

CENTER FOR THE STUDY OF
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Transparency and Campaign Spending in Minnesota in 2020*

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Executive Summary

- Money fuels politics, giving voice not only to candidates and their campaigns, but to outside groups and political parties—both during campaigns and lawmaking in Minnesota.
- **Minnesota legislators are influenced by campaign spending. Money contributed during the 2018 campaign cycle influenced the 2019 legislative session in the Minnesota House.** When the campaign season is over and the legislative session begins, outside groups, political parties, and individual donors press their interests and influence in the legislative process, particularly in committees. This study reports on indications of donor influence in 2019; our studies of campaign spending in 2018 can be found here: <http://bit.ly/3rvfCgw>. Pages 13-15.
- An astounding \$162.7 million was spent on elections in Minnesota during 2020. Of this, \$105 million flowed into Minnesota’s campaigns for the U.S. Senate and the U.S. House of Representatives. Another nearly \$41 million was spent on Minnesota elections for the State Senate and State House of Representatives. Additionally, individual Minnesota donors contributed \$16.7 million to one of the two major party presidential candidates in 2020. Pages 4, 5, 13.
- The DFL had an advantage; overall spending to support DFL candidates was greater than overall spending to support GOP candidates, largely due to the DFL’s advantage in state legislative races and in the U.S. Senate race. Overall spending on Minnesota’s U.S. House races, however, benefitted Republican candidates. Pages 4, 5.
- The voices of candidates in many of the most competitive races were obscured by the often “dark” or hidden independent expenditures by parties, groups, corporations, unions, associations and individuals. Independent expenditures (IEs) accounted for a majority of overall spending on Statehouse races. IE spending also constituted a majority of all spending in two of Minnesota’s eight U.S. House races, in the 1st and the 7th Districts. Pages 5-9.
- The most competitive U.S. House races in Minnesota attracted the most spending – in addition to the uncompetitive but controversial race in the 5th District. A jaw-dropping \$20 million was spent in both House District 7 and House District 1, two competitive races featuring vulnerable incumbents that garnered national attention and money. These races constituted 24 and 22 percent of all spending in U.S. House races in Minnesota, respectively. Page 10.
- The most spending (26 percent of spending) occurred in Minnesota’s 5th District – a Democratic stronghold that reelected Rep. Ilhan Omar with 64 percent of the vote. Individual donors expressed symbolic opposition to, or support for, Representative Omar, who is one of the first Muslim women elected to Congress and a frequent target of President Trump. Page 11.

- Presidential candidates Donald Trump and Joe Biden raised more money from Minnesotans in 2020 (\$16.7 million combined) than presidential candidates Donald Trump and Hillary Clinton had in 2016 (\$6.6 million combined). At the beginning of the 2020 cycle, Trump was outraising Biden. By early summer 2020, Biden had raised significantly more money from Minnesotans than Trump in the 2020 cycle, and more than Clinton had raised in the 2016 cycle. Biden's advantage continued to increase throughout the 2020 election cycle. Pages 12, 13.

The campaign finance data used for this analysis come from Minnesota's Campaign Finance Board, covering the period of January 1, 2019 through December 31, 2020. The authors analyzed and compiled contributions received by candidates from all sources, including individuals, parties, and PACs, in addition to data on all of the independent expenditures made in each race.

A Lot of Money in Minnesota in 2020: A Sharp Increase from 2016

An astounding \$105 million flowed into Minnesota’s campaigns for the U.S. Senate and the U.S. House of Representatives, including nearly \$80 million in Minnesota’s eight U.S. House races (see Figure 1). By contrast, Minnesota’s U.S. House races cost \$52.6 million in 2016.

Another nearly \$41 million was spent on Minnesota elections for the State Senate and State House of Representatives (see Figure 2) – nearly \$10 million more than in 2016. Additionally, Minnesotans contributed \$16.7 million to one of the two major party presidential candidates in 2020 (see Figure 10), compared to \$6.6 million in 2016.

A DFL Advantage

Figure 1 shows that overall spending in support of federal candidates advantaged Democrats by around \$4 million, driven by greater support for the DFL U.S. Senate candidate, Tina Smith, than for the Republican candidate, Jason Lewis. Overall spending on Minnesota’s U.S. House races, however, benefitted Republican candidates. In state legislative races, DFL candidates for both the House and Senate had a combined overall advantage of over \$11 million, as seen in Figure 2.

Figure 1.

