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## CHAPTER 4501, GENERAL PROVISIONS

### 4501.0100 DEFINITIONS.

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Subp. 4. **Compensation.** "Compensation" means every kind of payment for labor or personal services. Compensation does not include payments of Social Security, unemployment compensation, workers' compensation, healthcare, retirement, or pension benefits.

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## CHAPTER 4511, LOBBYIST REGISTRATION AND REPORTING

### 4511.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, chapter 10A. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, also apply to this chapter.

Subp. 1a. [Repealed, L 2023 c 62 art 5 s 44]

Subp. 2. **Administrative overhead expenses.** "Administrative overhead expenses" means costs incurred by the principal for office space, transportation costs, and website operations, that are used to support lobbying in Minnesota.

Subp. 3. **Development of prospective legislation.** "Development of prospective legislation" means communications that:

A. explain the need for legislation that has not been introduced as a bill;

B. request support for legislation that has not been introduced as a bill;

C. provide language, or comments on language, used in draft legislation that has not been introduced as a bill; or

D. are intended to facilitate the drafting of language, or comments on language, used in draft legislation that has not been introduced as a bill.

Development of prospective language does not include:

A. Responding to a request for information by a public or local official.

B. Requesting a public official complete or respond to a survey of the official's support or opposition for an issue.

C. Advocating for an issue without requesting action by the public official.

**Subp. 4. Employee of a political subdivision.** "Employee of a political subdivision" includes an individual hired or appointed by the political subdivision. An individual is also an employee of a political subdivision if the individual is:

A. hired to provide the political subdivision services as a consultant or independent contractor; or

B. the individual is employed by a business that has contracted with the political subdivision to provide legal counsel, professional services, or policy recommendations to the political subdivision.

Subp. ~~52~~. **Gift.** "Gift" has the meaning given in chapter 4512 and Minnesota Statutes, section 10A.071.

Subp. ~~63~~. **Lobbying.** "Lobbying" means attempting to influence legislative action, administrative action, or the official action of a ~~metropolitan governmental unit~~ political subdivision by communicating with or urging others to communicate with public officials or local officials ~~in metropolitan governmental units~~. Any activity that directly supports this communication is considered a part of lobbying. Payment of an application fee, or processing charge, for a government service, permit, or license is not lobbying or an activity that directly supports lobbying.

Subp. ~~74~~. **Lobbyist's disbursements.** "Lobbyist's disbursements" include ~~all disbursements for lobbying each gift given made~~ by the lobbyist, the lobbyist's employer ~~or employee~~, or any person or association represented by the lobbyist, ~~but do not include compensation paid to the lobbyist.~~

Subp. ~~8~~. **Pay or consideration for lobbying.** "Pay or consideration for lobbying" means the gross compensation paid to an individual for lobbying. *An individual who is not compensated for lobbying under the terms of their employment does not receive pay or consideration for lobbying.*

Subp. ~~95~~. **Original source of funds.** "Original source of funds" means a source of funds, provided by an individual or association other than the entity for which a lobbyist is registered, paid to the lobbyist, the lobbyist's employer, the entity represented by the lobbyist, or the lobbyist's principal, provided for the purpose of supporting for lobbying purposes.

Subp. ~~106~~. **Public higher education system.** "Public higher education system" includes the University of Minnesota and the Minnesota State Colleges and Universities governed by Minnesota Statutes, chapter 136F. The board may issue advisory opinions at the request of other entities with respect to whether or not they are also included within this definition.

Subp. ~~117~~. **Reporting lobbyist.** "Reporting lobbyist" means a lobbyist responsible for reporting lobbying ~~disbursements activity~~ of two or more lobbyists representing the same entity. Lobbying ~~disbursements activity made~~ on behalf of an entity may be reported by each individual lobbyist that represents an entity, or by one or more reporting lobbyists, or a combination of individual reports and reports from a reporting lobbyist.

Subp. 12. State agency. "State agency" means any office, officer, department, division, bureau, board, commission, authority, district, or agency of the State of Minnesota.

