



# MINNESOTA

## CAMPAIGN FINANCE BOARD

---

**Date:** November 26, 2025

**To:** Board members  
Nathan Hartshorn, counsel

**From:** Andrew Olson, Staff Attorney

**Telephone:** 651-539-1190

**Subject:** Exempt administrative rules regarding transition expenses

Noncampaign disbursements are categories of expenses incurred by principal campaign committees that are permissible uses of campaign funds under Minnesota Statutes section 211B.12 and do not count toward the spending limit applicable to a candidate who has signed a public subsidy agreement under Minnesota Statutes sections 10A.322 and 10A.25. In 2025 the legislature expanded and codified a category of noncampaign disbursements that, effective January 1, 2026, will include “transition expenses and inaugural event expenses as defined in section 10A.174.”<sup>1</sup> Minnesota Statutes section 10A.174 is a new section, enacted by the same law, and provides in part that:

“Transition expenses” means expenses incurred in preparing for the assumption of official duties as governor, lieutenant governor, secretary of state, state auditor, or attorney general. Expenses include but are not limited to establishment of a transition office, the dissolution of the office, office space and equipment, communications and technology support, consulting services, compensation and travel costs, and other reasonable expenses. Transition expenses do not include expenses that are incurred after the officeholder takes office.<sup>2</sup>

The law provides that the Board “must amend Minnesota Rules, part 4503.0900, to conform to the requirements of Minnesota Statutes, section 10A.174, regarding transition expenses. The board may use the good cause exemption under Minnesota Statutes, section 14.388, for purposes of this section.”<sup>3</sup>

Minnesota Rules 4503.0900 provides that certain expenses are noncampaign disbursements, including “costs of running a transition office for a winning gubernatorial candidate during the first six months after election”.<sup>4</sup> The rule conflicts with section 10A.174 in two respects. First, the rule text regarding transition expenses is limited to gubernatorial candidates. Second, the

---

<sup>1</sup> [Minn. Stat. § 10A.01, subd. 26 \(a\) \(31\)](#); 2025 Minn. Laws ch. 39, art. 7, §§ [7](#), [23](#).

<sup>2</sup> [Minn. Stat. § 10A.174, subd. 1](#).

<sup>3</sup> [2025 Minn. Laws ch. 39, art. 7, § 22](#).

<sup>4</sup> [Minn. R. 4503.0900, subp. 1](#).

rule text regarding transition expenses encompasses costs incurred during a six-month period after the election while the statute excludes expenses incurred after the candidate takes office.

Board staff has drafted rule language to amend part 4503.0900, which has been approved as to form by the Office of the Revisor of Statutes. The Board needs to vote on the attached formal resolution authorizing the actions needed to amend the rule. Because the Board may use the good cause exempt rulemaking process, the normal process of rule development including publishing a request for comments, drafting a Statement of Need and Reasonableness (SONAR), and a lengthy notice and comment period, are not necessary.

After the Board votes to approve the resolution, Board staff will notify the Court of Administrative Hearings (CAH) and approximately one week later the rule language and other required documents will be submitted to Administrative Law Judge James Mortenson for review. During the first five business days of the 14-day review period, members of the public will be able to submit comments via a CAH webpage. Board staff does not anticipate comments considering the technical nature of the amendment. If the submission is approved by Judge Mortenson, the Board's executive director will sign a notice of adoption to be published in the State Register, and the amendment will take effect as of the date of publication. The law requiring the Board to engage in the rulemaking process does not take effect until January 1, 2026, and Board staff hope to publish a notice of adoption shortly thereafter.

Attachments:

Rule language

Draft resolution approving adoption of rules