

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2562

(SENATE AUTHORS: WESTLIN)

DATE	D-PG	OFFICIAL STATUS
03/13/2025	773	Introduction and first reading Referred to Elections

1.1A bill for an act

1.2relating to campaign finance; modifying the definitions of lobbyist and metropolitan

1.3governmental unit; modifying lobbying reporting requirements related to expert

1.4witnesses; requiring additional individuals to file statements of economic interest;

1.5amending Minnesota Statutes 2024, sections 10A.01, subdivisions 21, 24, 35, by

1.6adding a subdivision; 10A.04, subdivision 4; 10A.07, subdivision 1; 10A.08,

1.7subdivision 1; 10A.09, subdivisions 1, 6a.

1.8BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9Section 1. Minnesota Statutes 2024, section 10A.01, is amended by adding a subdivision

1.10to read:

1.11Subd. 16c. **Expert witness.** "Expert witness" means an individual providing testimony

1.12or a report consisting of information, data, or professional opinions on which the individual

1.13has particular expertise gained through formal education, professional or occupational

1.14training, or experience in a field in which the individual is or has been employed.

1.15Sec. 2. Minnesota Statutes 2024, section 10A.01, subdivision 21, is amended to read:

1.16Subd. 21. **Lobbyist.** (a) "Lobbyist" means an individual:

1.17(1) engaged for pay or other consideration of more than \$3,000 from all sources in any

1.18year:

1.19(i) for the purpose of attempting to influence legislative or administrative action, or the

1.20official action of a political subdivision, by communicating with public or local officials;

1.21or

1.22(ii) from a business whose primary source of revenue is derived from facilitating

1.23government relations or government affairs services if the individual's job duties include

offering direct or indirect consulting or advice that helps the business provide those services to clients; or

(2) who spends more than \$3,000 of the individual's personal funds, not including the individual's own traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action, or the official action of a political subdivision, by communicating with public or local officials.

(b) "Lobbyist" does not include:

(1) a public official;

(2) an employee of the state, including an employee of any of the public higher education systems;

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the ~~nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or administrative action, or the official action of a political subdivision other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a political subdivision, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of political subdivisions~~ local official or employee spends more than 50 hours in any month attempting to influence legislative or administrative action or the official action of a metropolitan governmental unit, other than a political subdivision employing the official or employee, by communicating with public or local officials;

(5) a party or the party's representative appearing in a proceeding before a state board, commission, or agency of the executive branch unless the board, commission, or agency is taking administrative action;

(6) an individual while engaged in selling goods or services to be paid for by public funds;

(7) a news medium or its employees or agents while engaged in the publishing or broadcasting of news items, editorial comments, or paid advertisements which directly or indirectly urge official action;

(8) ~~a paid expert witness whose testimony is requested by the body before which the witness is appearing, but only to the extent of preparing or delivering testimony~~ an expert

witness who communicates with public or local officials, other than the Public Utilities Commission, if the communication occurs at a public meeting or is made available to the general public;

(9) a party or the party's representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim; or

(10) an individual providing information or advice to members of a collective bargaining unit when the unit is actively engaged in the collective bargaining process with a state agency or a political subdivision.

(c) An individual who volunteers personal time to work without pay or other consideration on a lobbying campaign, and who does not spend more than the limit in paragraph (a), clause (2), need not register as a lobbyist.

(d) An individual who provides administrative support to a lobbyist and whose salary and administrative expenses attributable to lobbying activities are reported as lobbying expenses by the lobbyist, but who does not communicate or urge others to communicate with public or local officials, need not register as a lobbyist.

Sec. 3. Minnesota Statutes 2024, section 10A.01, subdivision 24, is amended to read:

Subd. 24. **Metropolitan governmental unit.** "Metropolitan governmental unit" means ~~any of the seven counties in the metropolitan area as defined in section 473.121, subdivision 2;~~ a regional railroad authority established by ~~one or more of those counties under section 398A.03;~~ a city with a population of over 50,000 located in the seven-county metropolitan area; a county in the metropolitan area as defined in section 473.121, subdivision 2; the Metropolitan Council; or a metropolitan agency as defined in section 473.121, subdivision 5a; the Metropolitan Parks and Open Space Commission; the Metropolitan Airports Commission; or the Minnesota Sports Facilities Authority.

