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Campaign Finance and Public Disclosure Board

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AT A GLANCE

Campaign Finance Regulation and Disclosure

- Administers registration and reporting for about 750 candidates, 320 political party units, 400 political committees and funds, and 60 independent expenditure committees and funds.
- Approximately 5,250 campaign financial reports will be filed with the Board in 2020.
- Between 2000 and 2018, independent expenditures reported to and regulated by the Board increased from \$3.7 million to \$33.4 million, an increase of about 900%.
- Will distribute approximately \$2.1 million in public subsidy money to legislative candidates in 2020.

Lobbyist Registration and Disclosure

- Administers registration and reporting for about 1,450 lobbyists.
- Approximately 4,500 lobbyist reports filed each year.
- In 2019, the 1,442 principals represented by lobbyists reported \$76.1 million in expenditures to influence the official actions of public officials.

Public Officials Financial Disclosure

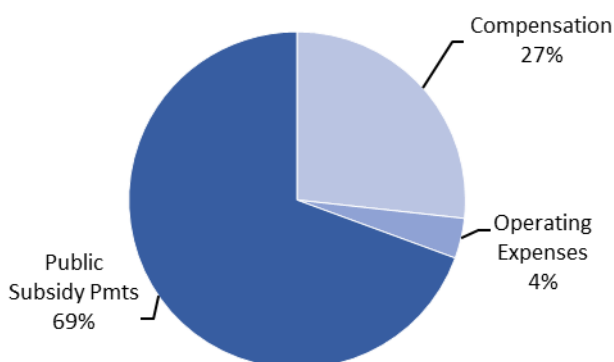
- Currently maintain economic interest disclosure for about 3,100 public official positions. Disclosure reported to the Board now includes county commissioners and judges.

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.

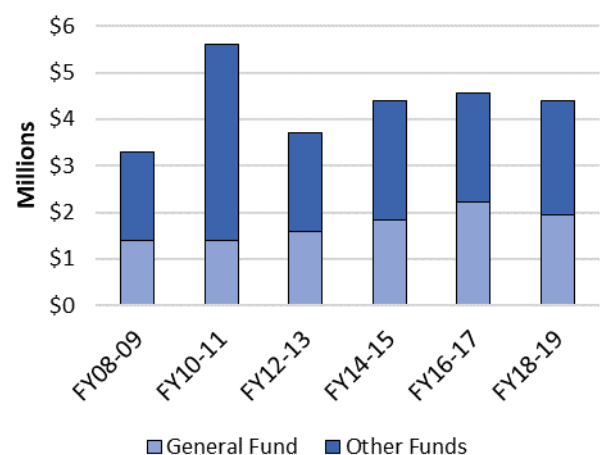
BUDGET

Spending by Category
FY 2019 Actual



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Other Funds represents public subsidy payments. Public subsidy funds are derived from a statutory general fund appropriation and transfers to the special revenue fund based on political party check-off by individuals on state income and property tax forms. (M.S. 10A.31)

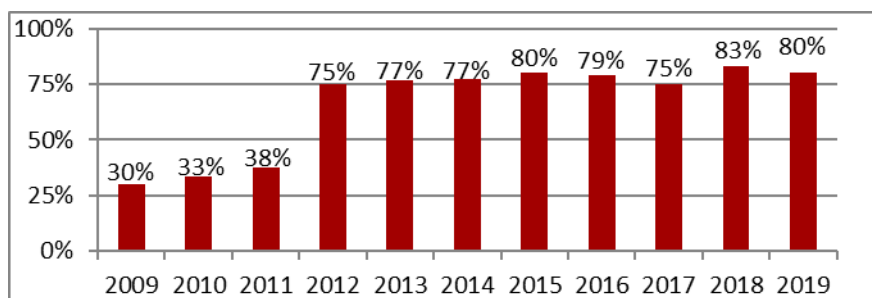
STRATEGIES

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 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, the financial interests and possible conflict of interests of public officials, and about lobbying. With access to campaign finance, economic interest statements, and lobbying data, citizens will have a higher level of confidence that elected and appointed officials’ decision-making is not unduly influenced by outside interests or the personal interest of the official.
- 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 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.
- The Board uses technology (online reporting and PC based applications) to gather and publish disclosure information to the public in a timely manner. Through the Board’s public disclosure of financial reports and statements, citizen confidence in state government is supported.

