

## Minnesota Campaign Finance and Public Disclosure Board

[www.cfboard.state.mn.us](http://www.cfboard.state.mn.us) (651) 539-1180 (800) 657-3889

# Lobbyist Handbook

Last revised: 9/3/13

Welcome.....	2
Registering as a lobbyist and terminating your registration.....	3
What is lobbying? .....	3
Do I need to register with the Board? .....	4
If I am already registered as a lobbyist, do I need to register again?.....	5
What is the time limit for registering as a lobbyist? .....	5
How do you register with the Board?.....	5
How do you decide what type of lobbyist you are for reporting purposes?.....	5
What is a designated lobbyist? .....	6
What happens after you register with the Board? .....	6
How do you terminate your registration with the Board?.....	7
What penalties apply if you don't follow the laws for registering as a lobbyist? .....	7
Reporting to the Board.....	8
What do principals report to the Board? .....	8
Which lobbyists report to the Board?.....	9
What do lobbyists report to the Board? .....	9
When do you need to file reports with the Board?.....	12
How do you report to the Board?.....	12
Special reporting form.....	12
How do you fix mistakes on a report? .....	13
What penalties apply to reporting? .....	13
Gifts and contributions .....	14
What is the ban on gifts from lobbyists and principals to officials? .....	14
What is a contribution? .....	15
What rules apply when the legislature is in session? .....	16
What are the individual contribution limits? .....	16
What is the special source limit? .....	17
What penalties apply to gifts and contributions that don't follow the rules? .....	18
Getting help.....	19
What is the role of Advisory Opinions?.....	19
Complaints .....	19
Who do you contact for help? .....	19

## Welcome

This handbook was written for you by the staff of the Campaign Finance and Public Disclosure Board. The Board was created by the Legislature back in the 1970's. Its job is to oversee and publish information about money used to influence state legislative and administrative actions and metropolitan governmental actions. You can learn more about the mission and members of the Board on our website at [www.cfboard.state.mn.us](http://www.cfboard.state.mn.us)

This handbook is for lobbyists and principals. Lobbyists are individuals who are hired, or who act on their own, to try to influence governmental action by communicating with or urging others to communicate with government officials. Principals are individuals or groups that either hire lobbyists or spend \$50,000 or more in a year to influence governmental action. Governmental action means 1) actions by the state legislature and by the governor in his role in the legislative process; 2) actions by state agencies, including boards and commissions, in rulemaking, rate setting, power plant and power line siting, and granting some certificates of need; and 3) official actions by metropolitan governmental units. This handbook will tell you whether you need to register with the Board as a lobbyist and how lobbyists and principals report to the Board.

If you print this handbook, please check the Board website periodically for updates. Look at the "Last revised" date on the first page of the online handbook to see if you have the latest version.

We have not tried to answer every possible question in this handbook. When you can't find the answer to a question here, please call us. You can find out which staff member can best help you by looking at the Getting Help section at the end of this handbook. You also can look at our website for additional information. All the forms you need also are available on our website.

In general, if you are hired, or if you spend more than \$250 of your own money, to try to influence governmental action by communicating with or urging others to communicate with government officials, you must register with the Board as a lobbyist. The exceptions to this general rule are discussed in section one of this handbook. Lobbyists file two reports a year with the Board. The reports list what the lobbyist spent trying to influence governmental action during the reporting period.

Principals file one report a year with the Board. The report lists what the principal spent trying to influence governmental action during the past calendar year. The information disclosed on the lobbyist and principal reports is posted on the Board's website so the public knows who is spending much money to influence governmental action.

Lobbyists and principals must keep separate records showing how much was spent trying to influence action by the legislature, by the executive branch, and by metropolitan units of government. The records also must show the amount spent for different categories of expenses, such as advertising, food and beverage, and administrative costs. If you keep good records, you easily will be able to complete the reports that must be filed with the Board.

## Registering as a lobbyist and terminating your registration

### Overview

This chapter tells you whether you need to register as a lobbyist and how you register with the Board. It also tells you how to terminate your lobbyist registration.

