local candidate's name on
3.8 a general election or special general election ballot.

3.9 *[For text of subparts 5 to 8, see Minnesota Rules]*

3.10 **4503.0200 ORGANIZATION OF POLITICAL COMMITTEES AND POLITICAL**
3.11 **FUNDS.**

3.12 *[For text of subparts 1 to 4, see Minnesota Rules]*

3.13 Subp. 5. **Termination of responsibility of former treasurer.** A former treasurer
3.14 who transfers political committee or political fund records and receipts to a new treasurer
3.15 or to the chair of the committee or fund is relieved of future responsibilities when the former
3.16 treasurer notifies the board in writing of the change.

3.17 Subp. 6. [Repealed, L 2017 1Sp4 art 3 s 18]

3.18 **4503.0450 JOINT PURCHASES.**

3.19 Subpart 1. **General requirement.** Principal campaign committees, political party
3.20 units, and political committees and funds may jointly purchase goods or services without
3.21 making or receiving a donation in kind. If each purchaser pays the vendor for their share
3.22 of the fair market value of the purchase, each purchaser must report that amount to the board
3.23 as an expenditure or noncampaign disbursement as required by Minnesota Statutes, section
3.24 10A.20. If a purchaser pays the vendor for the total amount of the purchase and obtains
3.25 payment from another purchaser for that purchaser's share of the fair market value of the

4.1 purchase, each purchaser must use the same reporting method under Minnesota Statutes,
4.2 section 10A.20, subdivision 13.

4.3 **Subp. 2. Proportionate shares of joint purchase.** If a purchaser pays a vendor for
4.4 the total amount of a joint purchase and each joint purchaser receives goods or services of
4.5 equal value, each joint purchaser must pay the purchaser that paid the vendor an amount
4.6 equal to the total amount paid to the vendor divided by the number of joint purchasers in
4.7 order to prevent the occurrence of a donation in kind. If a purchaser pays a vendor for the
4.8 total amount of a joint purchase and joint purchasers receive goods or services of differing
4.9 value, each joint purchaser must pay the purchaser that paid the vendor in proportion to the
4.10 value of the goods or services received in order to prevent the occurrence of a donation in
4.11 kind. If a joint purchaser pays the purchaser that paid the vendor less than its proportionate
4.12 share of the fair market value of the joint purchase, the difference must be reported as a
4.13 donation in kind from the purchaser that paid the vendor to the joint purchaser as required
4.14 by Minnesota Statutes, section 10A.20.

4.15 **Subp. 3. No impact on prohibited contributions.** Nothing in this part permits an
4.16 independent expenditure or ballot question political committee or fund to make a contribution,
4.17 including an approved expenditure, that is prohibited by Minnesota Statutes, section 10A.121,
4.18 or alters what constitutes a coordinated expenditure.

4.19 **4503.0500 CONTRIBUTIONS.**

4.20 **Subpart 1. All receipts are contributions.** Any donation of money, goods, or services
4.21 received by a principal campaign committee, political party unit, political committee, or
4.22 political fund is considered a contribution at the time the item is received.

4.23 **Subp. 2. [Repealed, L 2018 c 119 s 34]**

4.24 **Subp. 2a. Contribution processors and professional fundraisers.** A vendor may
4.25 solicit, process, collect, or otherwise facilitate the accumulation of contributions made to a

6.1 unit, a political committee, or the supporting association of a political fund. A contribution
6.2 from an unregistered association is prohibited if any of that association's sources of funding
6.3 would be prohibited from making the contribution directly under Minnesota Statutes, section
6.4 211B.15, subdivision 2.

6.5 **4503.0700 CONTRIBUTION LIMITS.**

6.6 *[For text of subparts 1 to 3, see Minnesota Rules]*

6.7 Subp. 4. **Commercial vendors not subject to bundling limitation.** A vendor retained
6.8 by a principal campaign committee, political party unit, political committee, or political
6.9 fund for the accumulation of contributions, and paid by that committee, party unit, or fund
6.10 the fair market value of the services provided, as described in part 4503.0500, subpart 2a,
6.11 is not subject to the bundling limitation in Minnesota Statutes, section 10A.27, subdivision
6.12 1.