Sec. 4. Minnesota Statutes 2024, section 10A.01, subdivision 35, is amended to read:

Subd. 35. **Public official.** "Public official" means any:

(1) member of the legislature;

(2) individual employed by the legislature as secretary of the senate, legislative auditor, director of the Legislative Budget Office, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of

4.1 Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis
4.2 Department;

4.3 (3) constitutional officer in the executive branch and the officer's chief administrative
4.4 deputy;

4.5 (4) solicitor general or deputy, assistant, or special assistant attorney general;

4.6 (5) commissioner, deputy commissioner, or assistant commissioner of any state
4.7 department or agency as listed in section 15.01 or 15.06, or the state chief information
4.8 officer;

4.9 (6) member, chief administrative officer, or deputy chief administrative officer of a state
4.10 board or commission that has either the power to adopt, amend, or repeal rules under chapter
4.11 14, or the power to adjudicate contested cases or appeals under chapter 14;

4.12 (7) individual employed in the executive branch who is authorized to adopt, amend, or
4.13 repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

4.14 (8) executive director of the State Board of Investment;

4.15 (9) deputy of any official listed in clauses (7) and (8);

4.16 (10) judge of the Workers' Compensation Court of Appeals;

4.17 (11) administrative law judge or compensation judge in the State Office of Administrative
4.18 Hearings or unemployment law judge in the Department of Employment and Economic
4.19 Development;

4.20 (12) member, regional administrator, division director, general counsel, or operations
4.21 manager of the Metropolitan Council;

4.22 (13) member or chief administrator of a metropolitan agency;

4.23 (14) director of the Division of Alcohol and Gambling Enforcement in the Department
4.24 of Public Safety;

4.25 (15) member or executive director of the Higher Education Facilities Authority;

4.26 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;

4.27 (17) member of the board of directors or executive director of the Minnesota State High
4.28 School League;

4.29 (18) member of the Minnesota Ballpark Authority established in section 473.755;

4.30 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;

- 5.1 ~~(20) manager of a watershed district, or member of a watershed management organization~~
5.2 ~~as defined under section 103B.205, subdivision 13;~~
- 5.3 ~~(21) supervisor of a soil and water conservation district;~~
- 5.4 ~~(22)~~ (20) director of Explore Minnesota Tourism;
- 5.5 ~~(23)~~ (21) citizen member of the Lessard-Sams Outdoor Heritage Council established in
5.6 section 97A.056;
- 5.7 ~~(24)~~ (22) citizen member of the Clean Water Council established in section 114D.30;
- 5.8 ~~(25)~~ (23) member or chief executive of the Minnesota Sports Facilities Authority
5.9 established in section 473J.07;
- 5.10 ~~(26)~~ (24) district court judge, appeals court judge, or supreme court justice;
- 5.11 ~~(27) county commissioner;~~
- 5.12 ~~(28)~~ (25) member of the Greater Minnesota Regional Parks and Trails Commission;
- 5.13 ~~(29)~~ (26) member of the Destination Medical Center Corporation established in section
5.14 469.41; or
- 5.15 ~~(30)~~ (27) chancellor or member of the Board of Trustees of the Minnesota State Colleges
5.16 and Universities.

5.17 Sec. 5. Minnesota Statutes 2024, section 10A.04, subdivision 4, is amended to read:

5.18 Subd. 4. **Content.** (a) A report under this section must include information the board
5.19 requires from the registration form and the information required by this subdivision for the
5.20 reporting period.

5.21 (b) A lobbyist must report the specific subjects of interest for an entity represented by
5.22 the lobbyist on each report submitted under this section. A lobbyist must describe a specific
5.23 subject of interest in the report with enough information to show the particular issue of
5.24 importance to the entity represented.

5.25 (c) A lobbyist must report every state agency that had administrative action that the
5.26 represented entity sought to influence during the reporting period. The lobbyist must report
5.27 the specific subjects of interest for each administrative action and the revisor of statutes
5.28 rule draft number assigned to the administrative rulemaking.

5.29 (d) A lobbyist must report every political subdivision that considered official action that
5.30 the represented entity sought to influence during the reporting period. The lobbyist must
5.31 report the specific subjects of interest for each action.

(e) A lobbyist must report general lobbying categories and up to four specific subjects of interest related to each general lobbying category on which the lobbyist attempted to influence legislative action during the reporting period. If the lobbyist attempted to influence legislative action on more than four specific subjects of interest for a general lobbying category, the lobbyist, in consultation with the represented entity, must determine which four specific subjects of interest were the entity's highest priorities during the reporting period and report only those four subjects.

(f) A lobbyist must report the Public Utilities Commission project name for each rate setting, power plant and powerline siting, or granting of certification of need before the Public Utilities Commission that the represented entity sought to influence during the reporting period.

(g) A lobbyist must report the amount and nature of each gift, item, or benefit, excluding contributions to a candidate, equal in value to \$5 or more, given or paid to any official, as defined in section 10A.071, subdivision 1, by the lobbyist or an employer or employee of the lobbyist. The list must include the name and address of each official to whom the gift, item, or benefit was given or paid and the date it was given or paid.

(h) A lobbyist must report each original source of money in excess of \$500 in any year used for the purpose of lobbying to influence legislative action, administrative action, or the official action of a political subdivision. The list must include the name, address, and employer, or, if self-employed, the occupation and principal place of business, of each payer of money in excess of \$500.