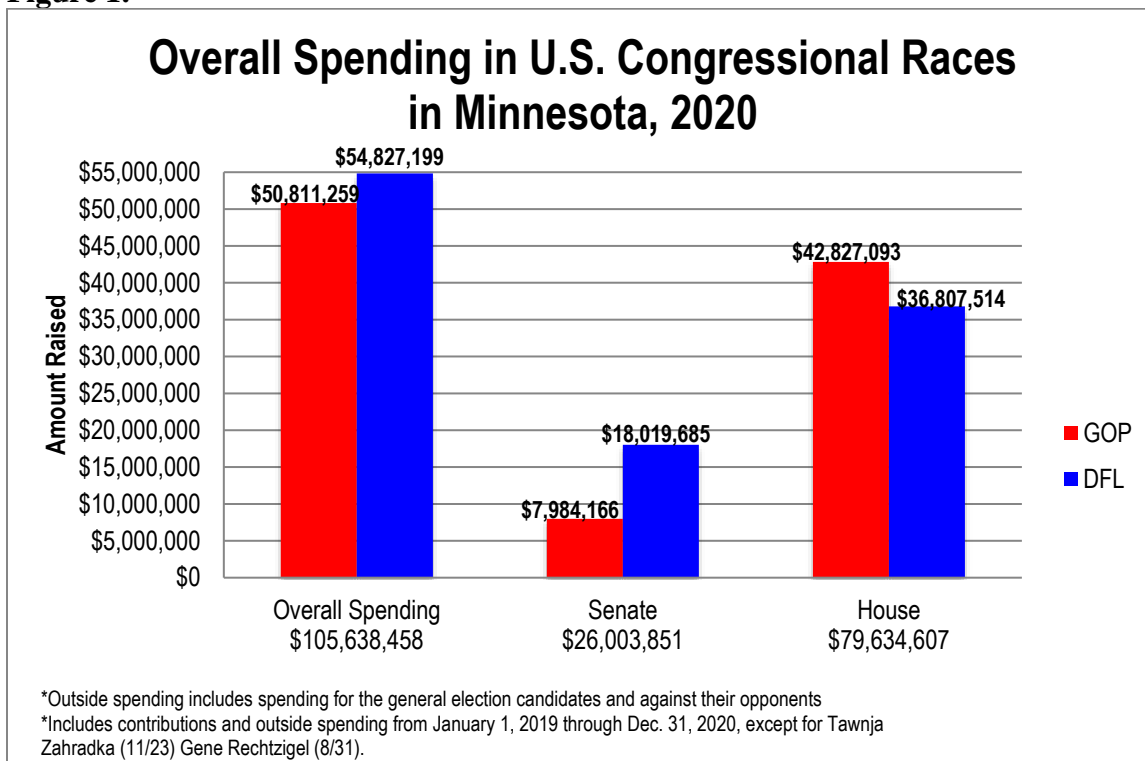
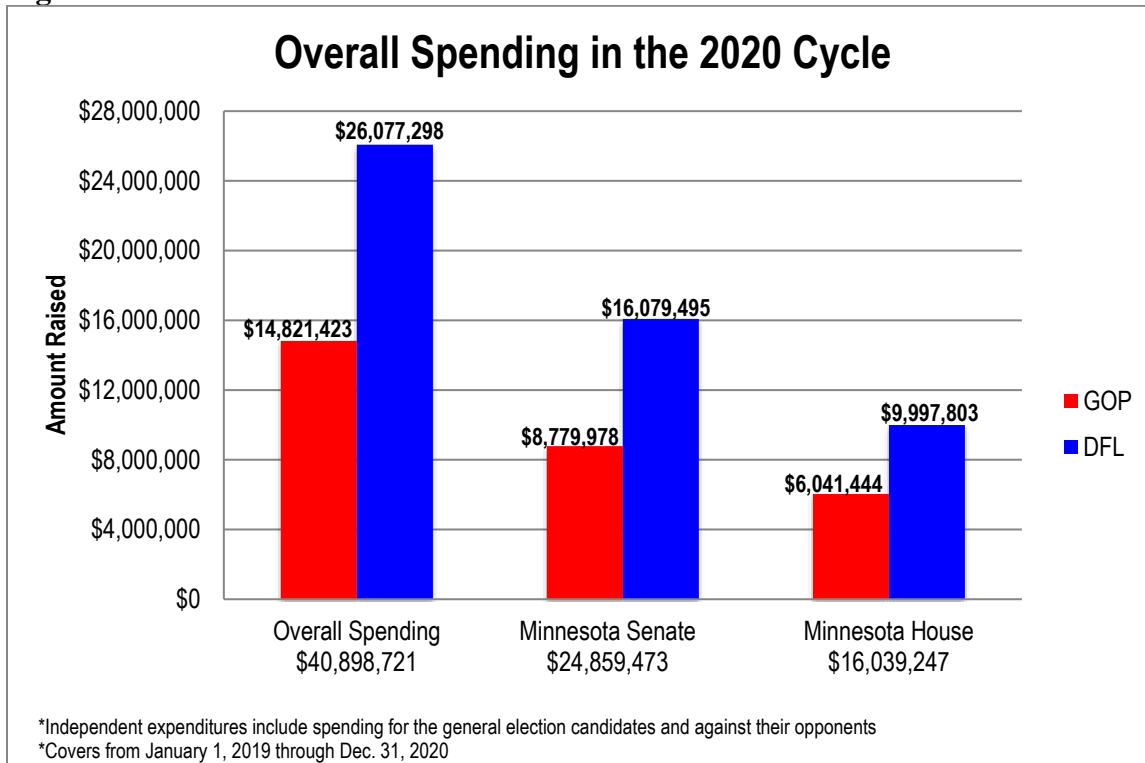


Figure 2.



Independent expenditures by parties, groups, corporations, unions, associations, and individuals flooded Minnesota’s competitive races, obscuring candidates’ own voices

Independent expenditures (IEs) accounted for a majority of overall spending on State House races (Figure 3). IE groups in support of DFL candidates spent more than IE groups in support of Republican candidates.

Figure 3 shows that 59% of the overall spending benefitting DFL State House candidates came from IEs compared to 50% for GOP candidates. IEs targeted Senate races in particular; Senate DFL candidates benefitted from \$10,881,332 (68% of spending) in IEs while Senate GOP candidates benefitted from \$5,243,850, (60% of spending). By contrast, House DFL candidates benefitted from \$4,595,507 (46% of spending), compared to House GOP candidates who had less than half that amount at \$2,188,422 (36% of spending).

