



# MINNESOTA

## CAMPAIGN FINANCE BOARD

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**Date:** June 1, 2021

### **Summary of 2021 Minnesota Laws, chapter 31, article 4 - Changes to the Campaign Finance and Public Disclosure Laws – Various effective dates**

#### **Economic interest statement program**

Section 13 adds the chancellor and the trustees of the Minnesota State Colleges and Universities to the list of public officials who must file statements of economic interest. These officials have been filing statements under a general provision that arguably no longer applies to them.

Section 14 removes language that suggests that local officials and candidates must file their statements of economic interest with the Board. Other language in the statute specifically requires these officials and candidates to file their statements with their local units of government.

Section 15 eliminates the requirement that local governments provide the Board with notices of appointment for local officials.

Sections 16, 17, and 18 standardize the reporting periods for original and annual statements of economic interest. The reporting period for the original statement now is the month before the month in which the person becomes a public or local official or files an affidavit of candidacy. The reporting period for the annual statement is all time served as a public or local official in the previous calendar year.

Section 18 also raises the financial threshold for disclosure of honoraria from \$50 to \$250.

The economic interest provisions are effective on August 1, 2021.

#### **Campaign finance program**

Section 10 creates a new noncampaign disbursement category for security expenses for a candidate. This category includes payments for home security hardware, maintenance of home security hardware, identity theft monitoring services, and credit monitoring services. The expenses are capped at \$3,000 per two-year election segment. This section is effective May 26, 2021, and applies to payments made on or after January 1, 2021.

Section 23 allows the Board to collect contact information from candidates, chairs, and treasurers that is different from the contact information provided on registration forms. The alternate contact information is classified as private data on individuals. The Board may use the alternate contact information only to contact the filer for purposes of administering Chapter 10A.

Section 28 corrects a cross-referencing error in the statute specifying how to report reimbursements to third parties.

Section 29 provides that when an underlying disclosure statement is available on a government website, the unregistered association required to submit that statement with a contribution may provide the government website address of the statement in lieu of a written disclosure statement.

Section 29 also eliminates the underlying disclosure requirement for in-kind contributions from the federal committee of a political party to the state central committee, or a party organization within a house of the state legislature, of the same political party.

Section 30 updates the list of multicandidate political party expenditures that do not constitute contributions to candidates to include direct text message services, direct voice mail services, and emails. The new activities must meet the existing standard of naming three or more individuals who will appear on the ballot.

Section 30 also corrects a cross-referencing error in the statute that bars multicandidate political party expenditures from being allocated to candidates as approved or independent expenditures.

Section 31 corrects a cross-referencing error in the statute specifying when affidavits of contributions must be filed to qualify for public subsidy payments.

Section 33 repeals a provision requiring the members and president of Enterprise Minnesota, Inc. to file statements with the Board showing contributions made to public officials, political committees and funds, and political party units.

Unless otherwise noted, the effective date for the Campaign Finance Program provisions is August 1, 2021.

### **Transfer of registration and reporting by Hennepin County political committees and funds and political party units to the Board**

Sections 1-9, 11-12, 19-22, 24-27, and 32-33 move to the Board the responsibility for campaign finance registration and reporting for political committees and funds and political party units that currently register with and report to Hennepin County under Chapter 383B. Candidates for local office in Hennepin County previously subject to Chapter 383B will be subject to Chapter 211A, and relevant home rule charter provisions, and will file their reports with their local governments. The new provisions are effective January 1, 2022, and apply to reports required to be filed on or after that date.

Section 2 amends the definition of ballot question so that this term includes a question or proposition that is voted on by 1) all voters of Hennepin County, 2) all voters of any city located wholly within Hennepin County and having a population of 75,000 or more, or 3) all voters of Special School District 1 (the Minneapolis School District). Ballot questions in these entities previously were governed by Chapter 383B. The amendments effectively will require political committees and funds and political party units to register with the Board when their efforts to influence these ballot question elections in Hennepin County reach the thresholds specified in the existing Chapter 10A registration provisions.

Section 4 defines the term “local candidate” to mean an individual who seeks nomination or election to 1) any county office in Hennepin County, 2) any city office in any city located wholly within Hennepin County and having a population of 75,000 or more, or 3) the school board of

Special School District 1. The offices listed in the definition are the Hennepin County offices previously governed by Chapter 383B.

Sections 1, 3, 5-9, and 11-12 add the term “local candidate” to the definitions of approved expenditure, campaign expenditure, contribution, expressly advocating, general treasury money, independent expenditure, loan, political committee, and political fund so that these provisions will apply to expenditures made by political committees and funds and political party units in local candidate elections in Hennepin County that previously were governed by Chapter 383B. The amendments effectively will require political committees and funds and political party units to register with the Board when their efforts to influence these local candidate elections reach the thresholds specified in the existing Chapter 10A registration provisions.

Sections 19-22, 24, and 27 add the phrase “local candidate” to the provisions governing political funds, commingling, independent expenditure committees and funds, accounts, independent expenditures, and statements of independence so that those provisions will apply to expenditures made by political committees and funds and political party units in local candidate elections in Hennepin County that previously were governed by Chapter 383B.

Section 25 requires up to five reports in a non-general election year from political committees and funds and political party units that spend more than \$200 in the aggregate 1) to influence the nomination or election of local candidates; 2) to make independent expenditures on behalf of local candidates; or 3) to promote or defeat a ballot question for Hennepin County, a city located wholly within Hennepin County and having a population of 75,000 or more, or Special School District 1. The reporting obligation begins with the first report due after the entity reaches the \$200 threshold. The due dates for the reports are April 14, June 14, 15 days before the local primary election, 42 days before the local general election, and ten days before the local general election.

Section 26 requires reports filed with the Board to disclose the following transactions using the existing itemization thresholds: 1) independent expenditures for local candidates; 2) local ballot question expenditures; and 3) contributions to local candidates. These transactions must be reported on separate schedules.

Section 32 makes conforming changes to Chapter 383B so that it no longer applies to political committees and funds and political party units now under the Board’s jurisdiction. Section 32 also provides that Chapter 211A will apply to candidates for local offices in Hennepin County.

Section 33 repeals the provisions in Chapter 383B that applied to disclosure by political committees and funds and political party units now under the Board’s jurisdiction, as well as the campaign finance provisions that applied to candidates, who will now be subject to Chapter 211A and relevant home rule charter provisions.