#### **4511.0200 REGISTRATION.**

Subpart 1. Registration threshold. An individual must register as a lobbyist with the board upon the earlier of when:

A. the individual receives total pay or consideration from all sources that exceeds \$3,000 in a calendar year, for the purpose of lobbying, or from a business whose primary source of revenue is derived from facilitating government relations or government affairs services if the individual's job duties include offering direct or indirect consulting or advice that helps the business provide those services to clients. The pay or consideration for lobbying for an individual whose job duties includes both lobbying and functions unrelated to lobbying is determined by multiplying the gross compensation of the individual by the percentage of the individual's work time spent lobbying in the calendar year; or

B. the individual spends more than \$3,000 of their own funds in a calendar year for the purpose of lobbying. Membership dues paid by the individual, and expenses for transportation, lodging, and meals used to support lobbying by the individual, are not costs that count towards the \$3,000 expenditure threshold that requires registration. A lobbyist registered for an association must also register separately as an individual if they meet the requirements of this section.

Subpart 42. **Separate registration required for each entity.** A lobbyist who lobbies on behalf of more than one individual, association, political subdivision, or public higher education system shall register separately for each separate entity. Members or affiliates of an association represented by a lobbyist are not separate entities for the purposes of this requirement.

Subp. 23. **Separate registration for each lobbyist.** Multiple lobbyists representing the same individual, association, political subdivision, or higher education system must each register separately. A lobbyist who ~~reports~~ ~~provides~~ lobbying activity ~~disbursements~~ to the board through a reporting lobbyist must list the name and registration number of the reporting lobbyist on a lobbyist registration. If the reporting lobbyist changes, or if the lobbyist ceases to report through a reporting lobbyist, the lobbyist must amend the registration within ten days.

Subp. 34. **Registration of designated lobbyist.** A designated lobbyist must indicate on the lobbyist registration form that the lobbyist will be reporting disbursements for the entity the lobbyist represents. An entity that employs lobbyists may have only one designated lobbyist. A designated lobbyist who ceases to be responsible for reporting the lobbying disbursements of an entity must amend the lobbyist's registration with the board within ten days.

Subp. 45. **Registration of reporting lobbyist.** A reporting lobbyist must indicate on the lobbyist registration form that the lobbyist will be reporting lobbying activity ~~disbursements~~ for additional lobbyists representing the same entity. The registration must list the name and registration number of each lobbyist that will be included in reports to the board ~~of disbursements~~ made by the reporting lobbyist. Changes to the list of lobbyists represented by a reporting lobbyist must be amended on the reporting lobbyist registration within ten days, or

provided to the board at the time of filing a report required by Minnesota Statutes, section 10A.04, subdivision 2.

#### **4511.0300 PRINCIPALS.**

Individuals or associations represented by lobbyists are presumed to be principals until they establish that they do not fall within the statutory definition of a principal. A political subdivision, public higher education system, or state agency or any office, officer, department, division, bureau, board, commission, authority, district, or agency of the State of Minnesota, is not an association under Minnesota Statutes, section 10A.01, and is not a principal.

#### **4511.0400 TERMINATION.**

Subpart 1. **Lobbyist termination.** A lobbyist who has ceased lobbying for a particular entity may terminate registration by filing a lobbyist termination form and a lobbyist ~~disbursement~~ report covering the period from the last report filed through the date of termination. If the lobbying ~~disbursements~~ activity of the lobbyist ~~is~~ are reported by a reporting lobbyist, the nonreporting lobbyist may terminate by filing a lobbyist termination form and notifying the reporting lobbyist of all ~~disbursements~~ lobbying activity by the lobbyist during the period from the last report filed through the date of termination.

Subp. 2. **Reporting lobbyist termination.** A reporting lobbyist who has ceased lobbying for a particular entity may terminate registration by filing a lobbyist termination form and a lobbyist ~~disbursement~~ report covering the period from the last report filed through the date of termination. The termination of a reporting lobbyist reverts the reporting responsibility back to each lobbyist listed on the registration of the reporting lobbyist.

Subp. 3. **Designated lobbyist termination.** A designated lobbyist who has ceased lobbying for a particular entity may terminate their registration using the procedure provided in subpart 1. When the designated lobbyist of a lobbying entity terminates, the entity is responsible to assign the responsibility to report the entity's lobbying disbursements to another lobbyist.