### Topics covered

[What is lobbying?](#)

[Do I need to register with the Board?](#)

[If I am already registered as a lobbyist, do I need to register again?](#)

[What is the time limit for registering?](#)

[How do you register with the Board?](#)

[How do you decide what type of lobbyist you are for reporting purposes?](#)

[What is a designated lobbyist?](#)

[What happens after you register with the Board?](#)

[How do you terminate your registration with the Board?](#)

[What penalties apply if you don't follow the laws for registering as a lobbyist?](#)

### What is lobbying?

Lobbying is trying to influence governmental action by communicating with or urging others to communicate with public officials or local officials in metropolitan governmental units.

Governmental action means 1) legislative action, including action by the governor with regard to his role in the legislative process; 2) administrative action; or 3) official action by a metropolitan governmental unit.

Administrative action includes actions by officials, agencies, boards, and commissions in the state executive branch in rulemaking, rate setting, power plant and power line siting, and granting of certificates of need under Minnesota Statutes section 216B.243.

A metropolitan governmental unit means any of the following entities:

- the counties of Anoka; Carver; Dakota; Hennepin; Ramsey; Scott; and Washington;
- a regional rail authority established by one of the above counties;
- a city with a population over 50,000 located in one of the above counties;
- the Metropolitan Council; or
- the Metropolitan Parks and Open Space Commission, Metropolitan Airports Commission, and Metropolitan Sports Facilities Commission.

**Lobbyists** are individuals who are hired, or who act on their own, to lobby. **Principals** are individuals or groups that either hire lobbyists or spend \$50,000 or more in a year to influence governmental action.

Minnesota's lobbying laws prohibit contingent fee lobbying. Consequently, lobbyist payments cannot be tied to a specific outcome of a legislative or administrative action or an official action of a metropolitan governmental unit.

### **Do I need to register with the Board?**

Principals do not need to register with the Board.

You must register with the Board as a lobbyist if you fall into one of the following categories:

- You are hired by someone other than yourself **and** you are paid more than \$3,000 a year from all sources for your services as a lobbyist;
- You spend more than \$250 of your own money, not including travel expenses, membership dues, or the cost of your own time, on lobbying activities; or
- You are an appointed local official or an employee of a political subdivision and you spend more than 50 hours in a month in your official capacity on lobbying activities.

If you are an appointed local official or an employee of a political subdivision, the 50-hour threshold includes time spent monitoring governmental action and time spent researching, analyzing, gathering, and sending out information on governmental policies.

There are some exceptions to the lobbyist registration rule stated above. You **do not** have to register as a lobbyist if you are

- a public official;
- an employee of the state, including an employee of a state college or university;
- an elected local official;
- a party, or a party's representative, appearing in a proceeding before a state agency, board, or commission, unless the proceeding is one of those included in the definition of administrative action above (i.e., a rulemaking, rate setting, power plant or power line siting, or certificate of need);
- an individual who is selling goods or services to be paid for with public money;
- an employee or agent of a news medium and you are publishing or broadcasting news, editorials, or advertisements which urge official action;
- a paid expert witness and you were asked to testify by the governmental body before which you are speaking (but only while you are preparing or giving the paid testimony);

You **do not** need to register as a lobbyist if your efforts are limited to trying to sell goods or services to the state.

- a party or a party's representative filing a claim to the legislature and appearing to testify on the claim; or
- an individual who provides administrative support to a lobbyist and whose salary and related expenses are reported as lobbying expenses but who does not communicate with or urge others to communicate with government officials.

The rest of this handbook assumes that you need to register as a lobbyist and will help you to understand how to register and file required reports with the Board.

### **If I am already registered as a lobbyist, do I need to register again?**

A lobbyist must submit a registration each time he or she agrees to represent a new principal. If you are already registered with the Board as a lobbyist, you must register for the new principal even if you are not going to be paid for your work for that principal. In other words, if you take on a new client on a pro bono basis, a registration for the new client still is required. The new registration tells the Board and the public that you now are lobbying for an additional principal and provides a clearer picture of the associations trying to influence public policy.