6.13 **4503.0800 DONATIONS IN KIND AND APPROVED EXPENDITURES.**

6.14 Subpart 1. [Repealed, L 2005 c 156 art 6 s 68]

6.15 Subp. 1a. **Contributor payment of processing fee.** If a contributor pays a processing
6.16 fee when making a contribution and the fee would otherwise have been billed to the recipient
6.17 of the contribution or withheld from the amount transmitted to the recipient, the amount of
6.18 the fee is a donation in kind to the recipient of the contribution. If the donation in kind
6.19 exceeds the amount specified in Minnesota Statutes, section 10A.13, subdivision 1, the
6.20 recipient's treasurer must keep an account of the contribution and must include the
6.21 contribution within campaign reports as required by Minnesota Statutes, section 10A.20.
6.22 If the donation in kind does not exceed the amount specified in Minnesota Statutes, section
6.23 10A.13, subdivision 1, the recipient's treasurer is not required to keep an account of the
6.24 contribution or to include it within campaign reports filed under Minnesota Statutes, section
6.25 10A.20.

7.1 Subp. 2. **Multicandidate materials.** An approved expenditure made on behalf of
7.2 multiple candidates or local candidates must be allocated between the candidates or the
7.3 local candidates on a reasonable basis if the cost exceeds \$20 per candidate or local candidate.

7.4 Subp. 3. **Multipurpose materials.** A reasonable portion of the fair market value of
7.5 preparation and distribution of association newsletters or similar materials which, in part,
7.6 advocate the nomination or election of a candidate or a local candidate is a donation in kind
7.7 which must be approved by the candidate or the local candidate if the value exceeds \$20,
7.8 unless an independent expenditure is being made.

7.9 Subp. 4. **Office facilities.** The fair market value of shared office space or services
7.10 provided to a candidate or a local candidate without reimbursement is a donation in kind.

7.11 *[For text of subpart 5, see Minnesota Rules]*

7.12 **4503.0900 NONCAMPAIGN DISBURSEMENTS.**

7.13 Subpart 1. **Additional definitions.** In addition to those listed in Minnesota Statutes,
7.14 section 10A.01, subdivision 26, the following expenses are noncampaign disbursements:

7.15 *[For text of items A to D, see Minnesota Rules]*

7.16 E. payment of fines assessed by the board;

7.17 F. costs of running a transition office for a winning gubernatorial candidate during
7.18 the first six months after election; and

7.19 G. costs to maintain a bank account that is required by law, including service fees,
7.20 the cost of ordering checks, and check processing fees.

7.21 Subp. 2. [Repealed, 21 SR 1779]

7.22 Subp. 2a. **Expenses incurred by leaders of a legislative caucus.** Expenses incurred
7.23 by a legislative caucus leader in carrying out their leadership responsibilities may be paid
7.24 by their principal campaign committee and classified as a noncampaign disbursement for

9.1 **4503.1000 CAMPAIGN MATERIALS INCLUDING OTHER CANDIDATES.**

9.2 Subpart 1. **Inclusion of others without attempt to influence nomination or**
9.3 **election.** Campaign materials, including media advertisements, produced and distributed
9.4 on behalf of one candidate which contain images of, appearances by, or references to another
9.5 candidate or local candidate, but which do not mention the candidacy of the other candidate
9.6 or local candidate or make a direct or indirect appeal for support of the other candidate or
9.7 local candidate, are not contributions to, or expenditures on behalf of that candidate or local
9.8 candidate.

9.9 Subp. 2. **Multicandidate materials prepared by a candidate.** A candidate who
9.10 produces and distributes campaign materials, including media advertisements, which include
9.11 images of, appearances by, or references to one or more other candidates or local candidates,
9.12 and which mention the candidacy of the other candidates or local candidates or include a
9.13 direct or indirect appeal for the support of the other candidates or local candidates must
9.14 collect from each of the other candidates or local candidates a reasonable proportion of the
9.15 production and distribution costs.

