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VIA EMAIL

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The Minnesota Governmental Relations Council (MGRC) is a Minnesota nonprofit organization serving government relations professionals by providing advocacy, professional development, networking, and an enhanced working experience inside and outside the Capitol. We are a network of more than 500 lobbyists and public relations professionals in Minnesota, whose common goal is to influence the public policy process through ethical representation.

On behalf of Minnesota's professional lobbying community, we are hopeful the Campaign Finance and Public Disclosure Board (CFB) will engage in a thorough dialog with MGRC and perform the research necessary to better understand the work and role of government relations professionals.

We have engaged our membership throughout the past several years to provide feedback on legislation and rulemaking related to registration and disclosure requirements for lobbyists. Our members universally support transparent, meaningful, and clear disclosure requirements. However, as the CFB embarks on this study group, we are currently hearing the following themes from our membership:

1. We are concerned about the level of understanding and appreciation for the work professional lobbyists do and how it gets done.

Professional lobbyists differ from citizens exercising their rights to petition the government. As the National Council on State Legislators (NCSL) states: *Lobbyists are not simply individuals who engage in lobbying. Lobbyists are **professional advocates** who work to influence political decisions on behalf of individuals and organizations.*

Minnesota's new definition of "lobbyist" does not consider the professional nature of lobbyists' work and instead expands it to individuals who are not professional advocates. In doing so, it forces ordinary citizens to monitor – and perhaps forego – their engagement with government officials.

We welcome the opportunity to provide critically important examples of this work that should be considered as additional clarity is sought on definitions and application to the work performed.

For example, appreciating the amount of time it could take to change one word in legislation could trigger certain reporting, as can merely assisting a legislator with improving their bill based on a client's expertise versus their advocacy. Currently there is no differentiation between these types of activities and the input we have received in the past from the legislature and Campaign Finance Board is there is a desire to in fact capture some of this activity but not others.

Several MGRC members have individually submitted advisory opinion requests and written comments to the CFB highlighting ambiguities in current statute and interpretation. Where much of the ambiguity lies is in the deficit of understanding what professional lobbyists do and how engagement by citizens, professional advisors and subject matter experts differ. We urge this committee to continue to engage in dialogue with our members so that the definition of "lobbying activity" is clear to all.

2. We are concerned that the current statutory threshold to meet registration requirements does not effectively delineate between citizens and professional lobbyists.

Minnesota requires registration for individuals who communicate with public or local officials or urge others to communicate with public or local officials after the individual is paid more than \$3,000 in a year from all sources for lobbying.

Other states have created registration parameters for "lobbying" that consider not just compensation, but the **time spent on lobbying activities** and whether lobbying is a key part of their work duties. An hourly threshold is a fair approach to marking the line between citizen advocate and professional advocate, rather than relying on a case-by-case determination of compensation and activities. Furthermore, Minnesota previously had an hourly threshold. We urge this study group to strongly consider reinstating an hourly threshold that, combined with the compensation threshold, more accurately delineates between professional lobbyists, professional advisors, and regular citizens.

3. We are concerned about the impact of new registration requirements on 1) professional experts; and 2) people serving as volunteers or on nonprofit boards.

In 2023, the legislature adding a new definition of "legislative action" and expanded registration requirements to all "political subdivisions." This language was not well-vetted with the professional lobbying community, and it quickly became apparent there was significant confusion about WHO must register and WHAT activities constitute legislative action. The Campaign Finance Board has attempted to make clarifications through formal advisory opinion guidance and in rulemaking. However, the issue of "professional advisors" or "subject matter experts" has remained unsettled.

MGRC proposed legislation in 2024 to clarify this issue such that *an individual providing information, data, advice, professional opinions, variables, options, or direction on a topic on which the individual has particular expertise through education or professional or occupational training to a public or local official at a lobbyist's request* would not be required to register (other factors notwithstanding). This language was not adopted by the legislature, leaving professionals with disparate and confusing reporting requirements for subject matter experts working across various levels of government. We encourage the CFB to thoroughly research, consider, and recommend clarifications in this area.

Furthermore, we are concerned about a lack of clarity for individuals serving as volunteers, particularly those attending days at the Capitol and/or serving as directors on nonprofit boards. While some language has been drafted regarding volunteers in the proposed rules, MGRC membership and the nonprofit community remain confused about persons serving on nonprofit boards, persons attending days at the Capitol, and pro bono activities. We urge this committee to study these areas and engage in conversations with nonprofit leaders.

As this study group commences its work, we want to reiterate the commitment of the Minnesota Governmental Relations Council, its Board of Directors, and our 500+ members to engage with the Campaign Finance and Public Disclosure Board and the Minnesota Legislature to attain better understanding of the role professional lobbyists contribute to the legislative process as well as clarify definitions of professional advisors and volunteers, “legislative activity” relative to state and local public officials, and an updated threshold for lobbyist registration. We stand ready to work with you to achieve these objectives, with the underlying goal of transparent, meaningful, and clear lobbying disclosure requirements.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Haas".

Nancy Haas
President
Minnesota Governmental Relations Council