

State of Minnesota
Campaign Finance & Public Disclosure Board
Suite 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: Potential Conflict of Interest for Legislature

ADVISORY OPINION 355

SUMMARY

A specific vote, action, or decision that may benefit relatives of a legislator does not create a conflict of interest under Minn. Stat. §10A.07. A conflict of interest is limited to the vote or action having a substantial affect on the financial interests of the legislator or the associated business of a legislator.

FACTS

As a legislator, and therefore a public official as defined in Minnesota Statutes, Chapter 10A, you ask the Campaign Finance and Public Disclosure Board (the Board) for an advisory opinion based on the following facts:

1. You have relatives who receive a pension from a public entity pension fund (the Fund).
2. It may be necessary for the state legislature to take action in order for the Fund to remain solvent
3. You may author legislation or vote on bills that affect the Fund.

ISSUE

May a public official vote or take actions or decisions that benefit the financial interests of a relative without creating a conflict of interest under Minn. Stat. §10A.07?

OPINION

Yes. Under Minn. Stat. §10A.07 a potential conflict of interest arises only when a public official's votes, actions, or decisions would affect the financial interests of the official or an associated business of the official in a manner that is greater than the effect on other members of the same occupation or profession.

Issued 2-25-04



Wil F. Juegel, Chair
Campaign Finance and Public Disclosure Board

Cited Statutes

10A.01 DEFINITIONS.

Subd. 5. **Associated business.** "Associated business" means an association from which the individual receives compensation in excess of \$50, except for actual and reasonable expenses, in any month as a director, officer, owner, member, partner, employer or employee, or whose securities the individual holds worth \$2,500 or more at fair market value.

Subd. 35. **Public official.** "Public official" means any:

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the state board of investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the workers' compensation court of appeals;
- (11) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of economic security;
- (12) member, regional administrator, division director, general counsel, or operations manager of the metropolitan council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the division of alcohol and gambling enforcement in the department of public safety;

(15) member or executive director of the higher education facilities authority;

(16) member of the board of directors or president of Minnesota Technology, Inc.; or

(17) member of the board of directors or executive director of the Minnesota state high school league.

10A.07 Conflicts of interest.

Subdivision 1. Disclosure of potential conflicts. A public official or a local official elected to or appointed by a metropolitan governmental unit who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must take the following actions:

(1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;

(2) deliver copies of the statement to the official's immediate superior, if any; and

(3) if a member of the legislature or of the governing body of a metropolitan governmental unit, deliver a copy of the statement to the presiding officer of the body of service.

If a potential conflict of interest presents itself and there is insufficient time to comply with clauses (1) to (3), the public or local official must orally inform the superior or the official body of service or committee of the body of the potential conflict.

Subd. 2. Required actions. If the official is not a member of the legislature or of the governing body of a metropolitan governmental unit, the superior must assign the matter, if possible, to another employee who does not have a potential conflict of interest. If there is no immediate superior, the official must abstain, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the official is a member of the legislature, the house of service may, at the member's request, excuse the member from taking part in the action or decision in question. If the official is not permitted or is otherwise unable to abstain from action in connection with the matter, the official must file a statement describing the potential conflict and the action taken. A public official must file the statement with the board and a local official must file the statement with the governing body of the official's political subdivision. The statement must be filed within a week of the action taken.

Subd. 3. Interest in contract; local officials. This section does not apply to a local official with respect to a matter governed by sections 471.87 and 471.88.