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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1776

02/15/2023 Authored by Coulter, Freiberg, Greenman, Smith, Pursell and others
The bill was read for the first time and referred to the Committee on Elections Finance and Policy

1.1 A bill for an act
1.2 relating to lobbying; expanding lobbying provisions to include all political
1.3 subdivisions; appropriating money; amending Minnesota Statutes 2022, sections
1.4 10A.01, subdivision 21; 10A.04, subdivisions 4, 6; 10A.05; 10A.06; 10A.071,
1.5 subdivision 1.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2022, section 10A.01, subdivision 21, is amended to read:

1.8 Subd. 21. Lobbyist. (a) "Lobbyist" means an individual:

1.9 (1) engaged for pay or other consideration of more than \$3,000 from all sources in any
1.10 year:

1.11 (i) for the purpose of attempting to influence legislative or administrative action, or the
1.12 official action of a metropolitan governmental unit political subdivision, by communicating
1.13 or urging others to communicate with public or local officials; or

1.14 (ii) from a business whose primary source of revenue is derived from facilitating
1.15 government relations or government affairs services between two third parties; or

1.16 (2) who spends more than \$250, not including the individual's own traveling expenses
1.17 and membership dues, in any year for the purpose of attempting to influence legislative or
1.18 administrative action, or the official action of a metropolitan governmental unit political
1.19 subdivision, by communicating or urging others to communicate with public or local officials.

1.20 (b) "Lobbyist" does not include:

1.21 (1) a public official;

2.1 (2) an employee of the state, including an employee of any of the public higher education
2.2 systems;

2.3 (3) an elected local official;

2.4 (4) a nonelected local official or an employee of a political subdivision acting in an
2.5 official capacity, unless the nonelected official or employee of a political subdivision spends
2.6 more than 50 hours in any month attempting to influence legislative or administrative action,
2.7 or the official action of a ~~metropolitan governmental unit~~ political subdivision other than
2.8 the political subdivision employing the official or employee, by communicating or urging
2.9 others to communicate with public or local officials, including time spent monitoring
2.10 legislative or administrative action, or the official action of a ~~metropolitan governmental~~
2.11 ~~unit~~ political subdivision, and related research, analysis, and compilation and dissemination
2.12 of information relating to legislative or administrative policy in this state, or to the policies
2.13 of ~~metropolitan governmental units~~ political subdivisions;

2.14 (5) a party or the party's representative appearing in a proceeding before a state board,
2.15 commission, or agency of the executive branch unless the board, commission, or agency is
2.16 taking administrative action;

2.17 (6) an individual while engaged in selling goods or services to be paid for by public
2.18 funds;

2.19 (7) a news medium or its employees or agents while engaged in the publishing or
2.20 broadcasting of news items, editorial comments, or paid advertisements which directly or
2.21 indirectly urge official action;

2.22 (8) a paid expert witness whose testimony is requested by the body before which the
2.23 witness is appearing, but only to the extent of preparing or delivering testimony; or

2.24 (9) a party or the party's representative appearing to present a claim to the legislature
2.25 and communicating to legislators only by the filing of a claim form and supporting documents
2.26 and by appearing at public hearings on the claim.

2.27 (c) An individual who volunteers personal time to work without pay or other consideration
2.28 on a lobbying campaign, and who does not spend more than the limit in paragraph (a), clause
2.29 (2), need not register as a lobbyist.

2.30 (d) An individual who provides administrative support to a lobbyist and whose salary
2.31 and administrative expenses attributable to lobbying activities are reported as lobbying
2.32 expenses by the lobbyist, but who does not communicate or urge others to communicate
2.33 with public or local officials, need not register as a lobbyist.

3.1 Sec. 2. Minnesota Statutes 2022, section 10A.04, subdivision 4, is amended to read:

3.2 Subd. 4. **Content.** (a) A report under this section must include information the board
3.3 requires from the registration form and the information required by this subdivision for the
3.4 reporting period.

3.5 (b) A lobbyist must report the lobbyist's total disbursements on lobbying, separately
3.6 listing lobbying to influence legislative action, lobbying to influence administrative action,
3.7 and lobbying to influence the official actions of a ~~metropolitan governmental unit~~ political
3.8 subdivision, and a breakdown of disbursements for each of those kinds of lobbying into
3.9 categories specified by the board, including but not limited to the cost of publication and
3.10 distribution of each publication used in lobbying; other printing; media, including the cost
3.11 of production; postage; travel; fees, including allowances; entertainment; telephone and
3.12 telegraph; and other expenses.

