

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

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Issued to: Senator Karla Bigham
PO Box 18
Cottage Grove, MN 55016

RE: Podcast as a constituent service

ADVISORY OPINION 453

SUMMARY

A legislator may produce or participate in a podcast to discuss public policy and current events and may pay for the podcast with personal funds. Whether the podcast expenses must be accounted for through the legislator's principal campaign committee depends on the content of the podcast.

FACTS

As a state senator who is a declared candidate for reelection, you request an advisory opinion from the Campaign Finance and Public Disclosure Board based on the following facts which were provided to the Board in a written request and through conversations with Board staff.

1. You plan to develop and launch a podcast. You will be the host of the podcast.
2. You will pay the cost of producing the podcast and the costs for making the podcast available online with personal funds. At some point you may ask for donations or accept sponsorships to help cover the costs of producing and distributing the podcast. You do not intend to use funds from your principal campaign committee for the podcast.
3. The podcast will focus on public policy, organizations in your community, and current events in that community.
4. The podcast will feature guests that may include local elected officials, fellow colleagues in the legislature, elected officials on a federal level, business professionals, community members, and other relevant guests depending on the topic.
5. Depending on the guest and the subject matter of the podcast the discussion may be considered partisan in nature.

6. Neither you as the host nor any guest will ask for votes, contributions for any political campaign or political organization, or assistance or support for any political campaign.
7. The podcast will have its own email, webpage, and social media accounts.

ISSUE ONE

May a legislator who is a candidate for re-election produce and host a podcast that is not paid for by the official's principal campaign committee?

OPINION ONE

Yes. A legislator who is a candidate for re-election may produce and host a podcast that is not paid for by the legislator's principal campaign committee. However, whether the podcast must be accounted for by the legislator's principal campaign committee is determined by the content of the podcast. Candidates and elected officials have commercial, professional, and personal interests that may be the basis for a podcast that would clearly be outside the scope of the regulation and reporting requirements of Chapter 10A. Therefore, the costs of those podcasts would not need to be accounted for by a principal campaign committee.

However, based on the facts presented for this advisory opinion, the subject podcast will focus on discussions of public policy, local organizations, and current events that are of importance to the Senator's community. The purpose of the podcast is therefore to provide a service in the form of information that is relevant to the Senator's constituents. A constituent service is a noncampaign disbursement under Minnesota Statutes section 10A.01, subdivision 26.

The Board has long recognized that some services provided by a legislator to constituents are not for the purpose of influencing the nomination or election of the legislator. In Advisory Opinions 19 and 24¹ the Board recognized the holding of informational hearings, speaking at meetings in the legislator's district, and sending legislative questionnaires and legislative reports as constituent services. Advisory Opinion 19 explained as follows:

One of the functions of a legislator is to report to his constituents on possible legislative action and to obtain their opinions on matters which come before the Legislature so that he may represent them during the session. Any activities designed to enable him to fulfill that function are legitimate constituent services, even though they may have an incidental effect on the legislator's chances for re-election.

Notably both advisory opinions were issued prior to the legislature creating the definition for the term "noncampaign disbursement," which included constituent services, in 1978.²

¹ Advisory Opinion 19 (April 18, 1975). Advisory Opinion 24 (August 5, 1975). While these two opinions provide insight into the Board interpretation of Chapter 10A, opinions issued by the Board prior to 1994 have lapsed, and no longer provide safe harbor to the requester.

² Laws of 1978, Chapter 463, section 10.

More recently the Board provided in Advisory Opinion 365³ that the cost of producing a cable television program on which legislators may serve as hosts and "... be interviewed for perspectives on current issues and matters occurring in the legislature" may be reported as a constituent service "[i]f the purpose of the candidate appearing on the program was to provide constituents with information on issues facing the state..."

