

Table of Contents

Campaign Finance and Public Disclosure Board

Agency Profile.....	1
Expenditures Overview.....	4
Financing by Fund.....	5
Change Item: Operating Adjustment.....	6

AT A GLANCE

Campaign Finance Regulation and Disclosure

- Administers registration and reporting for about 675 candidates, 320 political party units, and 380 political committees and funds.
- Approximately 4,700 campaign financial reports will be filed in 2016.
- Between 2000 and 2014, independent expenditures reported to and regulated by the Board increased from \$3.7 million to \$16.4 million.
- Will distribute approximately \$2.3 million in public subsidy money to senate and house candidates in 2016.

Lobbyist Registration and Disclosure

- Administers registration and reporting for about 1,450 lobbyists.
- Approximately 4,100 lobbyist reports filed each year.
- In 2015, 1,388 principals reported \$69.1 million in expenditures to influence the official actions of public officials.

Public Officials Financial Disclosure

- Currently maintain disclosure for 3,050 public official positions. In 2014, disclosure was expanded to include county commissioners and judges.

PURPOSE

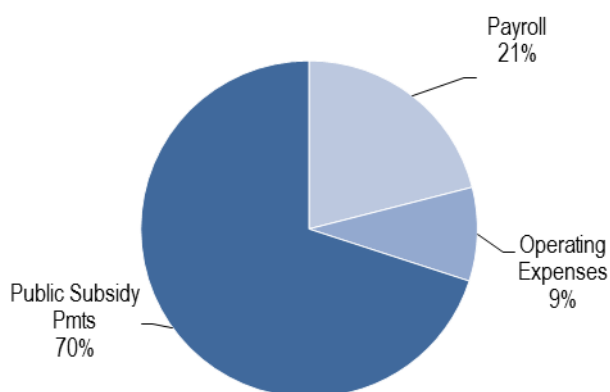
The Board's mission is to promote public confidence in state government decision-making through development, administration, and enforcement of disclosure and public financing programs that will ensure public access to and understanding of information filed with the Board.

The Board supports the state's goal of providing efficient and accountable government services.

- The Board uses digital technology to gather and publish data and to facilitate candidates, lobbyists, and officials in providing financial information to citizens and complying with legal requirements.
- Through the Board's financial disclosure and public official integrity programs, citizen confidence in state government is maintained.
- The Board administers a public subsidy program that provides partial funding to candidates who agree to limit their campaign spending, thus keeping the overall cost of elections low compared to elections in similar states.
- The Board provides support to candidates so that they can comply with Minnesota's various laws related to election financing, thus making the choice to run for office easier for ordinary citizens.

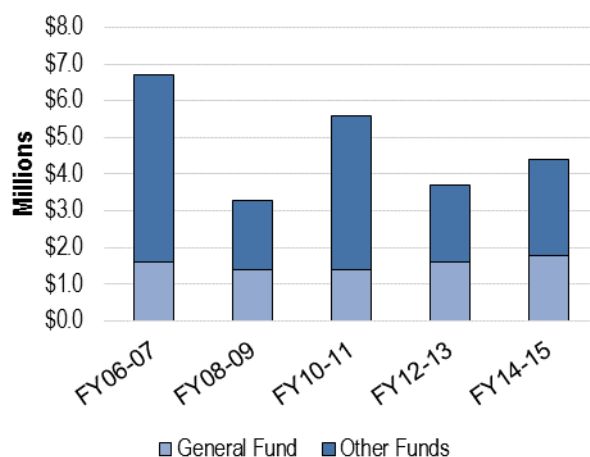
BUDGET

**Spending by Category
FY 15 Actual**



Source: BPAS

Historical Spending



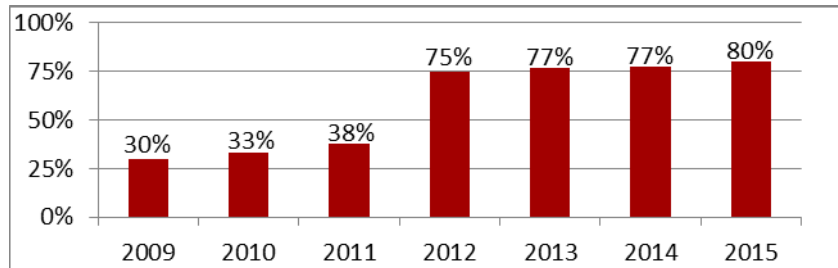
Other Funds represents public subsidy payments. Public subsidy funds are derived from \$1,020,000 biennial GF appropriation and transfers to the special revenue fund based on political party check-off by individuals on state income and property tax forms.

STRATEGIES

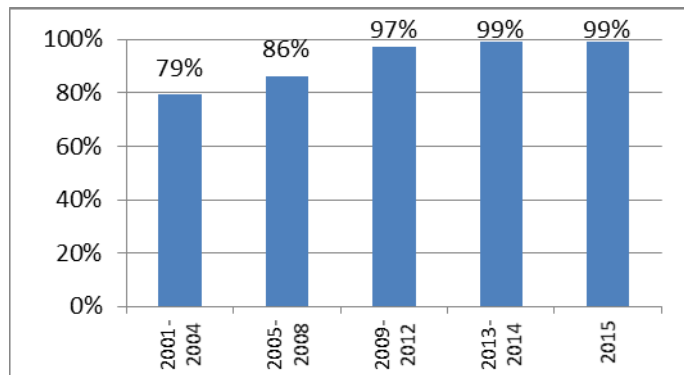
The Campaign Finance and Public Disclosure Board achieves its mission using these strategies:

