

Table of Contents
**2016-17 Governor's Budget - Campaign Finance and Public
Disclosure Board**

Agency Profile – Campaign Finance and Public Disclosure Board.....	1
Expenditures Overview.....	3
Financing by Fund.....	4
Change Item: Operating Adjustment.....	5

AT A GLANCE

Campaign Finance Regulation and Disclosure

- Administers registration and reporting for about 664 candidates, 316 political party units, and 404 political committees and funds.
- Approximately 6,900 campaign financial reports will be filed in 2014. This represents a 29% increase from the last similar election.
- Between 2000 and 2010, independent expenditures reported to and regulated by the Board increased from \$3.7 million to \$15.5 million.
- Managed and disbursed over \$2.3 million in public subsidy money to 238 candidates in 2014.

Lobbyist Registration and Disclosure

- Administers registration and reporting for about 1,312 Lobbyists.
- Approximately 4,100 lobbyist reports filed each year.
- In 2013, 1,353 Principals reported record \$67.9 million in expenditures.

Public Officials Financial Disclosure

- Maintain disclosure for 2,264 public official positions. In 2014, disclosure was expanded to include 447 county commissioners and 315 judges, which will be added in the next several years.

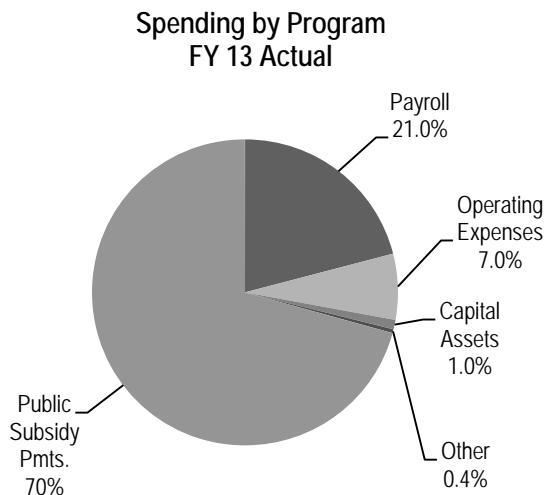
PURPOSE

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.

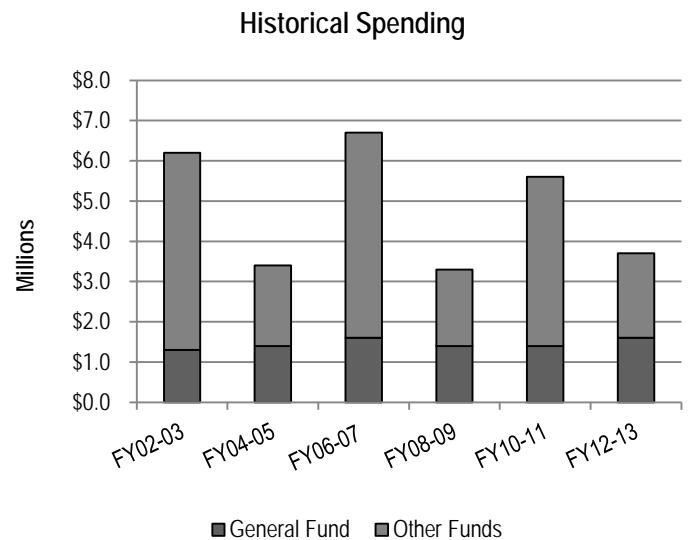
The Board supports the state's goal of providing efficient and accountable government services.

- 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



Source: SWIFT



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

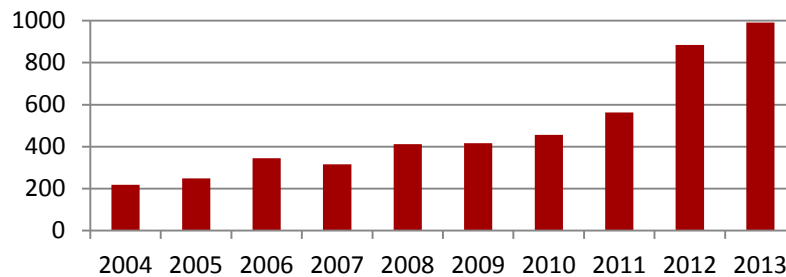
Source: Consolidated Fund Statement

STRATEGIES

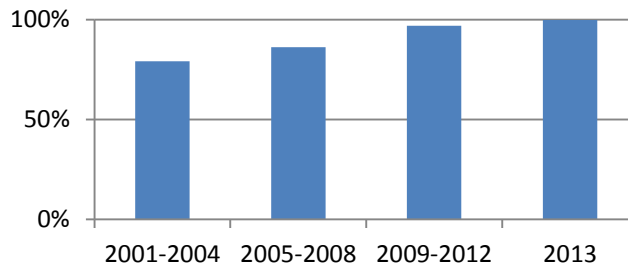
The Campaign Finance and Public Disclosure Board achieves its mission using these strategies:

- 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 web site, 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 for election campaigns to qualified candidates and parties.