In U.S. House races, IE support constituted 36% of spending benefitting GOP candidates and 35% of spending benefitting DFL candidates (see Figure 4). IE spending constituted a majority of all spending in only two of Minnesota’s eight districts, the First and the Seventh, as shown in Figures 5 and 6.

Figure 3.

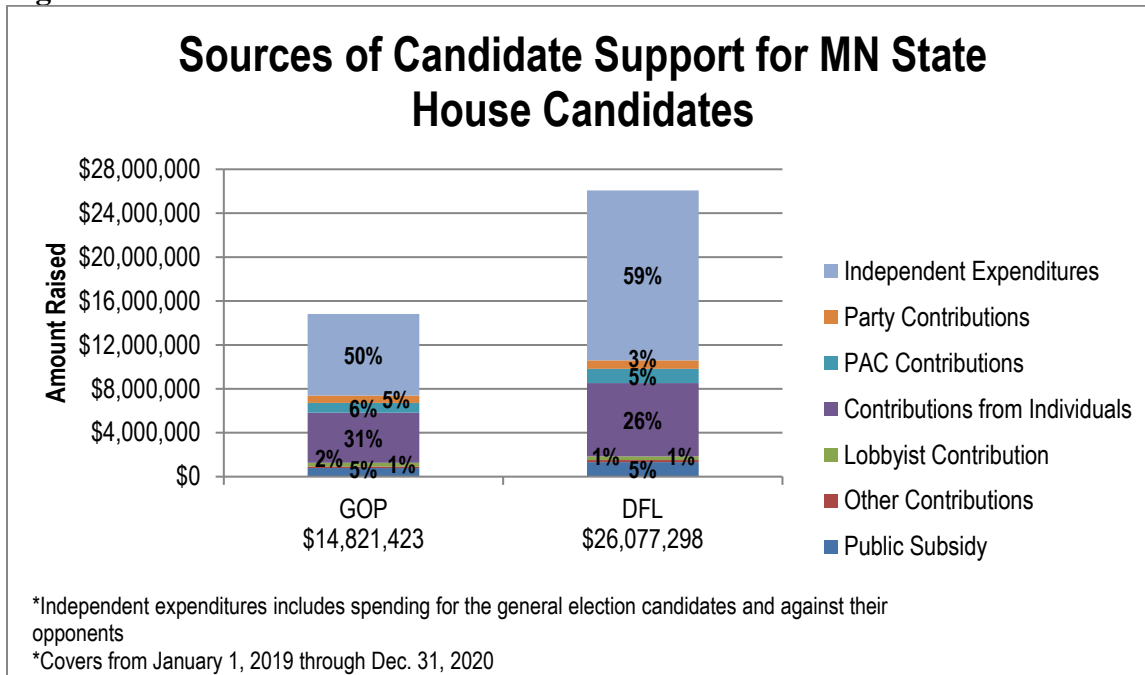


Table 1. Top groups making independent expenditures for State House candidates in 2020

Groups making independent expenditures	Total spent support GOP	Total spent support DFL
GOP		
Advance Minnesota Independent Expenditure Committee	\$1,817,588	-
HRCC	\$1,277,646	-
Senate Victory Fund (SVF)	\$1,269,563	-
Coalition of Minnesota Businesses Independent Expenditure Political Committee	\$691,129	-
Freedom Club State Political Action Committee	\$564,869	-
DFL		
MN DFL State Central Committee	-	\$4,155,171
Alliance for a Better Minnesota Action Fund	-	\$4,010,203
DFL House Caucus	-	\$2,071,753
DFL Senate Caucus	-	\$940,464
Planned Parenthood of Minnesota Political Action Fund	-	\$893,963

*Does not include total of \$16,700 spent against Erik Mortensen and Jeremy Munson combined by MN Jobs Coalition Legislative Fund during the primaries