3.13 (c) A lobbyist must report the amount and nature of each gift, item, or benefit, excluding
3.14 contributions to a candidate, equal in value to \$5 or more, given or paid to any official, as
3.15 defined in section 10A.071, subdivision 1, by the lobbyist or an employer or employee of
3.16 the lobbyist. The list must include the name and address of each official to whom the gift,
3.17 item, or benefit was given or paid and the date it was given or paid.

3.18 (d) A lobbyist must report each original source of money in excess of \$500 in any year
3.19 used for the purpose of lobbying to influence legislative action, administrative action, or
3.20 the official action of a ~~metropolitan governmental unit~~ political subdivision. The list must
3.21 include the name, address, and employer, or, if self-employed, the occupation and principal
3.22 place of business, of each payer of money in excess of \$500.

3.23 (e) On the report due June 15, the lobbyist must provide a general description of the
3.24 subjects lobbied in the previous 12 months.

3.25 Sec. 3. Minnesota Statutes 2022, section 10A.04, subdivision 6, is amended to read:

3.26 Subd. 6. **Principal reports.** (a) A principal must report to the board as required in this
3.27 subdivision by March 15 for the preceding calendar year.

3.28 (b) Except as provided in paragraph (d), the principal must report the total amount,
3.29 rounded to the nearest \$20,000, spent by the principal during the preceding calendar year
3.30 to influence legislative action, administrative action, and the official action of ~~metropolitan~~
3.31 ~~governmental units~~ political subdivisions.

3.32 (c) Except as provided in paragraph (d), the principal must report under this subdivision
3.33 a total amount that includes:

4.1 (1) all direct payments by the principal to lobbyists in this state;

4.2 (2) all expenditures for advertising, mailing, research, analysis, compilation and
 4.3 dissemination of information, and public relations campaigns related to legislative action,
 4.4 administrative action, or the official action of ~~metropolitan governmental units~~ political
 4.5 subdivisions in this state; and

4.6 (3) all salaries and administrative expenses attributable to activities of the principal
 4.7 relating to efforts to influence legislative action, administrative action, or the official action
 4.8 of ~~metropolitan governmental units~~ political subdivisions in this state.

4.9 (d) A principal that must report spending to influence administrative action in cases of
 4.10 rate setting, power plant and powerline siting, and granting of certificates of need under
 4.11 section 216B.243 must report those amounts as provided in this subdivision, except that
 4.12 they must be reported separately and not included in the totals required under paragraphs
 4.13 (b) and (c).

4.14 Sec. 4. Minnesota Statutes 2022, section 10A.05, is amended to read:

4.15 **10A.05 LOBBYIST REPORT.**

4.16 Within 30 days after each lobbyist filing date set by section 10A.04, the executive director
 4.17 of the board must publish the names of the lobbyists registered who were not previously
 4.18 reported, the names of the individuals, associations, political subdivisions, or public higher
 4.19 education systems whom they represent as lobbyists, the subject or subjects on which they
 4.20 are lobbying, and whether in each case they lobby to influence legislative action,
 4.21 administrative action, or the official action of a ~~metropolitan governmental unit~~ political
 4.22 subdivision.

4.23 Sec. 5. Minnesota Statutes 2022, section 10A.06, is amended to read:

4.24 **10A.06 CONTINGENT FEES PROHIBITED.**

4.25 No person may act as or employ a lobbyist for compensation that is dependent upon the
 4.26 result or outcome of any legislative or administrative action, or of the official action of a
 4.27 ~~metropolitan governmental unit~~ political subdivision. A person who violates this section is
 4.28 guilty of a gross misdemeanor.

4.29 Sec. 6. Minnesota Statutes 2022, section 10A.071, subdivision 1, is amended to read:

4.30 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

5.1 (b) "Gift" means money, real or personal property, a service, a loan, a forbearance or
 5.2 forgiveness of indebtedness, or a promise of future employment, that is given and received
 5.3 without the giver receiving consideration of equal or greater value in return.

5.4 (c) "Official" means a public official, an employee of the legislature, or a local official
 5.5 ~~of a metropolitan governmental unit.~~

5.6 (d) "Plaque" means a decorative item with an inscription recognizing an individual for
 5.7 an accomplishment.

5.8 Sec. 7. **APPROPRIATION.**

5.9 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated to the Campaign
 5.10 Finance Board to implement this act. Of this amount, \$..... in fiscal year 2024 is for the
 5.11 costs of rulemaking to conform applicable rules to this act.