Advisory Opinion 403⁴ also acknowledged information on issues and legislative action as a constituent service when it provided:

The Board has extended the concept of constituent services to cover annual reports of legislators to their constituents. While such a service is not requested by the recipient, there is a long tradition and expectation that part of what a legislator does for his or her constituents is to keep them informed.

While the use of a podcast as the medium to distribute information to constituents is a new fact for the Board to consider, both the nature of the information provided on the podcast and the role of a legislator leading a discussion of the issues are consistent with the advisory opinions discussed above. The Board therefore concludes, based on the facts provided, that the podcast is a constituent service under Chapter 10A.

Because a constituent service could provide value to the reelection campaign of a legislator, Minnesota Statutes section 10A.173, subdivision 1, paragraph (a), establishes a period of time in which one-half of a constituent service is a campaign expenditure and a period of time in which the entire cost of those services is a campaign expenditure. The period where one-half of the constituent service is a campaign expenditure begins when the legislature adjourns sine die in a year when the legislator is on the ballot, and continues for 60 days. After the 60-day period expires through election day, the entire expense is a campaign expenditure.

In this case, the cost of producing and distributing a podcast episode must be divided between noncampaign disbursement and campaign expenditure if the episode is released during the 60 days following adjournment sine die in any year in which the Senate is on the ballot. The cost of producing and distributing a podcast episode after 60 days following the adjournment of the legislature sine die is counted entirely as a campaign expenditure.

The Board notes that the Senator plans to develop a website and use email and other social media to promote and distribute the podcast. The costs of the website, email, and other social media platforms used to promote the podcast are distribution costs of the podcast and must also be divided between noncampaign disbursement and campaign expenditure as described above.

Services for constituents are a type of noncampaign disbursement only available to incumbent legislators and constitutional officers because only incumbents have constituents. A podcast produced by a candidate who is not an incumbent could not be classified as a constituent service, and would therefore be evaluated differently than the podcast that is the subject of this opinion.

³ Advisory Opinion 365 (February 22, 2005).

⁴ Advisory Opinion 403 (March 3, 2009).

ISSUE TWO

Does the above-described podcast constitute an in-kind contribution to the campaign committee?

OPINION TWO

Up to the point at which the cost of producing and distributing a constituent service must be divided between noncampaign disbursement and campaign expenditure a legislator has the option of paying for the constituent service with either personal funds or the funds of his or her principal campaign committee. Minnesota Rules 4503.0950, subpart 1, provides:

Constituent services which a principal campaign committee would report as noncampaign disbursements under Minnesota Statutes, section 10A.01, subdivision 26, clause (6), and which are paid for with the personal funds of an incumbent are not reportable.

However, once a constituent service is at least in part a campaign expenditure it must be paid for by the legislator's principal campaign committee, or if the cost is paid for by the legislator, the cost must be reported as an in-kind donation from the legislator to the principal campaign committee.

ISSUE THREE

May the podcast accept individual donations to offset capital and ongoing operational costs?

OPINION THREE

Yes, but donations from individuals that are used to pay for noncampaign disbursements, including constituent services, must be deposited in the account of the principal campaign committee of the candidate. Money donated to a principal campaign committee is a contribution⁵ to the committee, and is subject to the source and contribution limits provided in Chapter 10A. Because donations for the podcast must be deposited in the principal campaign committee's account, the solicitation of donations to pay for the podcast would in effect be soliciting contributions to the principal campaign committee.

ISSUE FOUR

May the podcast be sponsored by a business or other association? If yes, are there any required disclaimers?

OPINION FOUR

A corporation is prohibited from making contributions to a principal campaign committee, and principal campaign committees are prohibited from accepting contributions from corporations.⁶ For the purposes of this advisory opinion the term "sponsorship" is

⁵ Minnesota Statutes section 10A.01, subdivision 11, defines "contribution."