#### **4511.0500 LOBBYIST REPORTING REQUIREMENTS.**

Subpart 1. **Separate reporting required for each entity.** A lobbyist must report separately for each entity for which the lobbyist is registered, unless their activity ~~disbursements~~ is reported in the manner provided in Minnesota Statutes, section 10A.04, subdivision 9 subpart 2.

Subp. 2. ~~[Repealed, L 2017 1Sp4 art 3 s 18]~~

Subp. ~~23.~~ **Report of ~~officers and directors information~~ designated lobbyist.** With each report of lobbyist activity ~~disbursements~~, a designated lobbyist must report: ~~any change in the name and address of:~~

A. the name and address of each person, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears; ~~or~~

B. if the lobbyist represents an association, a current list of the names and addresses of each officer and director of the association;

C. each original source of money in excess of \$500 provided to the individual or association that the lobbyist represents; and

D. each gift to a public or local official given by or on behalf of a principal or a lobbyist registered for the principal.

Subp. 34. **Limitation on reporting of loans.** A lobbyist is not required to report loans to a public official or a local official if:

A. the lobbyist's employer, principal, or association represented which made the loan is a financial institution; and

B. the loan was made in the ordinary course of business on substantially the same terms as those prevailing for comparable transactions with other persons.

~~Subp. 5. **Reporting gifts.** A gift to a public or local official from a principal for which a lobbyist is registered must be reported by the designated reporting lobbyist.~~

#### **4511.0600 REPORTING DISBURSEMENTS.**

Subpart 1. **Determination of actual costs required.** To the extent that actual costs of lobbying activities, or administrative overhead expenses incurred by the principal to support lobbying, can be obtained or calculated by reasonable means, those actual costs must be determined, recorded, and used for reporting purposes.

Subp. 2. **Approximation of costs.** If the actual cost of a lobbying activity, or administrative overhead expenses incurred by the principal to support lobbying, cannot be obtained or calculated through reasonable means, those costs must be reasonably approximated.

Subp. 3. **Disbursements allocated between multiple entities.** A disbursement for lobbying purposes that benefits more than one entity for which a lobbyist is separately registered must be allocated between the entities benefited on a reasonable basis and reported based on that allocation.

Subp. 4. **Disbursements which are only partially in support of lobbying.** A disbursement that is partially in support of lobbying and partially for a nonlobbying purpose must be allocated on a reasonable basis between the two purposes and the portion which is for lobbying activities must be reported.

Subp. 5. [Repealed, L 2023 c 62 art 5 s 44]

Subp. 6. **Effect of gift prohibition.** The reporting requirements in this part do not change the scope of the statutory prohibition under Minnesota Statutes, section 10A.071, nor do they create additional exceptions to that prohibition.

#### **4511.0700 REPORTING COMPENSATION PAID TO LOBBYIST.**

Subpart 1. **Reporting by lobbyist.** Compensation paid to a lobbyist for lobbying is not reportable by the lobbyist ~~as a lobbyist disbursement.~~

Subp. 2. **Reporting by principal.** Compensation for lobbying paid by a lobbyist principal to a lobbyist or to the employer of a lobbyist must be included when determining the spending level categories for reporting by the lobbyist principal.

#### **4511.0800 ADMINISTRATIVE ACTION.**

Subpart 1. **Commencement.** An administrative action to adopt, amend, or repeal rules pursuant to Minnesota Statutes, chapter 14, begins on publication of the notice required under Minnesota Statutes, section 14.101, subdivision 1, or at an earlier time when the official, board, commission, or agency undertaking the rulemaking takes the first formal action required by law to begin the rulemaking process. An administrative action for a purpose other than rulemaking begins when the commission or agency undertaking the action takes the first formal action required by statute to begin the action or as otherwise defined by statute.

Subp. 2. **Advisory committees.** Participation on an administrative rulemaking advisory committee established under Minnesota Statutes, section 14.101, subdivision 2, is not lobbying.