Figure 4

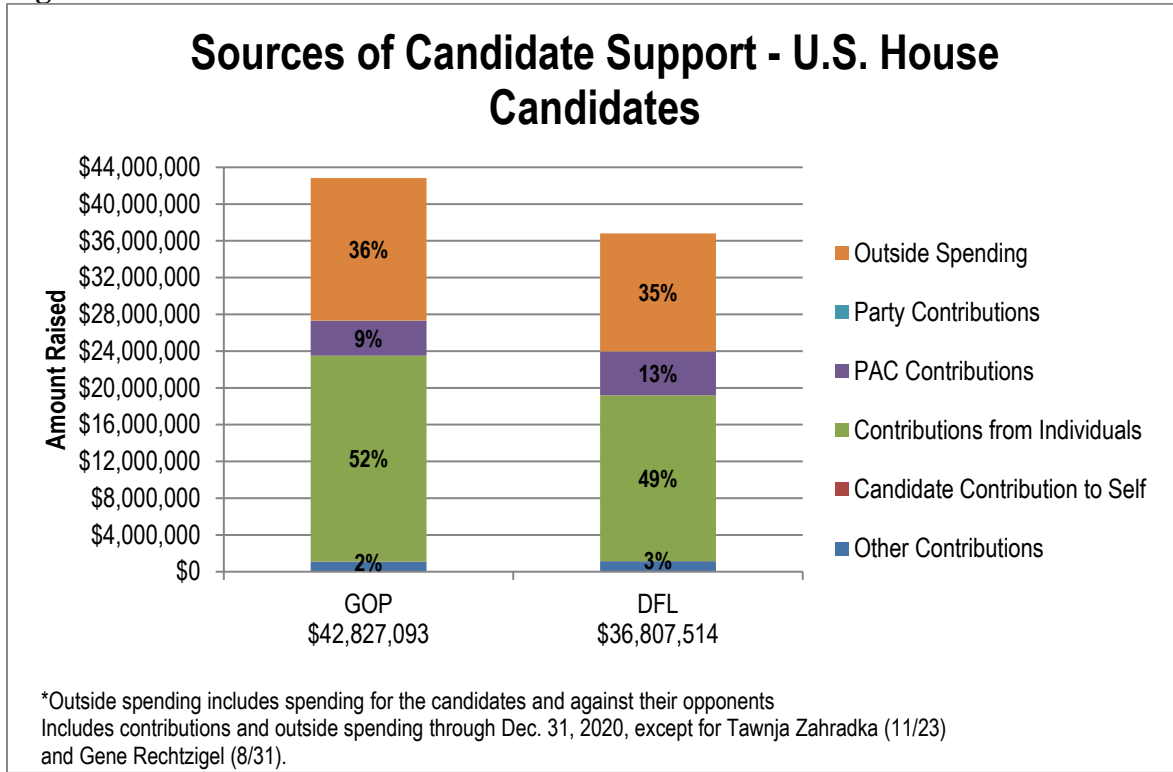
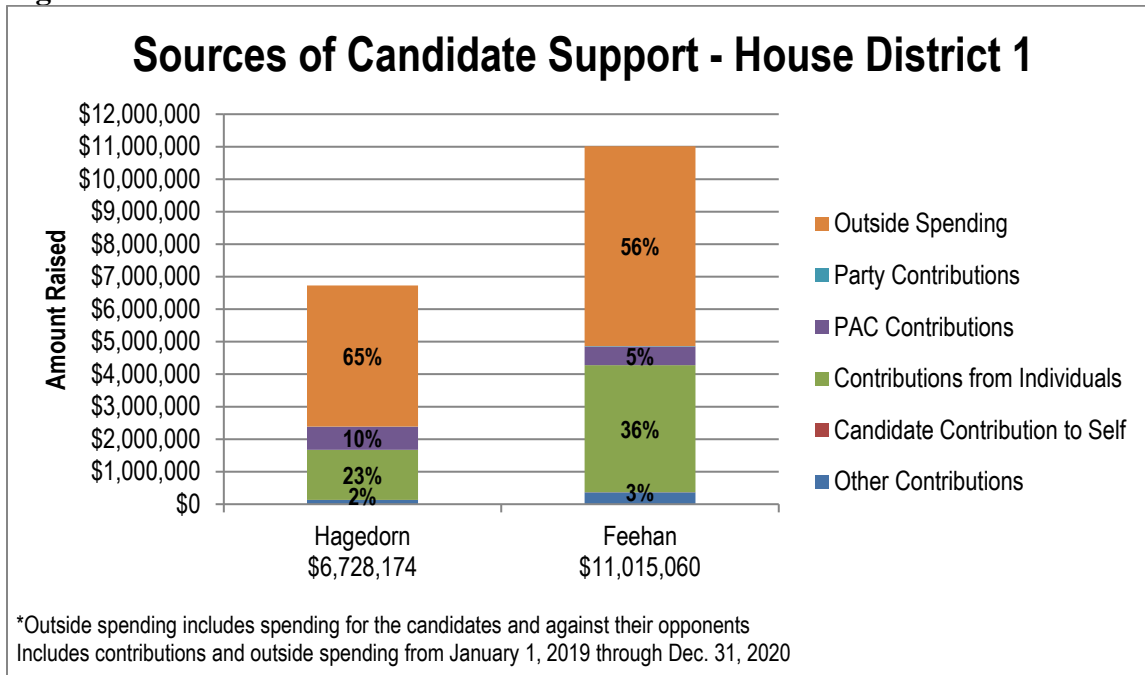


Table 2. Top groups making independent expenditures for U.S. Congressional candidates in 2020

Groups making independent expenditures	Total spent support GOP	Total spent support DFL
GOP		
Congressional Leadership Fund	\$7,571,244	-
NRCC	\$4,838,134	-
Americans for Tomorrow’s Future	\$2,417,702	-
Citizens United Political Victory Fund	\$435,500	-
Right Now USA	\$297,000	-
DFL		
House Majority PAC	-	\$8,193,300
Democratic Congressional Campaign Committee	-	\$2,627,435
Democratic Senate Campaign Committee	-	\$888,000
Committee for Stronger Rural Communities, Inc.	-	\$600,619
United Assoc Union Plumbers & Pipefitters Vote! PAC	-	\$380,460