### **What is the time limit for registering as a lobbyist?**

You must register with the Board within 5 days after you meet the criteria for being a lobbyist or, if you are already registered as a lobbyist, within 5 days after agreeing to represent a new principal.

### **How do you register with the Board?**

You must use the Board's [registration form](#) to register as a lobbyist. You can deliver the form to the Board in person or by mail, fax, or email. At this time, a lobbyist cannot register on-line.

On the form, you will report basic information about yourself as well as information about the principal for which you are lobbying. You also will give a general description of the issues on which you expect to lobby and whether you will be trying to influence legislative, administrative, and/or metropolitan governmental action. You also will identify how the money you spend on lobbying will be reported to the Board.

Remember to promptly open any mail you get from the Board. Much of the information is date sensitive.

### **How do you decide what type of lobbyist you are for reporting purposes?**

Lobbyists must report to the Board about the money that they spend on lobbying. A lobbyist must either file a separate report for each principal that employs the lobbyist or delegate the reporting responsibility for this principal to another lobbyist who represents the same principal.

Each report shows what the lobbyist spent on lobbying for a given principal during the reporting period.

When you register as a lobbyist for a principal, you must select one of the following three options for reporting your lobbying expenses:

- Self-reporting lobbyist - A self-reporting lobbyist is a lobbyist who reports to the Board only his or her own lobbying disbursements for a principal.
- Authorizing lobbyist - An authorizing lobbyist is a lobbyist who gives permission to another lobbyist who works for the same principal to report the authorizing lobbyist's expenses for that common principal.
- Reporting lobbyist - A reporting lobbyist is a lobbyist who reports his or her own lobbying disbursements for a principal and who also has been given permission to report lobbying expenses for one or more other lobbyists who work for the same principal.

A principal who employs multiple lobbyists can dramatically reduce the paperwork required for reporting by using a reporting lobbyist. Every authorizing lobbyist, however, still must keep complete records of his or her lobbying disbursements and must provide this information to the reporting lobbyist at least five days before the reporting deadline. An authorizing lobbyist who fails to provide disbursement information to the reporting lobbyist will have his or her reporting option changed to self-reporting for future reports.

### **What is a designated lobbyist?**

Each principal that hires a lobbyist must choose one, and only one, lobbyist to report the disbursements that the principal itself spends on lobbying. This lobbyist is called the designated lobbyist. The designated lobbyist also reports the names of the principal's officers and directors to the Board. If you are the designated lobbyist for a principal, you must report this designation to the Board by marking the designated lobbyist box on your lobbyist registration form.

### **What happens after you register with the Board?**

After you register with the Board, you will receive a lobbyist registration number. You must include this registration number on any contributions that you make to candidates or to the legislative caucuses.

If something that you put on your registration form changes, you must tell the Board within 10 days of the change. It is very important to promptly notify the Board of changes in your contact information because this is what the Board uses to send you reporting information and bulletins on issues that affect lobbyists. Changes to a registration must be in writing. You can use the registration form to report changes or send an e-mail or letter with the needed information to the Board.

Once you register with the Board, you remain registered as a lobbyist until you file a termination form.

### **How do you terminate your registration with the Board?**

You terminate your registration as a lobbyist for a principal by filing a [termination form](#) with the Board. You also must file a report listing all lobbying disbursements that you made on the principal's behalf since the last date of the most recent reporting period. If you authorized another lobbyist to report for you, you must give your reporting lobbyist a list of the disbursements that you made. The reporting lobbyist will include those disbursements on the next scheduled report.

Remember that once you register as a lobbyist for a principal, your registration continues in effect for that principal until you file a termination form with the Board.

If a reporting lobbyist terminates a registration, the termination automatically returns the reporting responsibility back to each authorizing lobbyist associated with the reporting lobbyist.

