

**STATE OF MINNESOTA  
CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

**PROBABLE CAUSE  
DETERMINATION**

IN THE MATTER OF THE COMPLAINT OF JAMES FLAHERTY REGARDING THE DAVID BLY COMMITTEE  
20B

On August 15, 2016, the Campaign Finance and Public Disclosure Board received a complaint submitted by James Flaherty regarding the David Bly Committee 20B. The David Bly Committee 20B is the principal campaign committee of David Bly for the seat in the house of representatives for district 20B.

The complaint alleges that Rep. Bly used his campaign committee's funds to prepare and publish a book; the cost of producing the book is listed as a campaign expenditure on the committee's 2015 year-end Report of Receipts and Expenditures; and that the book does not include the required disclaimer for campaign material, in violation of Minnesota Statutes section 211B.04.

At the prima facie determination stage, the Board chair concluded that the complaint was sufficient to state a prima facie violation.

On September 19, 2016, the Board received a response to the complaint from Rep. Bly. Rep. Bly explained that the campaign expenditure on his report was for the purchase of completed books directly from the publisher. An invoice was provided documenting the purchase of 566 books for \$8,485. Copies of the book were offered as a thank you to individuals who contributed at least \$20 to his campaign. Rep. Bly stated that copies of the book were not distributed generally to constituents. Rep. Bly concludes that the books are not campaign material because the books do not support or oppose any candidate for election and because they do not ask anyone to vote for any candidate. Therefore, he states that no disclaimer was required on the books.

Rep. Bly appeared before the Board in executive session at its meeting of October 5, 2016, and his comments were taken into consideration.

**Analysis**

Minnesota Statutes section 211B.04 requires a candidate committee to include a disclaimer on all campaign material prepared or disseminated by the committee. Campaign material is "any literature, publication, or material . . . disseminated for the purpose of influencing voting at a primary or other election." Minn. Stat. § 211B.01, subd. 2.

The claimed violation is based on the fact that the book does not include a disclaimer. The complaint included a copy of the book as an attachment. No disclaimer is found in the copy of

the book provided to the Board and Rep. Bly indicates that no disclaimer was included on the books.

The committee reported the purchase of the books as a campaign expenditure. Campaign expenditures are defined by statute as “a purchase or payment . . . for the purpose of influencing the nomination or election of a candidate.” Minn. Stat. § 10A.01, subd. 9. The only way to influence the nomination or election of a candidate is by influencing voting at a primary or other election. It follows that the book, as reported by the committee, was distributed for the purpose of influencing voting at a primary or other election and therefore is considered campaign material, requiring a disclaimer.

Given the acknowledgement by the committee that no disclaimer was provided on the books, and given the fact that the committee reported the purchase of the books as a campaign expenditure, there is probable cause to believe that the committee violated the disclaimer requirement when the books were distributed.

#### **Order**

There is probable cause to believe that the David Bly Committee 20B violated the disclaimer requirement in Minnesota Statutes section 211B.04 to the extent that it disseminated books as campaign material to contributors. An investigation is ordered for the purpose of preparing this matter for final decision at the Board's next meeting.

/s/ Daniel Rosen  
Daniel N. Rosen, Chair  
Campaign Finance and Public Disclosure Board

Date: October 5, 2016