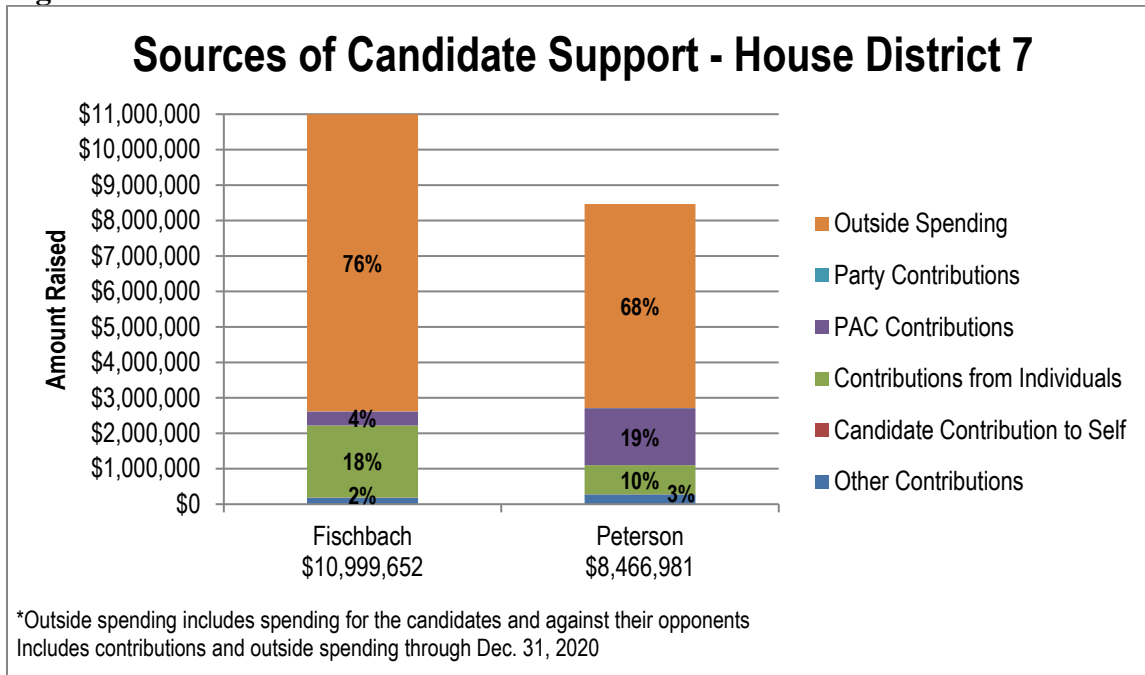
Figure 5.



Outside spending supporting Jim Hagedorn consisted of \$6,901 by American Majority Action Inc., \$4,500 by Freedom Club of America, \$2,902 by Minnesota Citizens Concerned for Life, and \$1,112 by the NRA in favor of Hagedorn, \$1,310,870 by the NRCC, \$2,981,117 spent by the Congressional Leadership Fund, and \$30,000 by Right Now USA in favor of Hagedorn and against Feehan.

Outside spending supporting Dan Feehan included \$15,000 spent by Minnesota DFL Party, \$11,200 by Unidos We Win PAC \$11,185 by SEIU COPE, \$6,594 by LIUNA Minnesota & North Dakota, and \$5,880 by United We Can in favor of Feehan. House Majority PAC spent \$3,070,639, UA Union Plumbers & Pipefitters spent \$380,460, and Bend the Arc Jewish Action Inc. spent \$4,809 against Hagedorn. Additionally, the DCCC spent \$2,207,626, VoteVets spent \$326,687, Planned Parenthood of Minnesota spent \$96,274, and Working America spent \$16,655 in favor of Feehan and against Hagedorn.

Figure 6.



Outside spending supporting Michelle Fischbach included \$40,296 spent by Minnesota Citizens Concerned for Life, \$39,997 by the National Right to Life Victory Fund, \$8,687 by American Majority Action, Inc., and \$6,911 by the Seventh Congressional District Republican Party of Minnesota in favor of Fischbach. Right Now USA spent \$15,000, and FreedomWorks for American spent \$7,500 against Peterson. Additionally, Congressional Leadership Fund spent \$4,564,847, the NRCC spent \$3,428,464, Alliance for a Greater Minnesota spent \$152,465, and WFW Action Fund spent \$115,951 in favor of Fischbach and against Peterson.

Outside spending supporting Collin Peterson included \$600,619 by the Committee for Stronger Rural Communities, Inc., \$26,525 by Working America, and \$6,594 by LIUNA Minnesota & North Dakota in favor of Peterson. House Majority PAC spent \$4,710,345 and One County Fund spent \$83,075 against Fischbach. The DCCC spent \$324,632 in favor of Peterson and against Fischbach.

The Most Competitive Races Attracted the Most Spending – Along with Minnesota’s 5th District

Most outside spending is made by strategic groups who tend to focus on competitive races where they are most likely to make a difference. Minnesota’s 7th and 1st District U.S. House races were considered competitive “tossup” races. Not surprisingly, they also attracted (nearly) the most spending, 24 percent and 22 percent respectively of the state’s total spending on U.S. House races (see Figure 7). After serving for 30 years, 7th District incumbent Democratic Rep. Collin Peterson was defeated by GOP state Sen. Michelle Fischbach. First term, 1st District incumbent Republican Rep. Jim Hagedorn was reelected by around 3 percent of the vote in a rematch with Democrat Dan Feehan.

Surprisingly, Minnesota’s 5th district – a solidly Democratic district that reelected Rep. Ilhan Omar with 64 percent of the vote – attracted the most spending, 26 percent of all spending on House races in the state. Unlike the 1st and 7th districts, however, the 5th District did not attract significant outside spending, as the outside groups were well aware that Republican Lacy Johnson did not pose a threat to Omar, and outside groups spend strategically to maximize their likelihood of affecting the outcome (see Figure 8). Instead, it seems that individual donors from across the country were motivated by the symbolic significance of supporting – or especially opposing, as Johnson raised significantly more than Representative Omar – one of the first Muslim women elected to the U.S. House of Representatives, a frequent target of President Trump, and a highly visible member of “The Squad.”

Figure 7.