If a designated lobbyist terminates a registration for the principal that designated the lobbyist, the principal has 10 days to name someone else as its designated lobbyist.

### **What penalties apply if you don't follow the laws for registering as a lobbyist?**

If you do not register as a lobbyist within the 5-day time limit, the Board can charge a late fee. The Board can charge an additional penalty of up to \$1,000 for not filing a registration after the Board has sent notice that your registration is overdue.

Some violations of the lobbyist laws can be criminally prosecuted. For these violations, the Board could refer the matter to the Minnesota Attorney General or to a county attorney. The attorney general or the county attorney would decide whether the matter should be charged as a crime. The Board itself does not charge or prosecute criminal matters. Two of the violations of the lobbyist laws that can be charged as crimes are 1) filing a registration form knowing that it contains false information or omits required information and 2) charging a contingent fee for lobbying.

## Reporting to the Board

### Overview

This chapter tells you what you must report to the Board and when those reports are due. You can use the Board's electronic reporting system to make your reports.

### Topics covered

- What do principals report to the Board?
- Which lobbyists report to the Board?
- What do lobbyists report to the Board?
- When do you need to file reports with the Board?
- How do you report to the Board?
- Special reporting form
- How do you fix mistakes on a report?
- What penalties apply to reporting?

### What do principals report to the Board?

Principals file one report with the Board each year that shows what the principal spent on lobbying during the last calendar year. The date that money is considered to be spent is the date that the principal became obligated to pay that expense.

The amount reported by the principal must include the following:

- all payments to lobbyists;
- all spending for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, and the official action of metropolitan governmental units; and
- all salaries and administrative expenses attributable to the principal's lobbying activities.

On the report, the total amount that the principal spent must be divided into the following two categories:

- The total amount that the principal spent lobbying the Minnesota Public Utilities Commission on cases of rate setting, power plant and power line siting, and granting of certificates of need under Minnesota Statutes section [216B.243](#). The costs of application preparation and support activities must be included in this amount.
- The total amount spent on all other lobbying activities.

The total amount for each category may be rounded to the nearest \$20,000. For example, if the principal's total lobbying expenditures for category one are \$3,000, the principal may report



that total as \$0. Similarly, if the principal's total lobbying expenditures for category two are \$36,000, the principal may report that total as \$40,000.

A principal is not required to round to the nearest \$20,000. Some principals prefer to report an exact number instead. The Board will accept principal reports that have not been rounded to the nearest \$20,000.

### **Which lobbyists report to the Board?**

Self-reporting, reporting, and designated lobbyists must file two reports with the Board every year for each principal for which the lobbyist works.

Authorizing lobbyists do not need to file reports with the Board because their disbursements are included on their reporting lobbyists' reports. Authorizing lobbyists, however, must provide all information about their lobbying disbursements to their reporting lobbyists no later than five days before a report is due.

Lobbying disbursements made by a lobbyist on behalf of a principal can be reported in one of three ways:

- by each self-reporting lobbyist who represents that principal;
- by one or more reporting lobbyists who work for that principal; or
- by a combination of reports from self-reporting lobbyists and reports from reporting lobbyists.

Reports must be filed even if no lobbying disbursements were made during the reporting period.

Lobbying disbursements made by the principal itself must be reported by the principal's designated lobbyist.

### **What do lobbyists report to the Board?**

Lobbyists report the following information to the Board:

- Total lobbying disbursements (not including lobbyist compensation);
- Gifts to public officials;
- Other sources of funds used for lobbying purposes;
- Officers and directors of the association represented (designated lobbyist only); and
- Subjects lobbied on (June report only).

Lobbyists do not report contributions to candidates or political committees or funds on the lobbyist disbursement report. Those contributions are disclosed on the reports filed by the receiving candidates or committees.

The date of a disbursement is the date that the lobbyist became obligated to pay that expense.

Schedule A is used to report lobbying disbursements. In general, an expense is a lobbying disbursement if it is incurred (1) to communicate with officials for the purpose of influencing official action, (2) to urge others to communicate with officials for the purpose of influencing official action, or (3) for any activity that directly supports either of these types of communication.