RESULTS



Measure: Quantity – Number of campaign finance filers reporting electronically.
Outcome: Accurate and easy filing of disclosure reports required by Chapter 10A



Measure: Quantity – Percent of transactions where donor and recipient reports of contributions match.
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 laws.

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

[Minnesota Statutes Chapter 10A](https://www.revisor.mn.gov/statutes/?id=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	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16	FY17
1000 - General	715	872	770	1,230	1,000	1,000	1,014	1,028
2001 - Other Misc Special Rev	75	2,047	68	3,135	100	2,697	100	2,697
Total	790	2,919	838	4,365	1,100	3,697	1,114	3,725
<i>Biennial Change</i>				1,493		(405)		(363)
<i>Biennial % Change</i>				40		(8)		(7)
<i>Governor's Change from Base</i>								42
<i>Governor's % Change from Base</i>								1

Expenditures by Program

Program: Campaign Finance & Publ Disc	790	2,919	838	4,365	1,100	3,697	1,114	3,725
Total	790	2,919	838	4,365	1,100	3,697	1,114	3,725

Expenditures by Category

Compensation	538	602	663	783	797	830	811	858
Operating Expenses	81	215	109	443	201	168	201	168
Other Financial Transactions	2	12	5	4	2	2	2	2
Grants, Aids and Subsidies	169	2,063	62	3,135	100	2,697	100	2,697
Capital Outlay-Real Property		28						
Total	790	2,919	838	4,365	1,100	3,697	1,114	3,725

Full-Time Equivalents

	7.4	7.3	7.6	9.2	9.2	9.2	9.2	9.2
--	------------	------------	------------	------------	------------	------------	------------	------------

(Dollars in Thousands)

1000 - General

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Balance Forward In		69		230				
Direct Appropriation	689	1,709	1,000	2,020	1,000	2,020	1,014	2,048
Open Appropriation	244	1,931	112	2,022	100	1,646	100	1,646
Net Transfers	702	100	217	(3,042)	(100)	(2,644)	(100)	(2,644)
Cancellations		2				22		22
Expenditures	715	872	770	1,230	1,000	1,000	1,014	1,028
Balance Forward Out	67		230					
<i>Biennial Change in Expenditures</i>				412		0		42
<i>Biennial % Change in Expenditures</i>				26		0		2
<i>Gov's Exp Change from Base</i>								42
<i>Gov's Exp % Change from Base</i>								2
FTEs	7.4	7.3	7.6	9.2	9.2	9.2	9.2	9.2

2001 - Other Misc Special Rev

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Balance Forward In	707	94	986	827	734	734	734	734
Receipts	14	3	2	0	0	0	0	0
Net Transfers	150	2,935	125	3,042	100	2,644	100	2,644
Expenditures	75	2,047	68	3,135	100	2,697	100	2,697
Balance Forward Out	94	986	827	734	734	681	734	681
<i>Biennial Change in Expenditures</i>				1,081		(406)		(406)
<i>Biennial % Change in Expenditures</i>				51		(13)		(13)
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0

Campaign Finance and Public Disclosure Board

FY16-17 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	14	28	28	28
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	14	28	28	28
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding for compensation related costs associated with the delivery of agency services. This amount represents an annual increase of 1.8% for General Fund compensation costs.

Rationale/Background:

Each year, compensation costs rise due to labor contract settlements, and changes in employer-paid contributions for insurance, FICA, Medicare, retirement, and other factors. Absorbing this increase in compensation costs within existing agency base appropriations results in reduced staffing and/or reduced non-compensation spending.

Proposal:

The Governor recommends increasing agencies' general fund budgets for employee wage and benefit costs by 1.8% per year for FY 2016-17. Agencies were instructed to include a 1.8% increase to total compensation each year in their base budgets, based upon the compound annual compensation spending rate increase per FTE over the last ten years for executive branch employees. This recommendation is intended to allow agencies to maintain their current level of agency operations.

For non-General Fund direct appropriated funds, the Governor's budget recommendations also include an adjustment of 1.8% per year, where the amount can be supported by the source of revenue.

Results:

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

Statutory Change(s):

N.A.