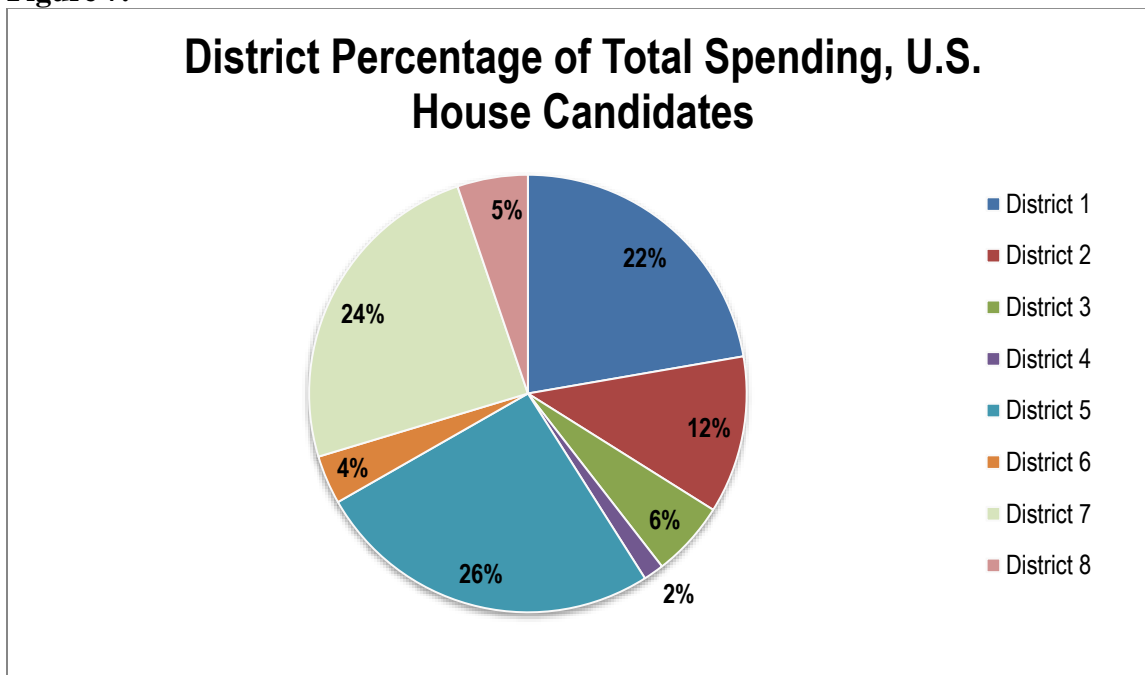
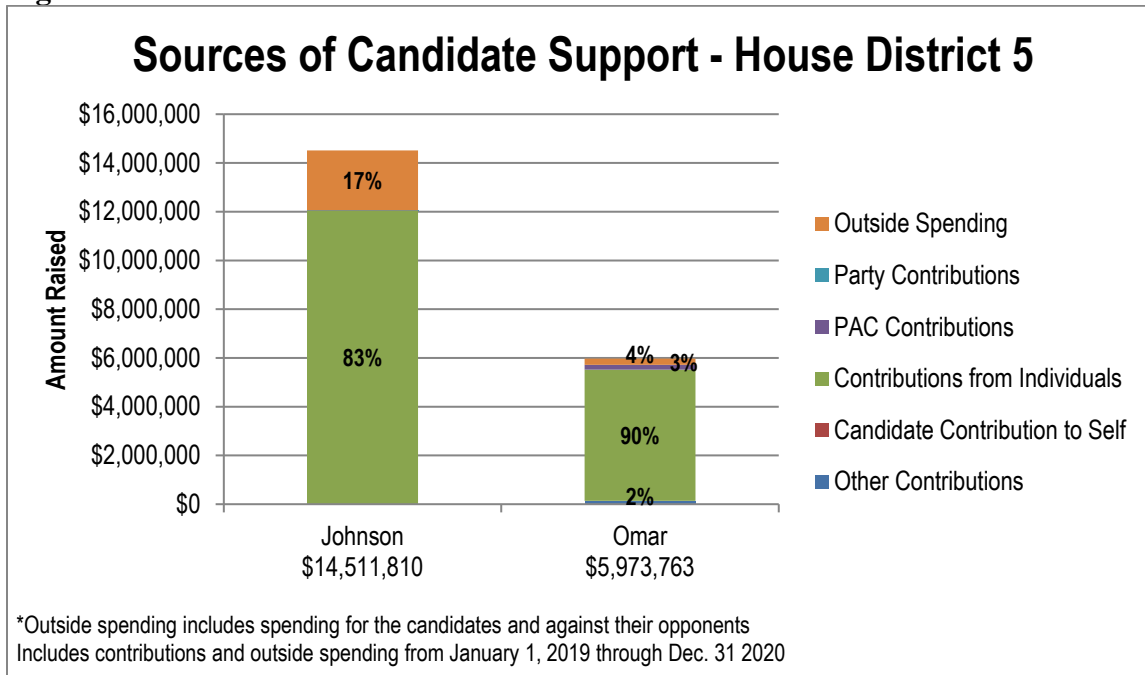


Figure 8.