9.16 **4503.1900 AGGREGATED EXPENDITURES.**

9.17 Expenditures and noncampaign disbursements may be aggregated and reported as lump
9.18 sums when itemized within a report filed under Minnesota Statutes, section 10A.20, if:

9.19 A. each expenditure or noncampaign disbursement was made to the same vendor;

9.20 B. each expenditure or noncampaign disbursement was made for the same type
9.21 of goods or services;

9.22 C. each lump sum consists solely of aggregated expenditures or solely of
9.23 aggregated noncampaign disbursements;

9.24 D. each lump sum consists solely of aggregated expenditures or noncampaign
9.25 disbursements that are paid, are unpaid, or represent the dollar value of a donation in kind;

10.1 E. the expenditures and noncampaign disbursements are aggregated over a period
10.2 of no more than 31 days; and

10.3 F. all expenditures and noncampaign disbursements made prior to the end of a
10.4 reporting period are included within the report covering that period.

10.5 Lump sums must be dated based on the last date within the period over which the
10.6 expenditures or noncampaign disbursements are aggregated. This subpart does not alter the
10.7 date an expenditure is made for purposes of the registration requirements provided in
10.8 Minnesota Statutes, section 10A.14.

10.9 **4503.2000 DISCLAIMERS.**

10.10 Subpart 1. **Additional definitions.** The following definitions apply to this part and
10.11 Minnesota Statutes, section 211B.04:

10.12 A. "broadcast media" means a television station, radio station, cable television
10.13 system, or satellite system; and

10.14 B. "social media platform" means a website or application that allows multiple
10.15 users to create, share, and view user-generated content, excluding a website controlled
10.16 primarily by the association or individual that caused the communication to be prepared or
10.17 disseminated.

10.18 Subp. 2. **Material linked to a disclaimer.** Minnesota Statutes, section 211B.04, does
10.19 not apply to the following communications that link directly to an online page that includes
10.20 a disclaimer in the form required by that section if the communication is made by or on
10.21 behalf of a candidate, principal campaign committee, political committee, political fund,
10.22 political party unit, or person who has made an electioneering communication, as those
10.23 terms are defined in Minnesota Statutes, chapter 10A:

10.24 A. text, images, video, or audio disseminated via a social media platform;

11.1 B. a text or multimedia message disseminated only to telephone numbers;

11.2 C. text, images, video, or audio disseminated using an application accessed
11.3 primarily via mobile phone, excluding email messages, telephone calls, and voicemail
11.4 messages; and

11.5 D. paid electronic advertisements disseminated via the internet by a third party,
11.6 including but not limited to online banner advertisements and advertisements appearing
11.7 within the electronic version of a newspaper, periodical, or magazine.

11.8 The link must be conspicuous and when selected must result in the display of an online
11.9 page that prominently includes the required disclaimer.

11.10 **4511.0100 DEFINITIONS.**

11.11 *[For text of subparts 1 and 1a, see Minnesota Rules]*

11.12 Subp. 1b. **Administrative overhead expenses.** "Administrative overhead expenses"
11.13 means costs incurred by the principal for office space, transportation costs, and website
11.14 operations that are used to support lobbying in Minnesota.

11.15 Subp. 1c. **Development of prospective legislation.** "Development of prospective
11.16 legislation" means communications that request support for legislation that has not been
11.17 introduced as a bill, communications that provide language, or comments on language, used
11.18 in draft legislation that has not been introduced as a bill, or communications that are intended
11.19 to facilitate the drafting of language, or comments on language, used in draft legislation
11.20 that has not been introduced as a bill. The following actions do not constitute development
11.21 of prospective legislation:

11.22 A. responding to a request for information by a public official;

11.23 B. requesting that a public official respond to a survey on the official's support or
11.24 opposition for an issue;

12.1 C. providing information to public officials in order to raise awareness and educate
12.2 on an issue or topic; or

12.3 D. advocating for an issue without requesting action by the public official.

12.4 *[For text of subpart 2, see Minnesota Rules]*

12.5 Subp. 3. **Lobbying.** "Lobbying" means attempting to influence legislative action,
12.6 administrative action, or the official action of a political subdivision by communicating
12.7 with or urging others to communicate with public officials or local officials. Any activity
12.8 that directly supports this communication is considered a part of lobbying. Payment of an
12.9 application fee, or processing charge, for a government service, permit, or license is not
12.10 lobbying or an activity that directly supports lobbying.

