

ETHICAL PRACTICES BOARD

First Floor South, Centennial Building . 658 Cedar Street . St. Paul, MN 55155-1603

THE FOLLOWING PUBLICATION DOES NOT IDENTIFY
THE REQUESTER OF THE ADVISORY OPINION, WHICH IS NONPUBLIC DATA
under Minn. Stat. § 10A.02, subd. 12(b) (1994 Minn. Laws, ch. 377, sec.1)

RE: Campaign Finance Disclosure

ADVISORY OPINION #209

SUMMARY

209. The purchase of computer equipment from funds that have been contributed to a principal campaign committee must be reported as campaign expenditures on the committee's periodic report that covers the period in which the equipment was purchased. Minn. Stat. §§ 10A.01, subd. 10, 10A.20, 10A.25. Campaign expenditures, including in-kind donations or approved expenditures, and noncampaign disbursements by a candidate's principal campaign committees for more than one office are subject to the applicable contribution and expenditure limits for each office and must be reported on the committees' respective periodic reports. Minn. Stat. §§ 10A.19, 10A.25, 10A.27; Minn. Rules pt. 4500.1200.

FACTS

As a legislator who filed for office in a special election, you have a committee registered for each office registered with the Ethical Practices Board. You state that you intend to keep both campaign committees open until such time as you make a decision whether to run for re-election to the office you hold or to run for election to the other office in 1996. You ask the Board for an advisory opinion based upon your statement of the following facts and information provided:

1. You recently purchased computer equipment from the funds of one of the committees which you intend to use for both campaign and noncampaign related activities.
2. One of the major reasons for purchasing this equipment is to assist you in working on issues related to the office you hold, such as data analysis, mapping, correspondence, and other work related to your current office.
3. You will use the equipment, also, for campaigns, such as mailing lists and registered voter files.

QUESTION ONE

Are you permitted to use funds contributed to your committee established to seek another office

for noncampaign disbursements related to your service in the office you hold?

OPINION

No. Minn. Stat. § 10A.01, subd. 10c (j).

QUESTION TWO

Are you permitted to make campaign expenditures from both principal campaign committees for the respective offices between now and filing for office for nomination or election to one of the two offices?

OPINION

Yes. Campaign expenditures for each office must be paid from the committee you established to seek the respective office. For example, the purchase of computer equipment from funds that have been contributed to committee established for the office you hold must be reported as campaign expenditures on that committee's periodic report for the period in which the equipment was purchased.

If your other committee uses the computer purchased and owned by the committee for the office you hold, your other committee must pay the committee owning the equipment for the fair market value of the use of the equipment, otherwise the use of the equipment is an in-kind donation from your committee for the office you hold, which is prohibited. A principal campaign committee is prohibited from accepting a contribution from another principal campaign committee, including an in-kind donation in the form of use of a principal campaign committee's computer. Minn. Stat. § 10A.27, subd. 9(a)

QUESTION THREE

Are you required to sign and file a separate public subsidy agreement for the other committee upon signing a public subsidy agreement for the committee established for the office you hold?

OPINION

Yes. A public subsidy agreement for the office you hold signed and filed after December 31, 1994, remains in effect until December 31, 1996, when the election cycle for that office ends or the termination of that committee, whichever occurs first. A public subsidy agreement for the other committee filed during a special election expires 60 days after the special election was held for that office. You may file a public subsidy agreement for your other committee at any time after the special election cycle ends to September 1, 1996, which will remain in effect until December 31, 1996, when the regular election cycle for that office ends or the termination of your other committee, whichever occurs first. Minn. Stat. § 10A.322.

QUESTION FOUR

Do the contribution and expenditure limits in Minn. Stat. Ch. 10A apply separately to each of your principal campaign committees?

OPINION

Yes. See copy of Minn. Rules pt. 4500.1200 reprinted below.

Issued: 10/14/95


Douglas H. Sillers, Chair
Ethical Practices Board

PERTINENT STATUTES AND RULES

Minn. Stat. § 10A.19 PRINCIPAL CAMPAIGN COMMITTEE provides:

Subdivision 1. No candidate shall accept contributions from any source, other than self, in aggregate in excess of \$100 or accept a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. . . .

Minn. Rules pt. 4500.1200 CHANGE OF OFFICE SOUGHT BY CANDIDATE provides:

Subpart 1. **Contribution and expenditure limits.** When a candidate, who sought nomination or election to one office, subsequently seeks the nomination or election to another office in the same election year, expenditures incurred and contributions received to influence the nomination or election to the first office will not be counted toward the campaign contribution and expenditure limits to the subsequent office sought.

. . . .
Subpt. 2. **Registration requirements.** A candidate who seeks another office must designate a separate principal campaign committee and a separate account for funds for the office sought.