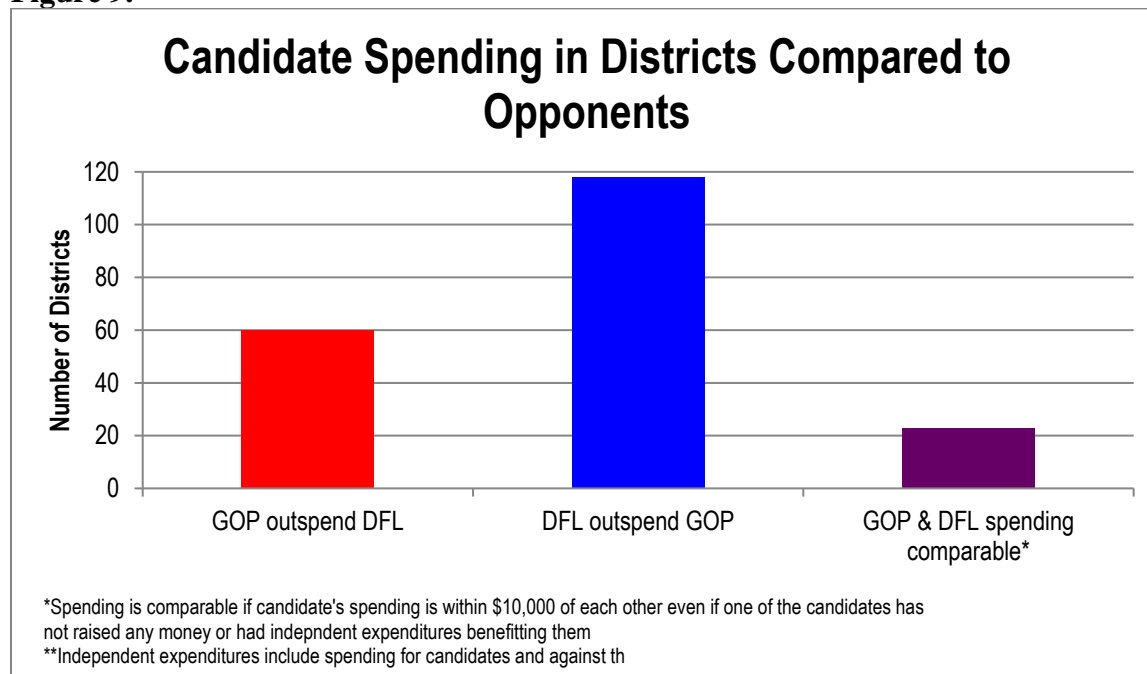
Outside spending supporting Johnson included \$8,985 spent by the Constitutional Leadership PAC in favor of Johnson, along with \$2,417,702 by Americans for Tomorrow’s Future, \$14,865 by the Alliance to Combat Extremism Inc., \$12,484 by Stars and Stripes Forever PAC, and \$5,180 by the Congressional Leadership Fund against Omar.

Outside spending in support of Omar included \$132,369 spent by TakeAction MN Federal Fund, \$50,000 spent by WFP IE Committee, \$38,100 by SEIU COPE, \$15,923 spent by Moveon.org, \$6,947 spent by United We Dream Action PAC, \$6,395 by the Minnesota DFL Party, \$2,000 spent by The Collective Super PAC, \$1,145 by AFL-CIO, and \$1,145 by AFSCME Council 5 in favor of Omar.

State House Spending Focuses on Competitive Races

Minnesota's most competitive State House races attracted the most spending as well, and the DFL had an advantage in the number of races where the party outspent GOP opponents (see Figure 9). In a competitive, high-turnout year, that spending advantage did not translate into an electoral advantage.

Figure 9.