Lobbying disbursements do not include lobbyist compensation. Lobbyist compensation is reported by the principal on the principal's report.

You must report the actual cost of the lobbying activities. If you cannot obtain the actual cost of a lobbying activity, you must use a reasonable approximation of that cost.

If a lobbying disbursement benefited more than one of the principals for which you lobby, you can allocate that disbursement on a reasonable basis among all of the principals that benefited from it. Similarly, if a disbursement is made partially for lobbying purposes and partially for another purpose, you can allocate the disbursement on a reasonable basis between the two purposes.

There are 10 different categories of lobbying disbursements that must be reported:

- Preparation and distribution of lobbying materials – Includes the cost of research, writing, preparation, publication, and distribution of reports, newsletters, or other publications for lobbying and pro-rata associated office expenses and compensation but excludes the compensation paid to the lobbyist for the lobbyist's own services in preparing lobbying materials;
- Media advertising – Includes the cost of media space or time used for lobbying activities (the cost of preparing the materials used in the media is reported under preparation and distribution of lobbying materials);
- Telephone and communications – Includes costs for local and long-distance telephone services, electronic mail, cellular telephones, facsimile distribution services, and other communications services;
- Postage and distribution – Includes costs of postage from the United States Postal Service as well as other distribution costs associated with lobbying activities;
- Fees and allowances – Includes fees for consulting, surveys, polls, legal counsel or other services, as well as expenses associated with those services (does not include compensation paid to lobbyist);

- Entertainment – Includes costs of all entertainment associated with any situation where lobbying activities take place;
- Food and beverages – Includes costs of all food and beverages associated with any situation where lobbying activities take place;
- Travel and lodging – Includes costs of all travel and lodging associated with any lobbying activity, excluding the costs of the lobbyist's own travel to accomplish the lobbying activity;
- Support staff administrative costs and salary – Includes associated administrative costs and salary of an individual who provides support to a lobbyist and whose support is attributable to lobbying; and
- All other lobbying disbursements – Includes general administration and overhead and any other lobbyist disbursements not reported in other categories.

Schedule A has three columns where you must separately report lobbying disbursements made for each type of governmental body: legislative; administrative; and metropolitan.

Schedule B is used to report gifts or benefits given to officials.

Schedule C is used to report the source of any funds over \$500 that the principal for which you lobby received from another source and used for lobbying. If the source was an individual, you must list the individual's employer or, if self-employed, the individual's occupation and principal place of business.

Schedule D is used by a designated lobbyist to report the names and addresses of the officers and directors of the principal that designated that lobbyist.

On the June 15<sup>th</sup> report, you also must include a description of the subjects lobbied on during the past 12 months. There is a list of [suggested subjects](#) on the Board's website. The description "general legislation" does not qualify as a lobbying subject.

If you are a reporting lobbyist and the lobbyists for which you are authorized to report do not give you their information, you can indicate this on the report and attach a separate sheet listing the names of the non-reporting lobbyists.

Records supporting lobbying disbursements and principal expenditures must be kept for four years.

## When do you need to file reports with the Board?

Principal reports are due by March 15<sup>th</sup> each year. This report includes all disbursements made during the past calendar year.

The lobbyist report that includes disbursements made from January 1<sup>st</sup> through May 31<sup>st</sup> is due on June 15<sup>th</sup> of each year. The lobbyist report that includes disbursements made from June 1<sup>st</sup> through December 31<sup>st</sup> is due on January 15<sup>th</sup> each year.

A lobbyist must file reports every year until the lobbyist terminates his or her registration as a lobbyist. This is true even if the lobbyist did not have any lobbying disbursements during the reporting period.

## How do you report to the Board?

The Board has a free online system that lobbyists and principals can use to file reports. In February, the Board will mail a username and password directly to each principal to use for the principal report. About three weeks before each lobbyist report is due, the Board will mail a username and password to each lobbyist. Lobbyists can use this information to log in to the online reporting system on the Board's website.