12.11 Subp. 4. **Lobbyist's disbursements.** "Lobbyist's disbursements" include disbursements
12.12 for each gift given by the lobbyist, the lobbyist's employer, or any person or association
12.13 represented by the lobbyist.

12.14 Subp. 5. **Original source of funds.** "Original source of funds" means a source of
12.15 funds, provided by an individual or association other than the entity for which a lobbyist is
12.16 registered, paid to the lobbyist, the lobbyist's employer, the entity represented by the lobbyist,
12.17 or the lobbyist's principal, for lobbying purposes.

12.18 Subp. 5a. **Pay or consideration for lobbying.** "Pay or consideration for lobbying"
12.19 means the gross compensation paid to an individual for lobbying. An individual whose job
12.20 responsibilities do not include lobbying, and who has not been directed or requested to
12.21 lobby on an issue by their employer, does not receive pay or consideration for lobbying
12.22 they undertake on their own initiative.

12.23 *[For text of subpart 6, see Minnesota Rules]*

12.24 Subp. 7. **Reporting lobbyist.** "Reporting lobbyist" means a lobbyist responsible for
12.25 reporting lobbying activity of two or more lobbyists representing the same entity. Lobbying

13.1 activity on behalf of an entity may be reported by each individual lobbyist that represents
13.2 an entity, or by one or more reporting lobbyists, or a combination of individual reports and
13.3 reports from a reporting lobbyist.

13.4 Subp. 8. **State agency.** "State agency" means any office, officer, department, division,
13.5 bureau, board, commission, authority, district, or agency of the state of Minnesota.

13.6 **4511.0200 REGISTRATION.**

13.7 *[For text of subpart 1, see Minnesota Rules]*

13.8 Subp. 2. **Separate registration for each lobbyist.** Multiple lobbyists representing
13.9 the same individual, association, political subdivision, or higher education system must
13.10 each register separately. A lobbyist who reports lobbying activity to the board through a
13.11 reporting lobbyist must list the name and registration number of the reporting lobbyist on
13.12 a lobbyist registration. If the reporting lobbyist changes, or if the lobbyist ceases to report
13.13 through a reporting lobbyist, the lobbyist must amend the registration within ten days.

13.14 Subp. 2a. **Registration threshold.** An individual must register as a lobbyist with the
13.15 board upon the earlier of when:

13.16 A. the individual receives total pay or consideration from all sources that exceeds
13.17 \$3,000 in a calendar year for the purpose of lobbying or from a business whose primary
13.18 source of revenue is derived from facilitating government relations or government affairs
13.19 services if the individual's job duties include offering direct or indirect consulting or advice
13.20 that helps the business provide those services to clients. The pay or consideration for lobbying
13.21 for an individual whose job duties include both lobbying and functions unrelated to lobbying
13.22 is determined by multiplying the gross compensation of the individual by the percentage
13.23 of the individual's work time spent lobbying in the calendar year; or

13.24 B. the individual spends more than \$3,000 of their own funds in a calendar year
13.25 for the purpose of lobbying. Membership dues paid by the individual, and expenses for

14.1 transportation, lodging, and meals used to support lobbying by the individual, are not costs
14.2 that count toward the \$3,000 expenditure threshold that requires registration.

14.3 Subp. 2b. **Registration not required.** An individual is not required to register as a
14.4 lobbyist with the board:

14.5 A. to represent the lobbyist's own interests if the lobbyist is already registered to
14.6 represent one or more principals, unless the lobbyist spends over \$3,000 in personal funds
14.7 in a calendar year for the purpose of lobbying; or

14.8 B. as a result of serving on the board or governing body of an association that is
14.9 a principal, unless the individual receives pay or other consideration to lobby on behalf of
14.10 the association, and the aggregate pay or consideration for lobbying from all sources exceeds
14.11 \$3,000 in a calendar year.

14.12 *[For text of subpart 3, see Minnesota Rules]*

14.13 Subp. 4. **Registration of reporting lobbyist.** A reporting lobbyist must indicate on
14.14 the lobbyist registration form that the lobbyist will be reporting lobbying activity for
14.15 additional lobbyists representing the same entity. The registration must list the name and
14.16 registration number of each lobbyist that will be included in reports to the board made by
14.17 the reporting lobbyist. Changes to the list of lobbyists represented by a reporting lobbyist
14.18 must be amended on the reporting lobbyist registration within ten days, or provided to the
14.19 board at the time of filing a report required by Minnesota Statutes, section 10A.04,
14.20 subdivision 2.