⁶ Minnesota Statutes section 211B.15.

differentiated from a contribution in that with a sponsorship the business or association pays for the cost of the podcast in exchange for advertising time in the podcast. Presumably a sponsor of the podcast would receive marketing exposure of at least equal value to the cost of producing and distributing the podcast. The sponsorship would in theory not be a contribution to the principal campaign committee, but instead something similar to a business transaction.

However, principal campaign committees are not established to operate as businesses. Chapter 10A does not contemplate principal campaign committee making income from providing services to constituents. More importantly, if the Board were to allow business sponsorship of noncampaign disbursements it would defeat contribution limits and allow access to sources of funding, primarily to incumbent legislators, otherwise prohibited by Chapter 10A. The Board concludes therefore that corporations and other associations may not sponsor noncampaign disbursements, including a podcast provided as a constituent service.⁷

ISSUE FIVE

If at some future time the podcast was used for campaign purposes, what should be reported to the Board?

OPINION FIVE

As noted in opinion one, the cost of producing and distributing any podcast released after the adjournment of the legislature sine die must be divided between noncampaign disbursements and campaign expenditures as provided in Minnesota Statutes section 10A.173, subdivision 1. The portion of costs for the podcasts that are campaign expenditures are reported to the Board and count against the legislator's spending limit.

ISSUE SIX

Would the podcast be required to have a disclaimer that the podcast is not related to a political campaign?

OPINION SIX

No, a podcast that is entirely a constituent service when it is released does not require the disclaimer set forth in Minnesota Statutes section 211B.04 because it is not campaign material. However, Minnesota Statutes section 10A.173, subdivision 1 (c), provides:

A communication prepared as a service for a constituent must include the disclaimer required by section 211B.04 when the communication is disseminated after adjournment sine die of the legislature in the election year for the office held.

⁷ The Board announced in the Findings and Order in the Matter of a Contribution to the 23rd Senate District DFL from the Maschka, Riedy & Ries Law Firm that a business may not sponsor fundraising events in part because of the enforcement problems listed in issue four.

If the content of the podcast changes from a constituent service to campaign material then the standard campaign disclaimer provided in section 211B.04 is required at the time the content of the podcast changes.

ISSUE SEVEN

If a guest is an elected official, are there any required disclaimers?

OPINION SEVEN

No, having a guest on the podcast who is an elected official does not require additional campaign disclaimers for the elected officials. The facts of the opinion provide that neither the host of the podcast nor any guest will ask for votes, contributions for any political campaign or political organization, or assistance or support for any political campaign. Minnesota Rules 4503.1000, subpart 1, provides:

Campaign materials, including media advertisements, produced and distributed on behalf of one candidate which contain images of, appearances by, or references to another candidate, but which do not mention the candidacy of the other candidate or make a direct or indirect appeal for support of the other candidate, are not contributions to, or expenditures on behalf of that candidate.

As explained in opinion six, when the podcast is a constituent service a campaign disclaimer is not required. When the podcast is a campaign expenditure on behalf of the legislator because of adjournment sine die or because of a change in the content of the podcast, a campaign disclaimer for the legislator's committee is required. However, as provided in the above rule the appearance of another candidate in the podcast will not be a campaign expenditure for that candidate if there is no direct or indirect appeal for support for the other candidate. If the podcast is not campaign material for the other candidate, then a disclaimer for the other candidate's campaign is not required.

ISSUE EIGHT

Can the podcast discuss legislation that is sponsored or supported by the host? Additionally, can the host promote, support, or oppose legislation on the podcast?

OPINION EIGHT

Yes, the podcast may discuss legislation that is sponsored or supported by the host, and the podcast may also be used to promote, support, or oppose legislation. As noted in the facts of the opinion the discussion of issues and legislation may at times be considered partisan. Information provided as a constituent service does not have to be neutral or nonpartisan in nature. However, a podcast that advocates for the election or defeat of candidates because of their position on legislation is not a constituent service.

Issued: June 3, 2020

/s/ Gary Haugen
Gary Haugen, Vice Chair
Campaign Finance and Public Disclosure Board