

State of Minnesota
Campaign Finance & Public Disclosure Board
Suite 190, Centennial Building. 658 Cedar Street. St. Paul, MN55155-1603

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Issued to: Georgeann Hall, Treasurer
Mindy Greiling Volunteer Committee
385 Transit Avenue
Roseville, MN 55113

ADVISORY OPINION 424

SUMMARY

Costs paid by a principal campaign committee for a reception given in honor of a candidate's retirement from public office may be reported as noncampaign disbursements.

FACTS

You ask the Campaign Finance and Public Disclosure Board (Board) for an advisory opinion based on the following facts:

1. You are the treasurer of the Mindy Greiling Volunteer Committee (the Committee), which is the principal campaign committee of Representative Greiling. Representative Greiling has served for twenty years as a state representative.
2. The office of state representative is up for election in 2012. However, Representative Greiling has announced that she will retire at the end of her current term and will not seek reelection to the House of Representatives or to any other elected office in 2012.
3. The filing period for candidates who wish to run for office closes on June 5, 2012.
4. The Committee would like to use some committee funds, approximately \$1,000 to \$1,500, to host a reception for Representative Greiling. The reception will be used to honor and thank Representative Greiling for her years of public service. The reception would occur on June 16, 2012.
5. No candidate seeking office in 2012 will be promoted, or will be speaking, at the event.

ISSUE

May the Committee pay for the cost of the reception to honor Representative Greiling for her years of public service?

OPINION

The Board only has authority to provide an opinion on the appropriate use of noncampaign disbursements. Expenditure made by a principal campaign committee that are not noncampaign disbursements must be for the purposes provided in Minnesota Statutes 211B.12, which is a statute not regulated by the Board. Therefore, in order for the Board to determine that principal campaign committee funds may be used to pay for the reception, the Board must conclude that the event qualifies as a noncampaign disbursement.

Noncampaign disbursements are expenditures by a principal campaign committee which are for one of the purposes listed in Minnesota Statutes, section 10A.01, subdivision 26. There are currently twenty-three purchases or payments made with principal campaign committee funds that are recognized as noncampaign disbursements by this statute. The statute also gives the Board authority to determine if a purchase or payment not listed in the statute may be classified as a noncampaign disbursement.

Noncampaign disbursements do not count against the campaign expenditure limit placed on a candidate who signs a public subsidy agreement. Noncampaign disbursements are either for a purpose unrelated to the nomination or election of a candidate, or are for a purpose only tangentially related to conducting a campaign. The Board uses its authority to recognize new noncampaign disbursements with caution so that campaign expenditure limits are not undermined. The purpose of the new noncampaign disbursement must also be consistent with existing classifications.

There are similarities between the event described in the facts of this opinion and Minnesota Statutes, section 10A.01, subdivision 26 (13), which provides that a principal campaign committee may pay as a noncampaign disbursement the "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." This noncampaign disbursement category is not directly applicable because the reception is not a "postelection party" as Representative Greiling will not file for office and therefore will not be appearing on either the primary or general election ballot.

However, the reception will serve a purpose similar to a postelection party in that both are social gatherings of the candidate and the candidate's supporters. Whether the election was won or lost, a postelection party is primarily an opportunity for the candidate to express gratitude and appreciation to those who worked on the campaign. A reception for a candidate who is not seeking reelection is primarily an opportunity for the candidate to express gratitude and appreciation to those who worked on prior campaigns and those who worked with the candidate in carrying out the duties of public service.

For a postelection party to qualify as a noncampaign disbursement, the party must occur at a time when it is no longer possible to influence voting for the candidate. A similar effect is achieved by the proposed reception because it will occur after the deadline for filing for office has passed, which precludes the possibility of influencing the nomination or election of the candidate. Further, the requester has stipulated that the reception will not be used to promote any other candidate who might be running for office in 2012, so the cost of the reception will not be an in-kind donation to influence the election of any other candidate.

The Board was asked for an opinion on a similar set of facts in Advisory Opinion 285. In that opinion, an incumbent office holder who had decided not to run for reelection also wished to use principal campaign committee funds to pay the cost of a party to thank staff and other individuals who worked with the incumbent over the years. The Board authorized the use of principal campaign committee funds to pay for the party as a noncampaign disbursement conditioned on the party occurring after the November general election. As explained above, the objective of insuring that the reception will not influence voting for the candidate is achieved by holding the event after the close of filing for office. If the candidate is precluded from appearing on the ballot, the Board sees no useful purpose in requiring the requester to wait until November to hold the reception.

The Mindy Greiling Volunteer Committee may use its funds to pay for the reception described in the facts of this opinion. The funds spent on the event should be categorized as noncampaign disbursements on the Committee's Report of Receipts and Expenditures.

The noncampaign disbursement purpose described in Minnesota Statutes, section 10A.01, subdivision 26 (13), and the additional noncampaign disbursement recognized by this opinion, may be used for only a single event, which must occur during an election year for the office for which the candidate created the principal campaign committee.

Issued: April 3, 2012

_____/s/ Greg McCullough_____
Greg McCullough, Chair
Campaign Finance and Public Disclosure Board

Relevant Statutes

Minnesota Statutes, section 10A.01

Subd. 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: ...

(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; ...

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