14.21 **4511.0300 PRINCIPALS.**

14.22 Individuals or associations represented by lobbyists are presumed to be principals until
14.23 they establish that they do not fall within the statutory definition of a principal. A political
14.24 subdivision; public higher education system; or any office, department, division, bureau,

15.1 board, commission, authority, district, or agency of the state of Minnesota is not an
15.2 association under Minnesota Statutes, section 10A.01, and is not a principal.

15.3 **4511.0400 TERMINATION.**

15.4 Subpart 1. **Lobbyist termination.** A lobbyist who has ceased lobbying for a particular
15.5 entity may terminate registration by filing a lobbyist termination form and a lobbyist report
15.6 covering the period from the last report filed through the date of termination. If the lobbying
15.7 activity of the lobbyist is reported by a reporting lobbyist, the nonreporting lobbyist may
15.8 terminate by filing a lobbyist termination form and notifying the reporting lobbyist of all
15.9 lobbying activity by the lobbyist during the period from the last report filed through the
15.10 date of termination.

15.11 Subp. 2. **Reporting lobbyist termination.** A reporting lobbyist who has ceased
15.12 lobbying for a particular entity may terminate registration by filing a lobbyist termination
15.13 form and a lobbyist report covering the period from the last report filed through the date of
15.14 termination. The termination of a reporting lobbyist reverts the reporting responsibility back
15.15 to each lobbyist listed on the registration of the reporting lobbyist.

15.16 Subp. 3. **Designated lobbyist termination.** A designated lobbyist who has ceased
15.17 lobbying for a particular entity may terminate their registration using the procedure provided
15.18 in subpart 1. When the designated lobbyist of a lobbying entity terminates, the entity is
15.19 responsible to assign the responsibility to report the entity's lobbying disbursements to
15.20 another lobbyist.

15.21 **4511.0500 LOBBYIST REPORTING REQUIREMENTS.**

15.22 Subpart 1. **Separate reporting required for each entity.** A lobbyist must report
15.23 separately for each entity for which the lobbyist is registered, unless their activity is reported
15.24 in the manner provided in Minnesota Statutes, section 10A.04, subdivision 9.

15.25 Subp. 2. [Repealed, L 2017 1Sp4 art 3 s 18]

16.1 Subp. 3. **Report of designated lobbyist.** With each report of lobbyist activity, a
16.2 designated lobbyist must report:

16.3 A. the name and address of each person, if any, by whom the lobbyist is retained
16.4 or employed or on whose behalf the lobbyist appears;

16.5 B. if the lobbyist represents an association, a current list of the names and addresses
16.6 of each officer and director of the association;

16.7 C. each original source of money in excess of \$500 provided to the individual or
16.8 association that the lobbyist represents; and

16.9 D. each gift to a public or local official given by or on behalf of a principal or a
16.10 lobbyist registered for the principal.

16.11 *[For text of subpart 4, see Minnesota Rules]*

16.12 Subp. 5. [See repealer.]

16.13 **4511.0600 REPORTING DISBURSEMENTS.**

16.14 Subpart 1. **Determination of actual costs required.** To the extent that actual costs
16.15 of lobbying activities or administrative overhead expenses incurred by the principal to
16.16 support lobbying can be obtained or calculated by reasonable means, those actual costs must
16.17 be determined, recorded, and used for reporting purposes.

16.18 Subp. 2. **Approximation of costs.** If the actual cost of a lobbying activity or
16.19 administrative overhead expenses incurred by the principal to support lobbying cannot be
16.20 obtained or calculated through reasonable means, those costs must be reasonably
16.21 approximated.

16.22 *[For text of subparts 3 to 6, see Minnesota Rules]*

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17.1 **4511.0700 REPORTING COMPENSATION PAID TO LOBBYIST.**

17.2 Subpart 1. **Reporting by lobbyist.** Compensation paid to a lobbyist for lobbying is
17.3 not reportable by the lobbyist.