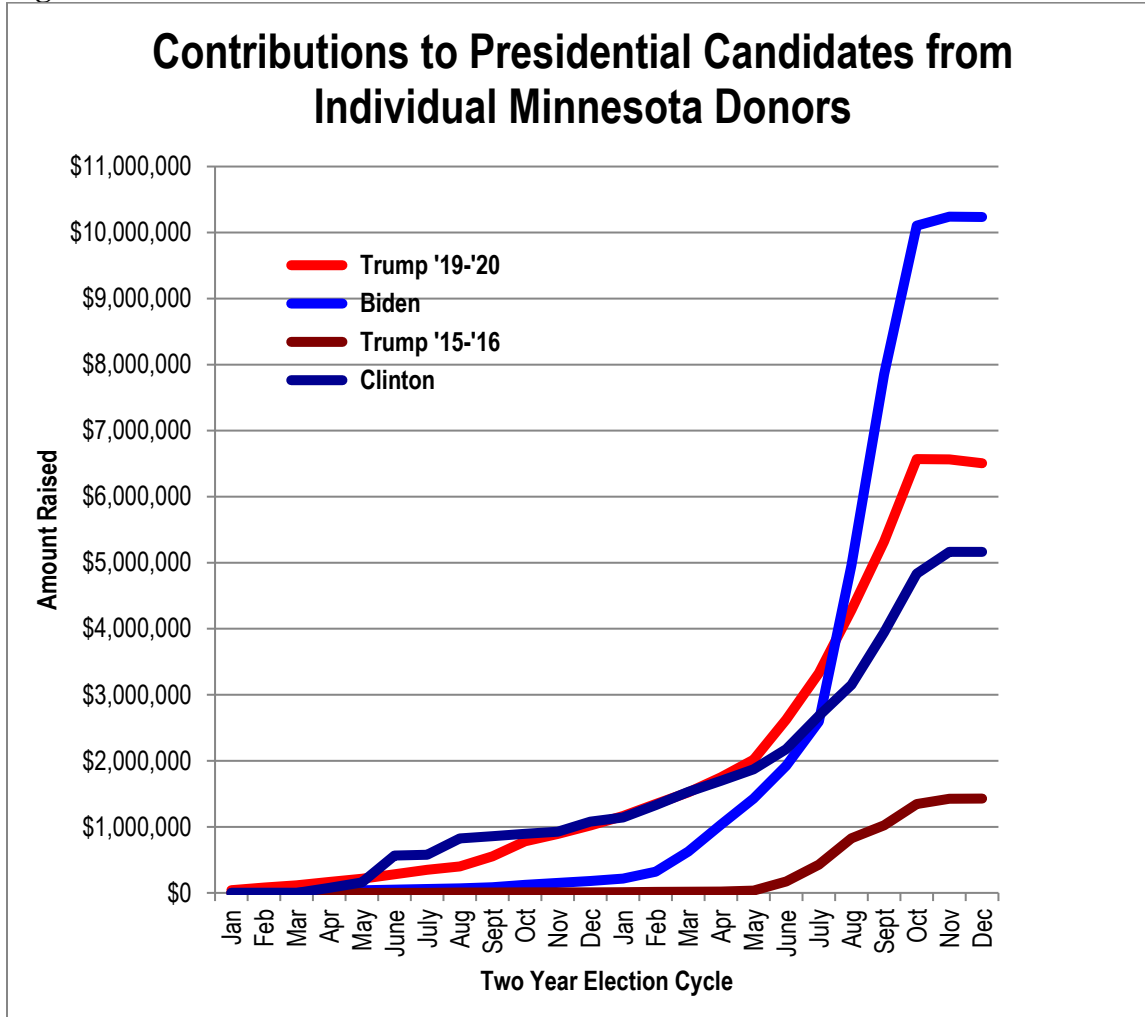


Minnesotans Increased their Contributions to Presidential Candidates' Coasters in 2020

Donald Trump and Joe Biden raised more money from Minnesotans in 2020 (\$16.7 million) than Donald Trump and Hillary Clinton did in 2016 (\$6.6 million). In 2020, Biden collected 61 percent of Minnesotans' contributions (\$10,236,936) compared to Trump's 39 percent (\$6,507,164). Trump, however, attracted significantly more support in 2020 than it did in 2016, when he received 22 percent of Minnesotans' contributions (\$1,428,430) compared to Hillary Clinton's 78 percent (\$5,164,515).

At the beginning of the 2020 cycle, Trump was outraising Biden (see Figure 10). By early summer 2020, Biden had raised more money from Minnesotans than Trump in the 2020 cycle and more than Clinton had in the 2016 cycle. Biden's advantage continued to increase through the 2020 election cycle.

Figure 10.



Money matters at the Minnesota State Legislature

Money matters when it comes to legislating, both by helping to determine the composition of the Legislature itself and influencing state House committee action in 2019. Although our study finds patterns of donor influence on the DFL-controlled Legislature, political scientists have found such patterns when either Democrats or Republicans have been in the majority. Our findings point to a general pattern associated with massive spending on election campaigns.

A common assumption at the State Capitol is that giving money to campaigns opens doors. Our research team confirmed that donating to political campaigns indeed pays off.

Following the 2018 elections, a team of graduate students¹ from the University of Minnesota's Humphrey School of Public Affairs and the Department of Political Science conducted an analysis of committee activity to examine what, if any, ties exist between campaign donations and legislative activity. Researchers analyzed every committee hearing in the Minnesota House Committees on Ways and Means; Commerce; Environment and Natural Resources Policy; Environment and Natural Resources Finance Division; Transportation Finance and Policy Division; Jobs and Economic Development Finance Division; and Housing Finance and Policy Division. They detailed all of the campaign contributions received by members on each committee and tracked every committee hearing, recording which individuals testified on every bill before these committees during public hearings. They determined whether testifiers were donors, businesses, constituents, government agencies, NGOs/associations, or other. Students also conducted interviews with committee members.

Minnesota donors exercised distinct types of influence: access to the committee, promotion of their interests in public hearings, and opportunities to shape committee decisions by providing information that promotes their interests.

In particular, student researchers found that giving money pays off in three tangible ways.

1. Moneyed interests—2018 donors to members on committees—gained access. They were afforded the opportunity to testify in nearly every committee.
2. Donors were granted the opportunity to testify in favor of bills that forwarded their interests and against other bills that went against their interests.
3. Special interests that gave money to committee members benefited, in some cases, by having the opportunity to provide background and other information to influence committee action.

We also found that the priorities of both parties, but particularly DFL priorities, shaped the legislative activities in the committees we examined. This is not surprising, as they reflect the preferences of the majority of members. But it is worth noting that independent expenditures by party-affiliated groups top the list in both 2018 and 2020. These patterns of spending make partisan politics a team sport, contributing to the rise of partisan polarization that makes legislating difficult in the contemporary era.

Conclusion

The 2020 elections in Minnesota saw unprecedented levels of spending in statehouse races, U.S. House races, and the presidential contest. Our analysis suggests that the influence of campaign spending in 2020 extends far beyond the election results and will translate into influence in the

¹ The following graduate students from The Hubert H. Humphrey School of Public Affairs contributed to this section on campaign spending and lawmaking in Minnesota: Humphrey School master's degree students Angelo Jaramillo, Emma Keiski, Carissa Kemp, and Hannah Sharfman. Madeline Salucka, a PhD candidate from the Department of Political Science, assisted the research.

DFL-controlled state House, the Republican-controlled state Senate, and influence on members of the U.S. House.

About the Study

The campaign finance data used for this analysis come from Minnesota's Campaign Finance Board (<https://cfb.mn.gov/reports-and-data/self-help/data-downloads/campaign-finance/>) and cover the period of January 1, 2019 through December 31, 2020. The authors analyzed and compiled contributions received by candidates from all sources, including individuals, parties, and PACs and the independent expenditures made by parties and groups. Only candidates who won in the primaries are included.