RESULTS

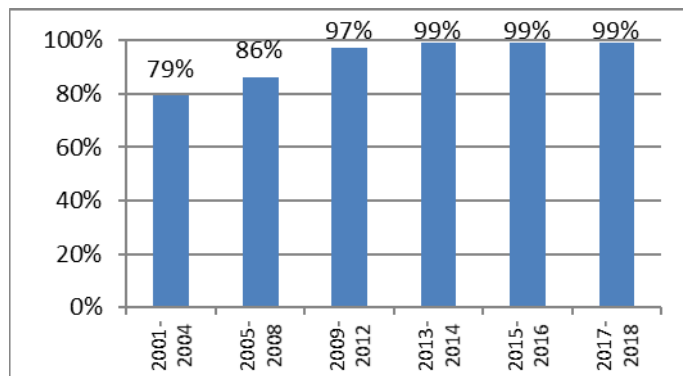
Measure: Quantity – Percentage of campaign finance filers reporting electronically



Outcome:

- Electronically filed reports are available for public inspection sooner than paper reports.
- The software used to generate electronic reports also performs a compliance check on data entry, helping treasurers identify contributions that should not be accepted, and expenditures that are prohibited.

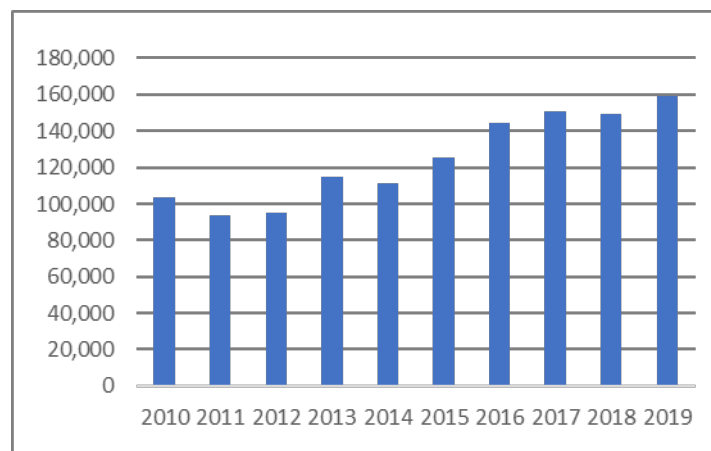
Measure: Quantity – Percent of transactions where donor and recipient reports of contributions reconcile



Outcome:

- Accurate campaign finance data is published so that citizens are better informed about money used to influence elections.
- Increased compliance with campaign finance disclosure laws.

Measure: Quantity – Number of visits to Board website. A new website released in 2016 was designed to provide the public with better access to disclosure and compliance information.



Outcome:

- Approximate 30% increase in number of distinct visits to the website from 2015 to 2019.
- Twenty-six new data downloads (CSV files) developed for new website so that interested members of the public have direct access to disclosure data.

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

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
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Expenditures by Fund

1000 - General	894	1,048	1,059	1,187	1,123	1,123	1,145	1,167
2001 - Other Misc Special Revenue	92	2,361	75	2,250	104	3,069	104	3,069
Total	987	3,409	1,133	3,437	1,227	4,192	1,249	4,236
Biennial Change				175		849		915
Biennial % Change				4		19		20
Governor's Change from Base								66
Governor's % Change from Base								1

Expenditures by Program

Campaign Finance & Publ Disc	987	3,409	1,133	3,437	1,227	4,192	1,249	4,236
Total	987	3,409	1,133	3,437	1,227	4,192	1,249	4,236

