



Strong School Boards ... Strong Minnesota

Minnesota Campaign Finance Board
190 Centennial Office Building
658 Cedar Street
St. Paul, MN 55155-1603

November 1, 2024

Re: Proposed Permanent Rules Relating to Campaign Finance

On behalf of the Minnesota School Boards Association (MSBA), I submit comments to the Minnesota Campaign Finance and Public Disclosure Board (CFB) regarding the proposed administrative rules relating to campaign finance, lobbying, and audits and investigations.

MSBA is a private, nonprofit organization that supports, promotes, and strengthens the work of Minnesota school boards. Every Minnesota school district is an MSBA member. MSBA employs more than 20 staff members with over 150 years of combined experience in the areas of governance, management, finance, communications, policy, legal matters, elections, and advocacy. MSBA provides workshops, resources, services, and connections designed to help boards save time, reduce expenses, govern efficiently, and stay inspired.

MSBA greatly appreciates the discussions with CFB staff regarding lobbyist regulation.

Development of prospective legislation

Development of prospective legislation" means communications that request support for legislation that has not been introduced as a bill, communications that provide language, or comments on language, used in draft legislation that has not been introduced as a bill, or communications that are intended to facilitate the drafting of language, or comments on language, used in draft legislation that has not been introduced as a bill.

MSBA regularly receives requests for information regarding prospective legislation from state legislators, state agencies and departments (including the Minnesota Department of Education), and the executive branch. The scope of this definition may be too broad as it includes communications that serve to share MSBA's experience and expertise rather than to affect potential legislation.

An exception to "development of prospective legislation" is "responding to a request for information by a public official." The term "public official" is not defined in the existing or proposed rules. MSBA regularly receives requests for information from the Minnesota Department of Education and other state agencies. It is not clear whether these employees, including the Commissioners of these agencies, would constitute a "public official" for purposes of the proposed rule.

The line between "developing" and "responding" is uncertain. Similarly, the exception for "providing information to public officials in order to raise awareness and educate on an issue or topic" may be difficult to distinguish from development of prospective legislation.

MINNESOTA SCHOOL BOARDS ASSOCIATION

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MSBA holds an annual meeting, the Delegate Assembly, at which Minnesota's school board members gather to discuss resolutions and potential legislation. It is not clear whether this definition would apply to the Delegate Assembly and, if so, what the ramifications would be.

Finally, it is not clear where this proposed definition would apply in the Rules. The term "development of prospective legislation" appears only in the definition.

Registration threshold

An individual must register as a lobbyist with the board upon the earlier of when: A. the individual receives total pay or consideration from all sources that exceeds \$3,000 in a calendar year for the purpose of lobbying or from a business whose primary source of revenue is derived from facilitating government 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. The pay or consideration for lobbying for an individual whose job duties include both lobbying and functions unrelated to lobbying is determined by multiplying the gross compensation of the individual by the percentage of the individual's work time spent lobbying in the calendar year.

Currently, MSBA registers a number of employees as lobbyists. However, other MSBA staff who do not directly interact with public officials support the activities of MSBA's registered lobbyists by conducting research, reviewing language, discussing options and challenges, and other activities related to prospective legislation. Because the definition of "lobbyist" includes *direct or indirect consulting or advice*, it is possible that many more MSBA employees could come within the reporting threshold.

Registration not required

Subpart 2b(B) states that an association board member is not a lobbyist "unless the individual receives pay or other consideration to lobby on behalf of the association." MSBA board members receive a stipend for their service on the MSBA board, yet only a portion of a board member's time is devoted to lobbying. Some MSBA board members travel to Washington, D.C. to talk with federal legislators. The rules are not clear whether they encompass federal activity. The scope of the term "or other consideration" needs clarification. Would airfare, hotel room, food/beverage, and other expense reimbursements be considered "other consideration"?

Report of designated lobbyist

The proposed rules regarding the designated lobbyist report include, "*if the lobbyist represents an association, a current list of the names and addresses of each officer and director of the association.*" MSBA hopes to confirm that MSBA's address may be provided rather than residential addresses.

The proposed rules would require a report of "*each original source of money in excess of \$500 provided to the individual or association that the lobbyist represents.*" For a membership organization that holds an annual conference and other meetings that include exhibitors and sponsorships, publishes the *MSBA Journal* and other materials that include advertisements, has over 2,000 school board members who typically attend one or more paid trainings or webinars, and collects other revenue, this reporting requirement may quickly become challenging to fulfill.

Lobbyist reporting for political subdivision membership organizations

New proposed rule 4511.0900 states:

Required reporting. *An association whose membership consists of political subdivisions within Minnesota and which is a principal that provides lobbyist representation on issues as directed by its membership must report:*

- A. attempts to influence administrative action on behalf of the organization's membership;*
- B. attempts to influence legislative action on behalf of the organization's membership; and*

C. attempts to influence the official action of a political subdivision on behalf of the organization's membership, unless the political subdivision is a member of the association.

MSBA hopes that the CFB will provide greater clarity on this expansive requirement. The meaning of “attempt” is uncertain. It could constitute every conversation, phone call, email, and more. If so, the reporting requirement would be tremendously time-consuming and costly, if not actually impossible to fulfill.

MSBA is grateful to the board for its attention to and consideration of these comments. It welcomes an opportunity to work with the board as the rulemaking process proceeds.

Sincerely,



Kirk Schneidawind

Executive Director

Minnesota School Boards Association.