#### State of Minnesota

# Campaign Finance & Public Disclosure 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)

RE: Gift to officials of informational book

#### **ADVISORY OPINION 317**

#### **SUMMARY**

An informational book that is available without charge to the public has "unexceptional value" for the purposes of Minn. Stat. § 10A.071 and, thus, is not a prohibited gift when given to officials.

#### **FACTS**

As the representative of a lobbyist principal, you ask the Campaign Finance & Public Disclosure Board (Board) for an advisory opinion based on the following facts:

- 1. The lobbyist principal, a Minnesota corporation, is publishing a book summarizing its history and contributions to the growth of Minnesota. The book will also look at Minnesota's future and examine how the company will play a role.
- 2. The book will be distributed free of charge to all company employees, former employees, and shareholders; to public, educational, and media libraries and historical societies in a multi-state region; and to any interested member of the public who requests a copy.
- 3. The corporation would like to distribute copies of the book to officials as defined in Minn. Stat. § 10A.071.

You ask whether distribution of the book to officials is prohibited by Minn. Stat. § 10A.071. If not, you ask how the gift of the book should be reported.

#### ISSUE

Under Minn. Stat. § 10A.071, may a lobbyist principal give to officials an informational book that it will give without charge to any member of the public who asks for it?

#### **OPINION**

Yes, the principal may make a gift of the described book without violation of Minn. Stat. § 10A.071.

The gift prohibition of Minn. Stat. § 10A.071 includes an exception for "informational material of unexceptional value". In most cases, the proper method of valuing a gift is to ask what it would cost the receiver or a member of the public to purchase or produce the item. However, where the item is given away free by the producer to anyone who asks for it, a different standard is applied.

Where an informational item is produced for free distribution to the public, it has "unexceptional value" for the purposes of the gift prohibition and may be given free to officials just as it is to the public.

Lobbyists must report gifts made by their principals if the value of the gift is \$5.00 or more. Minn. Stat. § 10A.04, subd. 4a. It is the opinion of the Board that the gift of a book that is available free to the public has no value for lobbyist reporting purposes and need not be included on the report.

Issued:

Sidney Pauly, Chair

Campaign Finance and Public Disclosure Board

#### **CITED STATUTES**

#### **10A.04 LOBBYIST REPORTS**

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Subd. 4a. If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item or benefit equal in value to \$50 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The January 15 report shall include all previously unreported disbursements, even though the total for the year is not over \$100.

### 10A.071 CERTAIN GIFTS BY LOBBYISTS AND PRINCIPALS PROHIBITED.

Subdivision 1. **Definitions.** 

- (a) The definitions in this subdivision apply to this section.
- (b) "Gift" means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment, that is given and received without the giver receiving consideration of equal or greater value in return.
- (c) "Official" means a public official, an employee of the legislature, or a local official of a metropolitan governmental unit.
- Subd. 2. **Prohibition.** A lobbyist or 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 principal.

## Subd. 3. Exceptions.

(a) The prohibitions in this section do not apply if the gift is:

. . .

(6) informational material of unexceptional value; . . .