SENATE COUNSEL, RESEARCH, & FISCAL ANALYSIS

BILL SUMMARY

S.F. No. 2386 – Inauguration and Transition Expenses (as amended by the author's amendment)

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Background. Minnesota Statutes, section 4.51, permits the commissioner of Minnesota Management and Budget (MMB) to transfer $162,000 in the fiscal year of a gubernatorial election from the general fund contingent account to MMB to establish a transition office for the governor-elect and to pay certain necessary and prudent expenses. No new obligations may be incurred after the inauguration of the new governor. By March 31 of the year of the inauguration, MMB must transfer any unused funds back to the general fund contingent account.

Sections 1 to 3 of **S.F. 2386** establish similar transfers from the general fund contingent account to provide for the establishment of transition offices and payment expenses of the secretary of state-elect ($50,000), state auditor-elect ($50,000), and attorney general-elect ($75,000). Including the governor-elect, these transfers total $337,000 for fiscal year 2027. The biennial base for the general fund contingent account is $1.5 million for FY 2026-27.

Section 4 amends the definition of "noncampaign disbursement" to include transition expenses and inaugural event expenses as defined in section 5.

Section 5 defines "inaugural event expenses" and "transition expenses." Provides that a candidate or the candidate's principal campaign committee must not solicit or accept any contributions for or make any expenditures for inaugural event expenses or transition expenses except through the candidate's principal campaign committee or as provided through the statutes providing state resources for transition funds.

Section 6 requires the Campaign Finance and Public Disclosure Board to amend a Board rule to be consistent with the transition expense provisions of the bill. The Board may use the good cause exemption to do so.