- Facilitate easier and more universal compliance with Chapter 10A (Minnesota’s campaign finance and public disclosure statutes) by providing strong support for treasurers, most of whom are volunteers, and for other filers so that they can understand and meet the obligations of their positions.
- Cultivate an environment of voluntary compliance by providing educational programs, publications, training, consultation, software, internet applications, and other aids to enable those governed by Chapter 10A to understand and comply with their statutory obligations.
- Provide swift, consistent, non-partisan administration of the compliance and disclosure statutes so that regulated entities understand that when compliance is not voluntary, it will be required through agency action and to ensure that subjects of compliance procedures are treated fairly and impartially.
- Help citizens become better informed about public and private financing of election campaigns and about lobbying. With access to campaign finance and lobbying data, citizens will have a higher level of confidence that elected officials’ decision-making is not unduly influenced by outside interests.
- Provide transparency concerning money in Minnesota politics by publishing campaign finance and other data filed with the Board in easily accessible and meaningful formats for citizen use through its worldwide website, printed materials, and electronic communications.
- Ensure the integrity of the state’s program of partial public financing of political campaigns by determining eligibility, calculating amounts, and distributing public subsidy funding to qualified candidates and parties.

RESULTS



Measure: Quantity – Percentage of campaign finance filers reporting electronically.



Measure: Quantity – Percent of transactions where donor and recipient reports of contributions reconcile. Improved percentages mean reports are more accurate.

Outcome: Accurate campaign finance data is published so that citizens are better informed about money used to influence elections.

Outcome: Increased compliance with campaign finance disclosure laws.

Note: Differences of \$100 or less excluded from this analysis.

Minnesota Statutes Chapter 10A (<https://www.revisor.mn.gov/statutes/?id=10A>) provides the legal authority for the Campaign Finance and Public Disclosure Board.

Expenditures By Fund

	Actual	Actual	Actual	Estimate	Forecasted Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
1000 - General	770	1,054	1,181	1,114	1,028	1,028	1,041	1,052
2001 - Other Misc Special Revenue	68	2,512	103	2,539	86	2,783	86	2,783
Total	838	3,566	1,283	3,653	1,114	3,811	1,127	3,835
<i>Biennial Change</i>				533		(11)		26
<i>Biennial % Change</i>				12		0		1
<i>Governor's Change from Base</i>								37
<i>Governor's % Change from Base</i>								1

Expenditures by Program

Program: Campaign Finance & Publ Disc	838	3,566	1,283	3,653	1,114	3,811	1,127	3,835
Total	838	3,566	1,283	3,653	1,114	3,811	1,127	3,835

Expenditures by Category

Compensation	663	753	775	839	891	915	904	939
Operating Expenses	109	290	405	263	125	111	125	111
Other Financial Transactions	5	11	1	12	4	2	4	2
Grants, Aids and Subsidies	62	2,512	103	2,539	86	2,783	86	2,783
Capital Outlay-Real Property				0	8	0	8	0
Total	838	3,566	1,283	3,653	1,114	3,811	1,127	3,835
Full-Time Equivalents	7.6	8.8	8.6	8.9	9.2	9.2	9.2	9.2

1000 - General

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
Balance Forward In	0	231	0	86	0	0	0	0
Direct Appropriation	1,000	2,020	1,164	2,048	1,028	2,048	1,041	2,072
Open Appropriation	112	2,022	137	1,646	85	1,564	85	1,564
Net Transfers	(112)	(3,214)	(34)	(2,666)	(85)	(2,584)	(85)	(2,584)
Cancellations	0	4	0	0	0	0	0	0
Expenditures	770	1,054	1,181	1,114	1,028	1,028	1,041	1,052
Balance Forward Out	230	0	86	0	0	0	0	0
<i>Biennial Change in Expenditures</i>				471		(239)		(202)
<i>Biennial % Change in Expenditures</i>				26		(10)		(9)
<i>Gov's Exp Change from Base</i>								37
<i>Gov's Exp % Change from Base</i>								2
Full-Time Equivalents	7.6	8.8	8.6	8.9	9.2	9.2	9.2	9.2

2001 - Other Misc Special Revenue

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY14	FY15	FY16	FY17	FY18	FY19	FY18	FY19
Balance Forward In	986	827	1,359	696	823	822	823	822
Receipts	2	2	11	0	0	0	0	0
Net Transfers	(92)	3,042	(571)	2,666	85	2,584	85	2,584
Expenditures	68	2,512	103	2,539	86	2,783	86	2,783
Balance Forward Out	827	1,359	696	823	822	623	822	623
<i>Biennial Change in Expenditures</i>				62		227		227
<i>Biennial % Change in Expenditures</i>				2		9		9
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0

Campaign Finance and Public Disclosure Board

FY18-19 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2018	FY 2019	FY 2020	FY 2021
General Fund				
Expenditures	13	24	24	24
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	13	24	24	24
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$37,000 in the FY2018-2019 biennium to maintain the current level of service delivery at the Campaign Finance and Public Disclosure Board.

Rationale/Background:

Each year, employer-paid health care contributions, pension contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

Proposal:

The Governor recommends increasing agency operating budgets to maintain the delivery of current services. For the Campaign Finance and Public Disclosure Board, this funding will cover expected and anticipated employee compensation growth, including anticipated compensation increases and employer-paid pension costs.

Results:

This proposal is intended to allow agencies to continue to provide current levels of service and information to the public.