(i) On each report, a lobbyist must disclose the general lobbying categories that were lobbied on in the reporting period.

(j) A lobbyist must report each expert witness that the lobbyist requested to communicate with public or local officials as described in section 10A.01, subdivision 21, paragraph (b), clause (8). The lobbyist must report the name of the expert witness; the employer, if any, of the expert witness; the government entity that received the communication from the expert witness; and the specific subject on which the expert witness communicated. The designated lobbyist must also report this information if the expert witness is requested to communicate by the principal or association that the lobbyist represents.

Sec. 6. Minnesota Statutes 2024, section 10A.07, subdivision 1, is amended to read:

Subdivision 1. **Disclosure of potential conflicts.** (a) A public official or a local official elected to or appointed by a metropolitan governmental unit or by a political subdivision

with a population of over 50,000 located in the metropolitan area as defined in section 473.121, subdivision 2, who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must take the following actions:

(1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;

(2) deliver copies of the statement to the official's immediate superior, if any; and

(3) if a member of the legislature or of the governing body of a metropolitan governmental unit, deliver a copy of the statement to the presiding officer of the body of service.

If a potential conflict of interest presents itself and there is insufficient time to comply with clauses (1) to (3), the public or local official must orally inform the superior or the official body of service or committee of the body of the potential conflict.

(b) For purposes of this section, "financial interest" means any ownership or control in an asset that has the potential to produce a monetary return.

Sec. 7. Minnesota Statutes 2024, section 10A.08, subdivision 1, is amended to read:

Subdivision 1. **Disclosure required.** (a) A public official or elected local official who represents a client for a fee before an individual, board, commission, or agency that has rulemaking authority in a hearing conducted under chapter 14, must disclose the official's participation in the action to the board within 14 days after the public official's initial appearance at a hearing. If the public official fails to disclose the participation by the date that the disclosure was due, the board may impose a late filing fee of \$25 per day, not to exceed \$1,000, starting on the day after the disclosure was due. The board must send notice by certified mail to a public official who fails to disclose the participation within ten business days after the disclosure was due that the public official may be subject to a civil penalty for failure to disclose the participation. A public official who fails to disclose the participation within seven days after the certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

(b) A public official or elected local official required to disclose representation under this section shall provide the following information: name, address, and office held; name and address of each client represented at the hearing; the name of the individual, board, commission, or agency conducting the hearing and the date and location of the initial

8.1 appearance at the hearing; and a general description of the subject or subjects on which the
8.2 public official represented the client in the hearing.

8.3 Sec. 8. Minnesota Statutes 2024, section 10A.09, subdivision 1, is amended to read:

8.4 Subdivision 1. **Time for filing.** An individual must file a statement of economic interest:

8.5 (1) within 60 days of accepting employment as a public official or a local official in a
8.6 metropolitan governmental unit or in a political subdivision with a population of over 50,000
8.7 located in the metropolitan area as defined in section 473.121, subdivision 2;

8.8 (2) within 60 days of assuming office as a district court judge, appeals court judge,
8.9 supreme court justice, ~~or~~ county commissioner, soil and water conservation district
8.10 supervisor, manager of a watershed district, or member of a watershed management
8.11 organization as defined in section 103B.205, subdivision 13;

8.12 (3) within 14 days after filing an affidavit of candidacy or petition to appear on the ballot
8.13 for an elective state constitutional or legislative office or an elective local office in a political
8.14 subdivision with a population of over 50,000 located in the metropolitan governmental unit
8.15 area as defined in section 473.121, subdivision 2, other than county commissioner;

8.16 (4) in the case of a public official requiring the advice and consent of the senate, within
8.17 14 days after undertaking the duties of office; or

8.18 (5) in the case of members of the Minnesota Racing Commission, the director of the
8.19 Minnesota Racing Commission, chief of security, medical officer, inspector of pari-mutuels,
8.20 and stewards employed or approved by the commission or persons who fulfill those duties
8.21 under contract, within 60 days of accepting or assuming duties.

8.22 Sec. 9. Minnesota Statutes 2024, section 10A.09, subdivision 6a, is amended to read:

8.23 Subd. 6a. **Place of filing.** A public official required to file a statement under this section
8.24 must file it with the board. A county commissioner, soil and water conservation district
8.25 supervisor, manager of a watershed district, or member of a watershed management
8.26 organization as defined in section 103B.205, subdivision 13, must file the statement with
8.27 the board. A local official required to file a statement under this section must file it with
8.28 the governing body of the official's political subdivision. The governing body must maintain
8.29 statements filed with it under this subdivision as public data. If an official position is defined
8.30 as both a public official and as a local official of a metropolitan governmental unit under
8.31 this chapter, the official must file the statement with the board.