

S.F. No. 1943 – Modifications to Campaign Finance Laws

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Section 1 [Noncampaign disbursements] amends the definition of “noncampaign disbursement” to include costs for participation in a recount and costs of running a transition office for statewide office.

Section 2 [Investigation authority; complaint process] specifies that the deadline for the board to act on a written complaint includes issuing a probable cause determination, entering into a conciliation agreement, or issuing public findings.

Section 3 [Penalty] includes ballot question political committees and ballot question political funds in the subdivision that provides penalties for improper independent expenditures.

Section 4 [Registration number on checks] adds a reference to local candidates in the subdivision that requires contributions to include the contributor’s registration number.

Section 5 [Virtual currency contributions] regulates contributions in virtual currency. A principal campaign committee, political committee, political fund, or party unit may accept an in-kind donation of virtual currency. The value of the donation is the fair market value at the time of the donation. The virtual currency must be converted to U.S. currency within five business days. If the value of the virtual currency increases after its donation but prior to conversion, the increased amount must be reported as a receipt that is not a contribution. A decrease in the value must be reported as an expenditure. Virtual currency must not be used to purchase goods.

Section 6 [Local election reports] specifies that the required pre-primary report is required regardless of whether the candidate or issue appears on the primary ballot.

Section 7 [Notice to contributors] amends notice requirements for when political committees, political funds, political party units, or principal campaign committees sell goods or services as a fundraiser. For goods or services sold in person, the seller must verbally notify customers that the proceeds are a political contribution and to whom the contribution is made. A notice must also

appear in writing within three feet of the point of sale. If goods or services are sold online, the notice must be prominently displayed on the page where payment information is entered.

Section 8 [Exceptions] provides that expenditures for a booth at a community event that benefits three or more candidates is not a contribution to or expenditure on behalf of the candidates and must not be allocated to candidates.

Section 9 [Captioning of campaign advertisement] authorizes the Board to impose a civil penalty of up to \$1000 for a candidate who fails to comply with the requirements to provide captions of a campaign advertisement.