A calendar with all the reporting dates is available on the Board's website. Remember that late fees begin without notice on the day after a report was due.

You also can file your reports on paper. [Blank report forms](#) are available on the Board's website. If you report using a paper form, you must send your report to the Board by fax, by U.S. mail, or as an attachment to an electronic mail. If you fax the report, you should keep a copy of the transmittal confirmation to show that you sent the report on time. If the Board does not receive the fax by the filing deadline and you do not have a transmittal confirmation, the report will be considered to be late.

Paper reports must comply with all the legal requirements for reports. You should **read the instructions** for completing the report before you start to fill it in.

Paper reports also must be clearly legible even in a scanned image. If the report is not legible, the lobbyist will be required to re-do the report and to resubmit it.

## Special reporting form

Lobbyists or principals who directly solicit and cause others to make aggregate contributions of more than \$5,000 to candidates or legislative caucuses must file a contribution solicitor report. This [report](#) is available on the Board's website. The report must show the amount of each contribution, the names of the contributors, and to whom the contributions were given. The report must be filed 15 days before a primary and 10 days before a general election. A report for each calendar year must be filed by January 31<sup>st</sup> of the next year.

### **How do you fix mistakes on a report?**

After you have filed a report with the Board, you might discover that the report is incorrect or missing some information. After you discover the error, you have 10 days to file an amended report with the Board. If you filed your report using the Board's electronic reporting system, you can use that system to amend your report. If you filed your report on paper, you can use the same report form to amend your initial report. If you feel that you will need more than 10 days to research a problem or gather bank records, contact the Board. The Board will provide limited extensions to the amendment period for good cause.

### **What penalties apply to reporting?**

The Board can charge a fee for late reports. The late filing fee is \$25 per day and it begins on the day after the report is due, without notice. The maximum late fee is \$1,000.

The Board can charge a penalty of up to \$1,000 for the following things:

- Not sending in a report after the Board has told the lobbyist or principal that it is overdue; and
- Not sending in an amended report after the Board has told you to do so.

The Board can seek a penalty of up to \$3,000 for the following things:

- Signing and certifying a report to be true when the person knows that it contains false information or omits required information;
- willfully failing to file an amended report when one is required; and
- knowingly failing to keep records of lobbying disbursements.

False certification of a report, willful failure to file a report, and failure to keep records for four years also can be charged as crimes.

## **Gifts and contributions**

### **Overview**

This section tells you about the ban on gifts from lobbyists and principals to officials. It also tells you about political contributions.

### **Topics covered**

- [What is the ban on gifts from lobbyists and principals to officials?](#)
- [What is a contribution?](#)
- [What rules apply when the legislature is in session?](#)
- [What are the individual contribution limits?](#)
- [What is the special source limit?](#)
- [What penalties apply to gifts and contributions that don't follow the rules?](#)

### **What is the ban on gifts from lobbyists and principals to officials?**

A lobbyist or a principal may not give a gift to an official or ask someone else to give a gift to one of these officials. A gift is anything given to an official when the lobbyist or principal does not receive consideration of equal or greater value in return. The following things can be gifts:

- money;
- real or personal property;
- a service;
- loans, paying a loan, or forgiving or not collecting a loan;
- a promise of future employment;
- meals or entertainment;
- loans of personal property for less than payment of fair market value;
- giving preferential treatment for purchases; and
- honoraria.

The gift ban applies to gifts to the following people:

- Legislative employees
- Public officials – a legislator, constitutional officer, commissioner, assistant or deputy commissioner, member and chief administrative officer of a state board or commission, other state agency head, member of a metropolitan agency, or other person designated in statute.
- Judges

- Local officials – a person who holds elective office in a political subdivision or who is appointed to or employed in a public position in a metropolitan governmental unit in which the person has authority to make, to recommend, or to vote on major decisions regarding the expenditure or investment of public money.