17.4 *[For text of subpart 2, see Minnesota Rules]*

17.5 **4511.0900 LOBBYIST REPORTING FOR POLITICAL SUBDIVISION**
17.6 **MEMBERSHIP ORGANIZATIONS.**

17.7 Subpart 1. **Required reporting.** An association whose membership consists of political
17.8 subdivisions within Minnesota and which is a principal that provides lobbyist representation
17.9 on issues as directed by its membership must report:

17.10 A. attempts to influence administrative action on behalf of the organization's
17.11 membership;

17.12 B. attempts to influence legislative action on behalf of the organization's
17.13 membership; and

17.14 C. attempts to influence the official action of a political subdivision on behalf of
17.15 the organization's membership, unless the political subdivision is a member of the association.

17.16 Subp. 2. **Communication with membership.** A membership association described
17.17 in subpart 1 is not lobbying political subdivisions when the association communicates with
17.18 its membership regarding lobbying efforts made on the members' behalf, or when the
17.19 association recommends actions by its membership to support a lobbying effort.

17.20 **4511.1000 ACTIONS AND APPROVAL OF ELECTED LOCAL OFFICIALS.**

17.21 Subpart 1. **An action that requires a vote of the governing body.** Attempting to
17.22 influence the vote of an elected local official while acting in their official capacity is lobbying
17.23 of that official's political subdivision.

18.1 Subp. 2. **Approval by an elected local official.** Attempting to influence a decision
18.2 of an elected local official that does not require a vote by the elected local official is lobbying
18.3 if the elected local official has discretion in their official capacity to either approve or deny
18.4 a government service or action. Approval by an elected local official does not include:

18.5 A. issuing a government license, permit, or variance that is routinely provided
18.6 when the applicant has complied with the requirements of existing state code or local
18.7 ordinances;

18.8 B. any action which is performed by the office of the elected local official and
18.9 which does not require personal approval by an elected local official;

18.10 C. prosecutorial discretion exercised by a county attorney; or

18.11 D. participating in discussions with a party or a party's representative regarding
18.12 litigation between the party and the political subdivision of the elected local official.

18.13 **4511.1100 MAJOR DECISION OF NONELECTED LOCAL OFFICIALS.**

18.14 Subpart 1. **Major decision regarding the expenditure of public money.** Attempting
18.15 to influence a nonelected local official is lobbying if the nonelected local official may make,
18.16 recommend, or vote on as a member of the political subdivision's governing body, a major
18.17 decision regarding an expenditure or investment of public money.

18.18 Subp. 2. **Actions that are a major decision regarding public funds.** A major decision
18.19 regarding the expenditure or investment of public money includes but is not limited to a
18.20 decision on:

18.21 A. the development and ratification of operating and capital budgets of a political
18.22 subdivision, including development of the budget request for an office or department within
18.23 the political subdivision;

18.24 B. whether to apply for or accept state or federal funding or private grant funding;

19.1 C. selecting recipients for government grants from the political subdivision; or

19.2 D. tax abatement, tax increment financing, or expenditures on public infrastructure,
19.3 used to support private housing or business developments.

19.4 Subp. 3. **Actions that are not a major decision.** A major decision regarding the
19.5 expenditure of public money does not include:

19.6 A. the purchase of goods or services with public funds in the operating or capital
19.7 budget of a political subdivision;

19.8 B. collective bargaining of a labor contract on behalf of a political subdivision;
19.9 or

19.10 C. participating in discussions with a party or a party's representative regarding
19.11 litigation between the party and the political subdivision of the local official.

19.12 **4512.0200 GIFTS WHICH MAY NOT BE ACCEPTED.**

19.13 Subpart 1. **Acceptance.** An official may not accept a gift given by a lobbyist or lobbyist
19.14 principal or given as the result of a request by a lobbyist or lobbyist principal unless the gift
19.15 satisfies an exception under this part or Minnesota Statutes, section 10A.071.

19.16 Subp. 2. **Use of gift to a political subdivision.** An official may not use a gift given
19.17 by a lobbyist or lobbyist principal to a political subdivision until the gift has been formally
19.18 accepted by an official action of the governing body of the political subdivision.