#### **4511.0900 LOBBYIST REPORTING FOR POLITICAL SUBDIVISION MEMBERSHIP ORGANIZATIONS.**

Subpart 1. **Required reporting.** An association whose membership consists of political subdivisions within Minnesota, and which is a principal that provides lobbyist representation on issues as directed by its membership, must report:

- A. attempts to influence administrative action on behalf of the organization's membership;
- B. attempts to influence legislative action on behalf of the organization's membership; and
- C. attempts to influence the official action of a political subdivision on behalf of the organization's membership, unless the political subdivision is a member of the association.

Subp. 2. **Communication with membership.** A membership association described in subpart 1 is not lobbying political subdivisions when the association communicates with its membership regarding lobbying efforts made on the members' behalf, or when the association recommends actions by its membership to support a lobbying effort.

#### **4511.1000 ACTIONS AND APPROVAL OF ELECTED LOCAL OFFICIALS.**

Subpart 1. **An action that requires a vote of the governing body.** Attempting to influence the vote of an elected local official while acting in their official capacity is lobbying of that official's political subdivision.

Subp. 2. **Approval by an elected local official.** Attempting to influence a decision of an elected local official that does not require a vote by the elected local official is lobbying if the elected local official has discretion in their official capacity to either approve or deny a government service or action.

Approval by an elected local official does not include:

- A. issuing a government license, permit, or variance that is routinely provided when the applicant has complied with the requirements of existing state code or local ordinances;

B. any action which is performed by the office of the elected local official and which does not require personal approval by an elected local official; or

C. prosecutorial discretion exercised by a county attorney.

*D. participating in discussions with a party or a party's representative regarding a legal dispute between the party and the political subdivision of the elected local official.*

#### **4511.1100 MAJOR DECISION OF NONELECTED LOCAL OFFICIALS.**

Subpart 1. Major decision regarding the expenditure of public money. Attempting to influence a nonelected local official is lobbying if the nonelected local official may make, recommend, or vote on as a member of the political subdivision's governing body, a major decision regarding an expenditure or investment of public money. A major decision regarding the expenditure or investment of public money includes, but is not limited to, a decision on:

A. the development and ratification of operating and capital budgets of a political subdivision, including development of the budget request for an office or department within the political subdivision;

B. whether to apply for, or accept, state or federal funding or private grant funding;

C. selecting recipients for government grants from the political subdivision; or

D. expenditures on public infrastructure used to support private housing or business developments.

A major decision regarding the expenditure of public money does not include:

A. the purchase of goods or services with public funds *that were allocated* in the operating or capital budget of a political subdivision;

*B. selecting an offer for services or goods submitted in response to a request for proposal or other procurement process used by the political subdivision; or*

C. collective bargaining of a labor contract on behalf of a political subdivision.

*D. participating in discussions with a party or a party's representative regarding a legal dispute between the party and the political subdivision of local official.*

Subp. 2. Major decision regarding the investment of public money. Attempting to influence a nonelected local official is lobbying if the nonelected local official is making a major decision regarding the investment of public money. A major decision regarding the investment of public money includes, but is not limited to, the authority to make, recommend, or vote on as a member of the political subdivision's governing body, a decision regarding investment options for government employee retirement plans, or investment options or depositories for funds of the political subdivision.



**4511.1200 ATTEMPTING TO INFLUENCE AN ELECTED OR NONELECTED LOCAL OFFICIAL.** *An individual providing an elected or nonelected local official information, data, advice, opinions, variables, options or directions as professional licensee under Minnesota Statutes Section 326.02 through 326.15 or under the direct supervision of a licensee under Minnesota Statutes Section 326.02 through 326.15 shall not be considered attempting to influence that elected or nonelected local official.*

**4511.1200 ATTEMPTING TO INFLUENCE AN ELECTED OR NONELECTED LOCAL OFFICIAL.** *An individual providing an elected or nonelected local official information, data, advice, opinions, variables, options or directions for use in making an official action of a political subdivision as professional licensee under Minnesota Statutes Section 326.02 through 326.15 or under the direct supervision of a licensee under Minnesota Statutes Section 326.02 through 326.15 shall not be considered attempting to influence that elected or nonelected local official if the individual does not also advocate that the elected or nonelected local make a specific official action of a political subdivision based on the information provided.*