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)

ADVISORY OPINION 449

SUMMARY

An association’s advertising policies for accepting political advertisements are not governed by Chapter 10A. Associations should be aware of actions that may result in a prohibited corporate contribution to a candidate’s principal campaign committee.

Facts

As a representative of an association that may interact with principal campaign committees, you ask the Campaign Finance and Public Disclosure Board for an advisory opinion based on the following facts:

1. The association is a 501(c)(6) membership-based organization registered as a non-profit corporation in Minnesota.

2. The association produces a bi-monthly print newsletter that is only available to association members. The association also produces a weekly electronic newsletter that is similar in content to the print newsletter, but which is available to individuals who are not members of the association.

3. Members of the association may pay to advertise their products and services in either the print or the electronic version of the newsletter. Advertising is a benefit of association membership, so non-members may not purchase advertisements in either version of the newsletter.

4. Some members of the association are candidates for office at the upcoming election.

Issue One

Is the association required to accept campaign advertisements from non-members, or to accept campaign advertisements that the association deemed to be insulting or derogatory on a personal level?
Opinion One

Not under Chapter 10A. An association's policies for accepting advertisements in its membership publications are not governed by the statutory provisions under the Board's jurisdiction.¹ Nor does Chapter 10A give candidates the right to advertise in a membership newsletter. However, the association should take steps to ensure that the acceptance of advertisements from member candidates does not result in a corporate contribution to the candidate's campaign committee.

The cost to place a campaign advertisement should be determined from a set schedule that applies to all advertisers. If the advertisement rate is lower for candidates than for other advertisers, then the difference between the candidate rate and the rate for the other advertisers represents an in-kind donation from the association to the candidate's committee. The association is a non-profit corporation. Non-profit corporations are generally prohibited from contributing to candidate committees under Minnesota Statutes section 211B.15.

The requester states that the payment of membership dues is required to have access to advertise in the newsletters. If the membership dues were paid with personal funds by an individual, then the access to advertise in the newsletters is an in-kind contribution from that individual to the campaign committee. However, if the membership dues were paid by a corporation, then using the corporate membership for the access needed to advertise in the newsletters is an in-kind contribution from the corporation to the campaign committee that could be prohibited under Minnesota Statutes section 211B.15.

For the association’s reference the Board notes that Minnesota Statutes section 211B.05 requires periodicals to identify political advertisements, and also sets standards for advertising rates charged to candidates that advertise in periodicals. The Board has no jurisdiction over Minnesota Statutes section 211B.05, and makes no conclusion as to whether that statute applies to the association’s newsletter. Additionally, this opinion does not reflect any analysis of the relationship between political activity and an association’s 501(c)(6) tax status.

Issued August 16, 2018

/s/ Carolyn Flynn
Carolyn Flynn, Chair
Campaign Finance and Public Disclosure Board

¹ Minnesota Statutes section 10A.37. Nothing in this chapter may be construed to abridge the right of an association to communicate with its members.