19.19 Subp. 3. **Exception.** A gift is not prohibited if it consists of informational material
19.20 given by a lobbyist or principal to assist an official in the performance of official duties and
19.21 the lobbyist or principal had a significant role in the creation, development, or production
19.22 of that material.

19.23 **4525.0100 DEFINITIONS.**

19.24 *[For text of subparts 1 to 6, see Minnesota Rules]*

20.1 Subp. 6a. **Preponderance of the evidence.** "Preponderance of the evidence" means,
20.2 in light of the evidence obtained by or known to the board, the evidence leads the board to
20.3 believe that a fact is more likely to be true than not true.

20.4 *[For text of subparts 7 and 8, see Minnesota Rules]*

20.5 **4525.0200 COMPLAINTS OF VIOLATIONS.**

20.6 *[For text of subpart 1, see Minnesota Rules]*

20.7 Subp. 2. **Form.** Complaints must be submitted in writing. The name and address of
20.8 the person making the complaint, or of the individual who has signed the complaint while
20.9 acting on the complainant's behalf, must be included on the complaint. The complaint must
20.10 be signed by the complainant or an individual authorized to act on behalf of the complainant.
20.11 A complainant must list the alleged violator and the alleged violator's address if known by
20.12 the complainant and describe the complainant's knowledge of the alleged violation. Any
20.13 evidentiary material should be submitted with the complaint. Complaints are not available
20.14 for public inspection or copying until after the complaint is dismissed or withdrawn or the
20.15 board makes a finding.

20.16 Subp. 3. [Repealed, 30 SR 903]

20.17 Subp. 3a. **Withdrawal.** Prior to a prima facie determination being made, a complaint
20.18 may be withdrawn upon the written request of the person making the complaint or any
20.19 individual authorized to act on that person's behalf. After a prima facie determination is
20.20 made, a complaint may not be withdrawn.

20.21 *[For text of subparts 4 to 6, see Minnesota Rules]*

20.22 **4525.0210 DETERMINATIONS PRIOR TO AND DURING FORMAL**
20.23 **INVESTIGATION.**

20.24 *[For text of subparts 1 to 3, see Minnesota Rules]*

21.1 Subp. 3a. **Making the probable cause determination.** In determining whether there
21.2 is probable cause to believe a violation occurred, any evidence obtained by or known to the
21.3 board may be considered. Arguments of the respondent and complainant must be considered.
21.4 Probable cause exists if there are sufficient facts and reasonable inferences to be drawn
21.5 therefrom to believe that a violation of law has occurred.

21.6 *[For text of subpart 4, see Minnesota Rules]*

21.7 Subp. 5. **Action after probable cause found.** If the board finds that probable cause
21.8 exists to believe that a violation has occurred, the board then must determine whether the
21.9 alleged violation warrants a formal investigation.

21.10 When making this determination, the board must consider the type of possible violation;
21.11 the magnitude of the violation if it is a financial violation; the extent of knowledge or intent
21.12 of the violator; the benefit of formal findings, conclusions, and orders compared to informal
21.13 resolution of the matter; the availability of board resources; whether the violation has been
21.14 remedied; and any other similar factor necessary to decide whether the alleged violation
21.15 warrants a formal investigation.

21.16 If the board orders a formal investigation, the order must be in writing and must describe
21.17 the basis for the board's determination, the possible violations to be investigated, the scope
21.18 of the investigation, and the discovery methods available for use by the board in the
21.19 investigation.

21.20 The executive director must promptly notify the complainant and the respondent of the
21.21 board's determination.

21.22 The notice to the respondent also must:

21.23 *[For text of items A to C, see Minnesota Rules]*

21.24 D. state that the respondent will be given an opportunity to be heard by the board
21.25 prior to the board's determination as to whether any violation occurred.

22.1 At the conclusion of the investigation, the board must determine whether a violation
22.2 occurred. The board's determination of any disputed facts must be based upon a
22.3 preponderance of the evidence.

