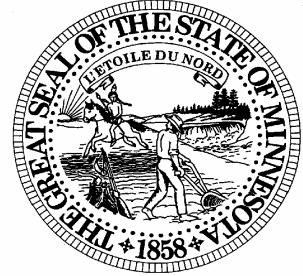


Minnesota

Campaign Finance and Public Disclosure Board



**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: Use of Principal Campaign Committee Funds

ADVISORY OPINION 390

SUMMARY

The cost of a described foreign trip is neither a campaign expenditure nor a noncampaign disbursement that may be properly paid with funds of a principal campaign committee.

FACTS

As a State Senator with a principal campaign committee registered with the Campaign Finance and Public Disclosure Board (the Board) you ask for an advisory opinion based on the following facts.

1. The Jewish Community Relations Council has planned a trip to Israel in December of 2006. The Council has asked several Minnesota legislators to join the trip. The anticipated cost is around \$3000. To quote the letter of invitation, legislators "...will see how Israel, a tiny nation surrounded by hostile neighbors, has sustained itself through several wars of aggression, ongoing terrorism and the struggles it faces to survive."
2. Participants will learn about Israel's security measures, its battle with terrorism, its relations with the United States and its economic ties with Minnesota. Participants will visit religious and historic sites and sites of strategic significance. Participants will be briefed by government, military and community officials and leaders.
3. In accordance with Minnesota Statutes, section 10A.105, you have established a principal campaign committee that is subject to the organization, accounting, registration, reporting and other requirements of Minnesota Statutes, chapter 10A. The committee is responsible for the receipt and disbursement of campaign funds.

ISSUE ONE

Is the cost of the described foreign trip an expense that may properly be paid as a campaign expenditure from money collected for political purposes and disbursed by a principal campaign committee?

OPINION ONE

No. Minnesota Statutes, section 10A.01, subdivision 9, defines "campaign expenditure" generally as "...a payment...made or incurred for the purpose of influencing the nomination or election of a candidate...." The definition by section 10A.01, subdivision 9, excludes "noncampaign disbursements" from its scope and they are treated below as a second issue. Minnesota Statutes, section 211B.12, allows money collected for political purposes to be spent for costs reasonably related to the conduct of election campaigns and lists certain definite categories of expense in clauses (1) to (6). Clause (7) of section 211B.12 permits other expenditures reasonably related to election campaigns or the provision of information to constituents. The cost of the proposed trip is:

- (a) not incurred for the purpose of influencing the nomination or election of a candidate as allowed by section 10A.01, subdivision 9;
- (b) does not fall in any of the definite categories of section 211B.12, clauses (1) to (6), such as salaries, advertising and printing; and
- (c) does not have any specific connection to an election campaign that could bring the cost of the trip within the scope of section 211B.12, clause (7).

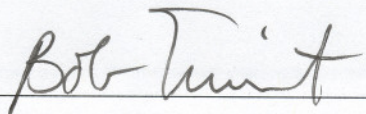
ISSUE TWO

Is the cost of the described foreign trip an expense that may properly be paid as a noncampaign disbursement from money collected for political purposes and disbursed by a principal campaign committee?

OPINION TWO

No. Noncampaign disbursements as defined by clauses (1) to (18) of section 10A.01, subdivision 26, are narrowly defined categories of expense, such as accounting and legal fees, costs of serving in office and interest on loans, that do not refer explicitly to a cost like the proposed trip and do not include any general language that might be read to refer to the cost of such a trip.

Issued November 28, 2006



Bob Milbert, Chair
Campaign Finance and Public Disclosure Board

Cited Statutes

Minnesota Statutes, section 10A.01 Definitions

Subdivision 9. Campaign expenditure. "Campaign expenditure" or "expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question.

An expenditure is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

Except as provided in clause (1), "expenditure" includes the dollar value of a donation in kind.

"Expenditure" does not include:

- (1) noncampaign disbursements as defined in subdivision 26;
- (2) services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; or
- (3) the publishing or broadcasting of news items or editorial comments by the news media.

Minnesota Statutes, section 10A.01 Definitions

Subdivision 26. Noncampaign disbursement. "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, or a donation in kind received, by a principal campaign committee for any of the following purposes:

- (1) payment for accounting and legal services;
- (2) return of a contribution to the source;
- (3) repayment of a loan made to the principal campaign committee by that committee;
- (4) return of a public subsidy;
- (5) payment for food, beverages, entertainment, and facility rental for a fund-raising event;
- (6) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, including the costs of preparing and distributing a suggestion or idea solicitation to constituents, performed from the beginning of the term of office to adjournment sine die of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer

in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;

- (7) payment for food and beverages consumed by a candidate or volunteers while they are engaged in campaign activities;
- (8) payment for food or a beverage consumed while attending a reception or meeting directly related to legislative duties;
- (9) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;
- (10) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;
- (11) costs of child care for the candidate's children when campaigning;
- (12) fees paid to attend a campaign school;
- (13) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;
- (14) interest on loans paid by a principal campaign committee on outstanding loans;
- (15) filing fees;
- (16) post-general election thank-you notes or advertisements in the news media;
- (17) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;
- (18) contributions to a party unit;
- (19) payments for funeral gifts or memorials; and
- (20) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

The board must determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.

A noncampaign disbursement is considered made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

Minnesota Statutes, section 211B.12

Legal expenditures.

Use of money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, or is a noncampaign disbursement as defined in section 10A.01, subdivision 26. The following are permitted expenditures when made for political purposes:

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;
- (5) office and other space and necessary equipment, furnishings, and incidental supplies;
- (6) charitable contributions of not more than \$50 to any charity annually; and
- (7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.