Only officials of counties and first class cities in the metropolitan area are included in the definition of local official. Each county and first class city in the metropolitan area must provide the Board with a list of the positions that make the type of financial decisions covered by the gift ban. These lists are available on the Board's website.

There are some exceptions to the ban on gifts. The gift ban does not apply to the following things unless they are prohibited by some other law:

- Political contributions;
- Services to help an official in the performance of official duties, including providing advice, consultation, information, and communication in connection with legislation, and services to constituents;
- Services of insignificant monetary value;
- A plaque with a resale value of \$5 or less;
- A trinket or memento costing \$5 or less;
- Informational material with a resale value of \$5 or less;
- Food or beverage given at a reception, meal, or meeting away from the recipient's workplace by an organization before whom the recipient appears to make a speech or answer questions as part of a program; or
- Food or beverage given at a reception, meal, or meeting if the recipient is a member or employee of the legislature and all legislators were invited to attend at least five days before the event.

The gift ban also does not apply if the gift is given

- because of the official's membership in a group, a majority of whose members are not officials, provided that an equivalent gift is given to the other members of the group; or
- by a lobbyist or principal who is a member of the official's family, unless the gift is given on behalf of someone who is not a member of the official's family.

You must keep records of all gifts given to officials. You must report all gifts on your lobbying disbursement reports.

### **What is a contribution?**

A contribution is anything given to a candidate's committee, a political committee or fund, or a party unit. The contribution can be money or a loan. A contribution also can be a thing or a service. Contributions of anything other than money are called in-kind contributions.

Lobbyists **must give their names and registration numbers** with contributions to state candidates so that those candidates can report lobbyist contributions on their campaign finance reports and track special source limit contributions. Special source limits are discussed later in this section.

### **What rules apply when the legislature is in session?**

When the legislature is in session, candidates for the state legislature or for constitutional offices cannot accept contributions from lobbyists. The legislative caucuses also are prohibited from taking contributions from lobbyists during session.

The sessional prohibition applies to all candidates for state legislative or constitutional office; not just to the incumbents who currently hold office. The ban applies to the entire first day of session even though the session usually begins at noon. A contribution from a lobbyist that is mailed to a candidate before the session starts but not received until after the session has begun is received during the session and cannot be accepted. The ban does not apply to special legislative sessions or when the candidate is in a special election.

### **What are the individual contribution limits?**

There are limits on the amount that one person, including a lobbyist, can give to a state candidate during a two-year period. A two-year period that ends on December 31 of an election year is called an election segment. Any other two-year period is called a non-election segment. The contribution limits are higher in an election segment than they are in a non-election segment.

For an office with a four-year term, the non-election segment and the election segment together make up the election cycle for that office. The House of Representatives has an election cycle of two years, so that cycle consists only of an election segment.

The contribution limits also are different for each office. The limits apply both to one-time contributions and to the total amount given by one person over the course of the two-year period.

<b>Limits for contributions from individuals and political committees and funds</b>		
Office	Election segment - individual limit	Non-election segment - individual limit
Governor/Lt. Governor	\$4,000	\$2,000
Attorney General	\$2,500	\$1,500
Secretary of State, State Auditor	\$2,000	\$1,000
State Senate	\$1,000	\$1,000
State Representative	\$1,000	N/A



Although not required by the Board, you may want to keep records of all contributions made to each recipient to ensure that they do not go over the contribution limit.

Bundled contributions are contributions delivered to the candidate by someone other than the original contributor. A candidate's committee may not accept contributions delivered by a person if the total of contributions made and delivered by that person exceeds the applicable individual contribution limit.

Each individual contribution in the bundle is also treated as a contribution from the original contributor and counts against the contribution limit applicable to that contributor as well. The bundling restrictions do not apply to contributions delivered by one spouse on behalf of another or to contributions collected by a member of the candidate's campaign committee.

Remember that loans and loan guarantees are subject to the contribution limits.

### What is the special source limit?

There also is a limit on the total amount that a candidate can receive from certain types of donors. This limit is called the "special source limit". The donors included in this limit are often called "special sources" and include lobbyists, political committees and funds, associations not registered with the Board, and large donors.