22.4 *[For text of subpart 6, see Minnesota Rules]*

22.5 **4525.0220 SUMMARY PROCEEDINGS.**

22.6 *[For text of subparts 1 and 2, see Minnesota Rules]*

22.7 Subp. 3. **Consideration of request by board.** Upon receipt of a request for a summary
22.8 proceeding, the executive director must submit the request to the board. If the matter was
22.9 initiated by a complaint, the complaint has not been dismissed, and a probable cause
22.10 determination has not been made, the executive director must send a copy of the request to
22.11 the complainant no later than the time that the request is submitted to the board. Under any
22.12 other circumstances a complainant must not be notified or provided a copy of the request.
22.13 The request must be considered by the board at its next meeting that occurs at least ten days
22.14 after the request was received. If the executive director sends a copy of the request to the
22.15 complainant pursuant to this subpart, the complainant must be given an opportunity to be
22.16 heard by the board.

22.17 The board is not required to agree to a request for a summary proceeding. If the board
22.18 modifies the respondent's request for a summary proceeding, the board must obtain the
22.19 respondent's agreement to the modifications before undertaking the summary proceeding.

22.20 **4525.0500 INVESTIGATIONS AND AUDITS; GENERAL PROVISIONS.**

22.21 *[For text of subparts 1 and 2, see Minnesota Rules]*

22.22 Subp. 2a. **Penalties.** In exercising discretion as to the imposition of a civil penalty for
22.23 violation of a statute within the board's jurisdiction, the board must consider the factors
22.24 identified in Minnesota Statutes, section 14.045. The board also may consider additional
22.25 factors such as whether a violator created and complied with appropriate internal controls

23.1 or policies before the violation occurred, whether the violator could have avoided the
23.2 violation, whether the violator voluntarily reported or corrected any violation, and whether
23.3 the violator took measures to remedy or mitigate any violation or avoid future violations.

23.4 *[For text of subparts 3 to 7, see Minnesota Rules]*

23.5 **4525.0550 FORMAL AUDITS.**

23.6 Subpart 1. **Formal audit.** The purpose of a formal audit is to ensure that all information
23.7 included in the report or statement being audited is accurately reported. The fact that the
23.8 board is conducting a formal audit does not imply that the subject of the audit has violated
23.9 any law. When conducting an audit, the board may require testimony under oath, permit
23.10 written statements to be given under oath, and issue subpoenas and cause them to be served.
23.11 When conducting an audit the board may require the production of any records required to
23.12 be retained under Minnesota Statutes, section 10A.025.

23.13 *[For text of subparts 2 and 3, see Minnesota Rules]*

23.14 Subp. 4. **Audits of affidavits of contributions.** The board may audit the affidavit of
23.15 contributions filed by a candidate or the candidate's treasurer to determine whether the
23.16 candidate is eligible to receive a public subsidy payment. The executive director must contact
23.17 the principal campaign committee of a candidate and request the information necessary to
23.18 audit any affidavit of contributions that was not filed by electronic filing system, if the
23.19 committee has accepted contributions from individuals totaling less than twice the amount
23.20 required to qualify for a public subsidy payment.

23.21 Subp. 5. **Audits of other campaign finance filings.** The board may audit any campaign
23.22 finance report or statement that is filed or required to be filed with the board under Minnesota
23.23 Statutes, chapter 10A or 211B. The board may conduct a partial audit, including auditing
23.24 a campaign finance report to determine whether a beginning or ending balance reconciles
23.25 with the filer's financial records. In determining whether to undertake an audit, the board

24.1 must consider the availability of board resources, the possible benefit to the public, and the
24.2 magnitude of any reporting failures or violations that may be discovered as a result of the
24.3 audit. The board may conduct audits in which respondents are selected on a randomized
24.4 basis designed to capture a sample of respondents that meet certain criteria. The board may
24.5 conduct audits in which all respondents meet certain criteria. When undertaking an audit
24.6 with respondents selected on a randomized basis, the board must, to the extent possible,
24.7 seek to prevent selecting respondents based on their political party affiliation, or if the
24.8 respondents are candidates, based on their incumbency status.

24.9 **RENUMBERING INSTRUCTION.** A. Renumber Minnesota Rules, part 4501.0100,
24.10 subpart 7a, as Minnesota Rules, part 4501.0100, subpart 7c.

24.11 B. Renumber Minnesota Rules, part 4503.0100, subpart 3a, as Minnesota Rules, part
24.12 4503.0100, subpart 3c.

24.13 **REPEALER.** Minnesota Rules, part 4511.0500, subpart 5, is repealed.