

SF4700 - 0 - Lobbyist Definition Modified; Study Required

Chief Author: **Aric Putnam**
 Committee: **Elections**
 Date Completed: **3/13/2024 11:01:17 AM**
 Agency: **Campaign Finance Board**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Dollars in Thousands					
General Fund	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 3/13/2024 11:01:17 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund						
Expenditures		-	-	9	-	-
Absorbed Costs		-	-	(9)	-	-
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
General Fund						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

Section 1, The bill modifies Minn. Stat. §10A.01, subd. 21, which provided the definition of who is a lobbyist, to exclude individuals who, based on their education or particular expertise, provide information, data, advice, options, etc., to a local official from that definition. This section also provides that an individual who is providing advice to members of a collective bargaining unit during the negotiation of a union contract with the state or a political subdivision is not a lobbyist.

Section 2, Requires the Board to issue a report to the legislature on whether there should be a distinction in Minnesota Statutes between lobbying state public officials and local officials. The report must include recommendations, and is due no later than January 15, 2025.

Assumptions

The expansion of lobbying registration and reporting requirements to individuals who attempt to influence the official actions of political subdivisions became effective January 1, 2024. This legislation attempts to narrow the definition of lobbying local officials in political subdivisions so as to reduce the number of individuals who may need to register and report as a lobbyist with the Board. The Board has no historical information on which to base an estimate as to how many individuals may be affected by the proposed changes in the definition of lobbyist. This fiscal note assumes that the number of individuals who will not need to register with the Board based on the change in definition will be relatively small, and certainly not large enough to noticeably reduce operating costs for the Board. Therefore, section 1 has no fiscal impact on the Board's operations.

The report required in section 2 would be largely written by one of the Board's legal analysts. The legal analysts are in the Management Analyst 4 classification. Writing the report, including research, will take approximately a month. Additional staff will not be needed to write the report. The approximate salary and benefits earned by the staff member while writing the report is \$9,000. The Board is fully funded for staff in FY 25, so the cost will be absorbed in the current budget. Table 1 in the expenditure section breaks down the staff cost.

Expenditure and/or Revenue Formula

Table 1 Staff Cost to Write Report for the Legislature

	Full Time	Benefits	Salary	Total compensation
Mgt Anlyst 4	12 months	\$21,663.93	\$86,531.00	\$ 108,194.93
Mgt Anlyst 4	1 month	\$ 1,805.33	\$ 7,210.92	\$ 9,016.24

Long-Term Fiscal Considerations

NA

Local Fiscal Impact

NA

References/Sources

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