

Campaign Finance and Public Disclosure Board



Board Mission

- Mission - The Board's mission is to promote public confidence in state government decision-making. In particular through disclosure of potential sources of influence on official actions
- Three Major Programs
 - Campaign Finance
 - Economic Interest Statements
 - Lobbying

Tools – Enforcement and Disclosure

- Quasi Judicial Board
 - Limited to civil penalties
 - Because of potential for damage to reputations Board investigations of complaint follow a pattern
 - prima facie
 - probable cause
 - findings or conciliation agreement
 - Staff review of reports
- Disclosure

Board Information

- The Board is an independent agency, the Governor's office includes our agency in the Governor's overall budget – but we do not report to the Governor's office.
- The Board consists of 6 members, no more than half of which may be with any party, and at least two members must be former legislators, one for each party.
- 8 Full Time Staff
- Centennial Office Building – Suite 190

Confirmation Hearings

- Confirmation by both House and Senate
- Two members terms ended January 1st
- Former DFL Legislator
- DFL Member

Campaign Finance Program

- State level office and committees only
 - 700 candidates
 - 320 political party units
 - 75 Independent Expenditure
 - 350 political committees and funds
- Training and Client Support
 - Treasurers are key
- On-line Version of Campaign Finance Reporter will be deployed this year

Campaign Finance – Public Subsidy Program

- Administer the Campaign Finance Program
 - 2022 paid out \$2,348,000 to 316 constitutional and legislative candidates.
 - 89% of candidates signed the public subsidy agreement.
 - Provides access to political contribution refund program
 - 2020 \$1,326,000 refunded to candidate donors, \$2,190,000 to party donors
 - About 30% of donations from individuals to candidates is refunded by the state.

Campaign Finance Program – Legislative Recommendations

- Definition of independent expenditure - include both express advocacy and words that are the functional equivalent. Functional equivalent – words that cannot reasonably be interpreted as for any other purpose.
- Crypto currency - provide a requirement that committees that receive a contribution via bitcoin must convert to US currency and deposit within 5 business days.
- Fair Booth as a multicandidate political party expenditure.
- Recount costs as a new noncampaign disbursement.
- Transitional office for constitutional candidates as a new noncampaign disbursement.
- Recommend raising \$50 limit for political contribution refund to \$200

Economic Interest Statement Program

- Disclose possible conflicts of interest when public officials make an official action.
- Declaration of sources of income, investments, property holdings, nature of business owned.
- Annual certification for about 3,000 public officials.
- Candidates at filing period, when other positions hired or appointed.

Economic Interest Statement - Legislative Recommendations

- Two tiered system – Soil and Water District Supervisors and Watershed Management Organizations Members have limited authority, and a limited range of subjects that may come before them. Make disclosure fits position.
- Disclose Government contract, professional license, or permit held by the public official as an individual, or by a business in which the public official has an ownership of at least 25% if the public official serves on the agency that issues license.
- Disclose financial interests held by spouse – variation could include spouse and domestic partner

Lobbying Program

- Disclose and limit influence on public officials by associations that wish to influence official actions.
- About 1450 lobbyist registered for approximately 1500 principals
- Registration required with compensation of over \$3,000 a year from all sources for communication to influence official actions or urging others to contact

Types of Lobbying

- Lobbying the legislative process – includes action by Governor
- Administrative rules
- Action by the Public Utility Commission
- Metropolitan area governmental units
 - 7 counties, 16 cities in the metropolitan area, Met Council and MAC.

Lobbying Program

- Gift Prohibition
- Reporting is twice a year by lobbyists, once a year by principal
- 2021 Principals reported \$73,800,000 in lobbying expenditures
- Lobbyists report administrative costs, phone bill, office space.

Lobbyist Program – Legislative Proposal

- Move from reporting administrative costs related to lobbying, replace with information on subjects of lobbying
 - Specific Metropolitan Governmental Unit and Topic
 - Public Utilities Commission – specific project
 - Administrative lobbying – state agency and revisor rule number
 - Legislative – specific issues of interest
- Principal must break down number by type of lobbying
- Problem with definition change - \$3000 from a business whose primary source of revenue is from governmental relations or government affairs services between two third parties.