

## Campaign Finance and Public Disclosure Board



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## 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

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## 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. Members are appointed for 4 year term.
- 10 Full Time Staff – 1 part time position
- Centennial Office Building - Suite 190

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## Confirmation Hearings

- Confirmation by both House and Senate – 3/5 of both bodies.
- Appointments must be confirmed by 45<sup>th</sup> legislative day.
- Steve Swanson, current member, DFL affiliation has been reappointed.
- Current vacancy for former Republican legislator.
- Future vacancy for a member who is not with the DFL.

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## 2026 – 2027 Budget Request

- No Change Item Requests
  - Sufficient budget for current responsibilities.
- Base budget is \$1,793,000
  - Governor's budget provides a \$26,000 increase in FY26
  - \$53,000 increase in FY27
- Majority of budget is in fixed costs.
  - 89% of budget is salary, office space lease, MNIT services.

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## Campaign Finance Program

- State level candidates office and committees only
  - 650 candidates
  - 297 political party units
  - 77 Independent Expenditure
  - 378 political committees and funds
- New committee registration and reporting
  - Local ballot questions – county, city, school district

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## Tools – Enforcement and Disclosure

- Enforcement
  - Limited to civil penalties
  - Because of potential for damage to reputations Board investigations of a complaint follow a pattern, all of which protect right of subject of complaint.
    - prima facie
    - probable cause
    - findings or conciliation agreement
  - Staff review of periodic reports
- Disclosure on Website
  - Periodic Reports
  - Enforcement Actions

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## Training and Client Support

- Training and Client Support
  - Volunteer treasurers are key
  - Online training sessions – recorded available 24/7
  - Videos for using online reporting tools
- Online reporting application – CFRO
- Online registration for political committees

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## Campaign Finance – Public Subsidy Program

- Administer the Public Subsidy Program
  - 2024 paid out \$2,107,940 to 230 House candidates.
  - Average payment of \$9,164
  - 93% of candidates signed the public subsidy agreement.
- Political contribution refund program
  - 2023 \$447,860 refunded to candidate donors, \$1,616,200 to party donors
  - About 30% of donations from individuals to candidates is refunded by the state.

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## 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 3,100 public officials.
- State candidates at filing period.
- Conflict of interest occurs if the public official or their spouse receives a greater benefit than others in same general business or occupation.

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## 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.

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## Types of Lobbying

- Lobbying the legislative process – includes actions by Governor.
- Adoption of administrative rules by state agencies.
- Certain decisions by the Public Utility Commission.
- Metropolitan area governmental units.
  - 7 counties, 16 cities in the metropolitan area, metropolitan entities – Met Council and MAC.
- Starting June 1, 2025, lobbying extended to all political subdivisions.

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## Lobbying Program

- Gift Prohibition
- Reporting is twice a year by lobbyists, once a year by principal.
- 2023 Principals reported \$98,370,000 in lobbying expenditures.
- Lobbyists report information on the specific subjects that were the subject of lobbying in reporting period.

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## Lobbyist Program – Legislative Proposal

- Board was directed to study the impact of expanding lobbying registration and reporting to efforts to influence political subdivisions, and provide legislative recommendations by January of this year if warranted.
- The Board held two public hearings on the subject, and received 23 written comments, which are included with the report.

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## Legislative Proposal

- Expand the existing exclusion from lobbyist registration to expert testimony as long as:
  - The testimony is made at a public hearing or entered into the public record.
  - If the testimony is requested by a lobbyist or principal the lobbyist must report the name of the expert, the government entity that received the testimony, and the subject of the testimony.
- Expand the existing exclusion for local government employees.
  - Provide that local government employees do not need to register as a lobbyist for working with another political subdivision.
- Minor change to the definitions of metropolitan government unit and public official in Chapter 10A.