The special source limit caps the total amount that a candidate may accept from all special sources over the course of each two-year segment. You may hear the term "PAC'd out" to explain why a candidate may not accept your contribution. The special source limit is why it is very important for a lobbyist to include his or her registration number with a contribution. Without this registration number, the candidate will not know that the contribution counts against the special source limit.

The special source limit applies to all candidates, even those who do not sign the public subsidy agreement. The special source limit changes for every election.

Office	Aggregate Special Source Limits for 2013-2014 election cycle segment
Governor/Lt. Governor	\$700,000
Attorney General	\$120,000
Secretary of State, State Auditor	\$80,000
State Senate	\$6,000
State Representative	\$12,000

## **What penalties apply to gifts and contributions that don't follow the rules?**

The Board can charge a penalty of up to \$1,000 for

- making a contribution during the legislative session to a legislator or a legislative caucus;  
and
- making a contribution that does not include the lobbyist's registration number.

If a lobbyist makes a contribution that exceeds the contribution limits, the Board can charge a penalty of up to four times the amount by which the contribution exceeded the applicable limit.

The Board can seek a penalty of up to \$3,000 if someone tries to get around the contribution limits by making contributions through another person or on behalf of another person. Trying to circumvent the contribution limits also can be charged as a crime.

## Getting help

### Overview

This chapter tells you how to get help from the Board.

### Topics covered

[What is the role of Advisory Opinions?](#)

[Complaints](#)

[Who do you contact for help?](#)

### What is the role of Advisory Opinions?

The Board on occasion issues advisory opinions that provide the Board's interpretation of a statutory provision. Over the years, the Board has issued over 400 opinions which can be viewed and searched on the Board website at <http://www.cfboard.state.mn.us/Advisory.htm>. If you have a question about an advisory opinion, or wish to discuss the process for requesting an opinion from the Board, contact Board staff.

### Complaints

The Board enforces lobbying laws by reviewing reports that people file with it. Of course, not all problems with lobbyists and principals show up on filed reports. If you have reason to believe that a lobbyist or principal is not reporting accurately to the Board, or in some other way has broken the lobbying laws, you can file a complaint with the Board. If the complaint is about an activity under the Board's jurisdiction, and evidence is provided to show that the complaint has a reasonable basis, the Board will investigate. The information concerning the complaint is private until the Board publishes its decision.

### Who do you contact for help?

At the beginning of this handbook, we told you that we wouldn't try to answer every possible question you might have. We encourage you to call or e-mail the Board for help. We want your experience with the Board to be successful, and Board staff will try their best to provide you with the information you need for that to happen.

For lobbyist registration and reporting questions, please contact Marcia Waller, Programs Administrator; 651- 539-1187; [Marcia.j.waller@state.mn.us](mailto:Marcia.j.waller@state.mn.us)

For gift prohibition questions, please contact Jeff Sigurdson, Assistant Executive Director; 651- 539-1189, [jeff.sigurdson@state.mn.us](mailto:jeff.sigurdson@state.mn.us)

For advisory opinions or Board information, please contact Gary Goldsmith, Executive Director; 651- 539-1190, [gary.goldsmith@state.mn.us](mailto:gary.goldsmith@state.mn.us)

The Board has an email distribution list that will keep you informed of lobbyist issues. To subscribe to this list, go to the Board's website and select "E-mail Notice Subscriptions."

**You may also contact the Board as follows:**

By email at [cf.board@state.mn.us](mailto:cf.board@state.mn.us)

By telephone at (651) 539-1180 or toll free (800) 657-3889.

By TTY by calling (800) 627-3529 and asking for (651) 539-1180.

By fax to (651) 539-1196 or fax toll free (800) 357-4114.

By United States mail to:      Campaign Finance & Public Disclosure Board  
   190 Centennial Office Building  
   658 Cedar Street  
   St. Paul, Minnesota 55155-1603