

State of Minnesota  
**Campaign Finance and Public Disclosure Board**  
190 Centennial Building. 658 Cedar Street. St. Paul, MN 55155-1603

**THE FOLLOWING PUBLICATION DOES NOT IDENTIFY  
THE REQUESTER OF THE ADVISORY OPINION, WHICH IS NON PUBLIC DATA  
under Minn. Stat. § 10A.02, subd. 12(b)**

**RE: Disclosure of Fees Related to Lobbying**

**ADVISORY OPINION # 332**

**SUMMARY**

Fees paid to a public relations firm for work that support a lobbying effort must be reported to the Board.

**FACTS**

You ask the Campaign Finance and Public Disclosure Board (Board) for an advisory opinion concerning issues related to the following facts:

1. You are a lobbyist registered with the Board.
2. In the past you have contracted with a public relations firm to assist you in your lobbying effort that attempted to influence legislative action.
3. You have included fees paid to the public relations firm in the Lobbyist Disbursement Reports you have filed with the Board.
4. You believe that other lobbyist are failing to report fees paid to public relations firms for services related to lobbying.
5. You ask if a lobbyist is required to disclose fees paid to a public relations firm for activities related to lobbying on the Lobbyist Disbursement Report.

**ISSUE ONE**


Are fees paid to a public relations firm to assist in a lobbying effort reported to the Board?

## OPINION

Yes. A lobbyist must report all disbursements related to lobbying (with the exception of wages paid to the lobbyist) to the Board. Lobbying is defined in Minnesota Statutes 10A.01, subd. 21, to include either direct communication with a public or local official or communicating or urging others to communicate with public or local officials. The report must include disbursements related to lobbying made directly by the lobbyist, and those made by the lobbyist's employer or an association represented by a lobbyist. As provided in Minnesota Rules 4511.0600, subp. 5, lobbying disbursements are reported in one of nine categories. The categorization of fees paid to a public relations firm would depend on the nature of the services provided by the firm. For example, if the public relations firm was paid to design, produce, or distribute lobbying materials the fees paid to the firm would be reported in the "Lobbying Materials" category. If the public relations firm were paid for consulting services related to lobbying, the amount would be reported under the "Fees and Allowances" category.

Minnesota Statutes 10A.04, subd. 3, provides that a lobbyist's employer or association represented by the lobbyist, forward information on their lobbying expenses to the lobbyist for disclosure to the Board. The information must be provided to the lobbyist no later than five days prior to the filing date of a Lobbyist Disbursement Report.

Issued: 9/25/01



Don Roggenbauer, Vice Chair  
Campaign Finance and Public Disclosure Board

## CITED STATUTES AND RULES

### 10A.04 LOBBYIST REPORTS.

Subd. 3. **Information to lobbyist.** An employer or employee about whose activities a lobbyist is required to report must provide the information required by subdivision 4 to the lobbyist no later than five days before the prescribed filing date.

Subd. 4. **Content.**

(a) A report under this section must include information the board requires from the registration form and the information required by this subdivision for the reporting period.

(b) A lobbyist must report the lobbyist's total disbursements on lobbying, separately listing lobbying to influence legislative action, lobbying to influence administrative action, and lobbying to influence the official actions of a metropolitan governmental unit, and a breakdown of disbursements for each of those kinds of lobbying into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses.

(c) A lobbyist must report the amount and nature of each gift, item, or benefit, excluding contributions to a candidate, equal in value to \$5 or more, given or paid to any official, as defined in section 10A.071, subdivision 1, by the lobbyist or an employer or employee of the lobbyist. The list must include the name and address of each official to whom the gift, item, or benefit was given or paid and the date it was given or paid.

(d) Each lobbyist must report each original source of money in excess of \$500 in any year used for the purpose of lobbying to influence legislative action, administrative action, or the official action of a metropolitan governmental unit. The list must include the name, address, and employer, or, if self-employed, the occupation and principal place of business, of each payer of money in excess of \$500.

### 4511.0600 REPORTING DISBURSEMENTS.

Subpart 1. **Determination of actual costs required.** To the extent that actual costs of lobbying activities can be obtained or calculated by reasonable means, those actual costs must be determined, recorded, and used for reporting purposes.

Subp. 2. **Approximation of costs.** If the actual cost of a lobbying activity cannot be obtained or calculated through reasonable means, those costs must be reasonably approximated.

Subp. 3. **Disbursements allocated between multiple entities.** A disbursement for lobbying purposes that benefits more than one entity for which a lobbyist is separately registered must

be allocated between the entities benefited on a reasonable basis and reported based on that allocation.

**Subp. 4. Disbursements which are only partially in support of lobbying.** A disbursement that is partially in support of lobbying and partially for a nonlobbying purpose must be allocated on a reasonable basis between the two purposes and the portion which is for lobbying activities must be reported.

**Subp. 5. Specific disbursement categories.** Disbursements must be reported based on the categories in items A to I.

A. "Lobbying materials" includes the cost of production, purchase, or other acquisition of materials that directly support lobbying.

B. "Media costs" includes the cost of media space or time used for lobbying activities. The cost of preparation of materials for use in the media is reported in the lobbying materials category.

C. "Telephone and communications" includes costs for local and long-distance telephone services, electronic mail, pagers, cellular telephones, facsimile distribution services, telegraph, and other communications services.

D. "Postage and distribution" includes costs of postage from the United States Postal Service as well as other distribution costs associated with lobbying activities.

E. "Fees and allowances" includes fees for consulting or other services as well as expenses associated with those services.

F. "Entertainment" includes costs of all entertainment associated with any situation where lobbying activities take place.

G. "Food and beverages" includes costs of all food and beverages associated with any situation where lobbying activities take place.

H. "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.

I. "Other disbursements" includes general administration and overhead and any other lobbyist disbursements not reported in other categories.