Expenditures by Category

Compensation	791	910	939	1,015	1,017	978	1,037	1,019
Operating Expenses	93	132	117	138	106	139	108	142
Grants, Aids and Subsidies	92	2,361	74	2,250	104	3,069	104	3,069
Other Financial Transaction	10	6	3	34		6		6
Total	987	3,409	1,133	3,437	1,227	4,192	1,249	4,236

Full-Time Equivalents

7.36	8.82	8.51	8.50	8.70	8.00	8.70	8.00
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
1000 - General								
Balance Forward In		149		64				
Direct Appropriation	1,036	2,066	1,123	2,143	1,123	2,143	1,145	2,187
Open Appropriation	112	1,491	100	1,543	104	1,481	104	1,481
Transfers In	467		249	216		117		117
Transfers Out	579	2,511	350	2,779	104	2,618	104	2,618
Cancellations		148						
Balance Forward Out	142		64					
Expenditures	894	1,048	1,059	1,187	1,123	1,123	1,145	1,167
Biennial Change in Expenditures				304		0		66
Biennial % Change in Expenditures				16		0		3
Governor's Change from Base								66
Governor's % Change from Base								3
Full-Time Equivalents	7.36	8.82	8.51	8.50	8.70	8.00	8.70	8.00

2001 - Other Misc Special Revenue

Balance Forward In	1,125	678	831	616	714	715	714	715
Receipts	1	3	0	1	1	1	1	1
Transfers In	112	2,511	109	2,563	104	2,501	104	2,501
Transfers Out	467		249	216		117		117
Balance Forward Out	678	831	616	714	715	31	715	31
Expenditures	92	2,361	75	2,250	104	3,069	104	3,069
Biennial Change in Expenditures				(129)		848		848
Biennial % Change in Expenditures				(5)		36		36
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	2,143	2,143	2,143	4,286
Base Adjustments				
Biennial Appropriations		(1,020)		(1,020)
Forecast Base	2,143	1,123	2,143	3,266
Change Items				
Operating Adjustment		22	44	66
Total Governor's Recommendations	2,143	1,145	2,187	3,332
Open				
Fund: 1000 - General				
FY2021 Appropriations	1,332	1,332	1,332	2,664
Base Adjustments				
Forecast Open Appropriation Adjustment		(1,247)	(78)	(1,325)
November Forecast Adjustment	124	19	156	175
February Forecast Adjustment	87		71	71
Forecast Base	1,543	104	1,481	1,585
Total Governor's Recommendations	1,543	104	1,481	1,585
Dedicated				
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	2,250	104	3,069	3,173
Forecast Base	2,250	104	3,069	3,173
Total Governor's Recommendations	2,250	104	3,069	3,173
Revenue Change Summary				
Dedicated				
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	1	1	1	2
Total Governor's Recommendations	1	1	1	2
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	37	37	37	74
Total Governor's Recommendations	37	37	37	74

Campaign Finance and Public Disclosure Board

FY 2022-23 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	0	22	44	44	44
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	22	44	44	44
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$22,000 in FY 2022 and \$44,000 in each subsequent year from the general fund to maintain the current level of service delivery at the Campaign Finance and Public Disclosure Board.

This represents a 2.9 percent increase over the Board's FY 2022-2023 biennial general fund base budget.

Rationale/Background:

This operating increase funds a portion of projected cost increases in the upcoming biennium. Each year, the cost of doing business rises—including growing costs for employer-paid health care contributions and other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, IT and legal services also grow. This cost growth puts pressure on operating budgets that remain flat from year to year without enacted increases. Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect.

Proposal:

The Governor recommends increasing the Board's operating budget to support the delivery of current services. This funding will cover compensation cost growth and known cost increases in rent.

Results:

This proposal is intended to allow the Campaign Finance and Public Disclosure Board to continue to provide current levels of service and information to the public.