

1.1 A bill for an act

1.2 relating to campaign finance; providing for additional disclosure; making various
1.3 changes to campaign finance and public disclosure law; providing penalties;
1.4 amending Minnesota Statutes 2012, sections 10A.01, subdivisions 10, 11, 27,
1.5 28, 35, by adding subdivisions; 10A.02, subdivisions 9, 10, 11, 12, 15; 10A.025,
1.6 subdivisions 2, 3; 10A.07; 10A.071, subdivision 1; 10A.08; 10A.09, subdivision
1.7 6a, by adding a subdivision; 10A.105, subdivision 1; 10A.12, subdivisions
1.8 1, 1a, 2; 10A.121; 10A.14, subdivision 1, by adding a subdivision; 10A.15,
1.9 subdivisions 1, 2, 3; 10A.20, subdivisions 1, 2, 3, 5, 6, 7, by adding a subdivision;
1.10 10A.241; 10A.25, subdivisions 2, 2a, 3, 5; 10A.257, subdivision 1; 10A.27,
1.11 subdivisions 1, 10, 11, 13, 14, 15; 10A.323; 211B.32, subdivision 1; proposing
1.12 coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota
1.13 Statutes 2012, sections 10A.24; 10A.242; 10A.25, subdivision 6.

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

1.15 **ARTICLE 1**

1.16 **CAMPAIGN FINANCE AND PUBLIC DISCLOSURE**

1.17 Section 1. Minnesota Statutes 2012, section 10A.01, is amended by adding a
1.18 subdivision to read:

1.19 Subd. 7c. **Ballot question political committee.** "Ballot question political
1.20 committee" means a political committee that makes only expenditures to promote or defeat
1.21 a ballot question and disbursements permitted under section 10A.121, subdivision 1.

1.22 Sec. 2. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision
1.23 to read:

1.24 Subd. 7d. **Ballot question political fund.** "Ballot question political fund" means
1.25 a political fund that makes only expenditures to promote or defeat a ballot question and
1.26 disbursements permitted under section 10A.121, subdivision 1.

2.1 Sec. 3. Minnesota Statutes 2012, section 10A.01, subdivision 10, is amended to read:

2.2 Subd. 10. **Candidate.** "Candidate" means an individual who seeks nomination or
2.3 election as a state constitutional officer, legislator, or judge. An individual is deemed to seek
2.4 nomination or election if the individual has taken the action necessary under the law of this
2.5 state to qualify for nomination or election, has received contributions or made expenditures
2.6 in excess of \$100, or has given implicit or explicit consent for any other person to receive
2.7 contributions or make expenditures in excess of \$100, for the purpose of bringing about the
2.8 individual's nomination or election. A candidate remains a candidate until the candidate's
2.9 principal campaign committee is dissolved as provided in section ~~10A.24~~ 10A.243.

2.10 Sec. 4. Minnesota Statutes 2012, section 10A.01, subdivision 11, is amended to read:

2.11 Subd. 11. **Contribution.** (a) "Contribution" means money, a negotiable instrument,
2.12 or a donation in kind that is given to a political committee, political fund, principal
2.13 campaign committee, or party unit. An allocation by an association of general treasury
2.14 money to be used for activities that must be or are reported through the association's
2.15 political fund is considered to be a contribution for the purposes of disclosure required
2.16 by this chapter.

2.17 (b) "Contribution" includes a loan or advance of credit to a political committee,
2.18 political fund, principal campaign committee, or party unit, if the loan or advance of credit
2.19 is: (1) forgiven; or (2) repaid by an individual or an association other than the political
2.20 committee, political fund, principal campaign committee, or party unit to which the loan
2.21 or advance of credit was made. If an advance of credit or a loan is forgiven or repaid as
2.22 provided in this paragraph, it is a contribution in the year in which the loan or advance
2.23 of credit was made.

2.24 (c) "Contribution" does not include services provided without compensation by an
2.25 individual volunteering personal time on behalf of a candidate, ballot question, political
2.26 committee, political fund, principal campaign committee, or party unit; the publishing or
2.27 broadcasting of news items or editorial comments by the news media; or an individual's
2.28 unreimbursed personal use of an automobile owned by the individual while volunteering
2.29 personal time.

2.30 Sec. 5. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision
2.31 to read:

2.32 Subd. 16a. **Expressly advocating.** "Expressly advocating" means that a
2.33 communication clearly identifies a candidate and uses words or phrases of express
2.34 advocacy.

3.1 Sec. 6. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision
3.2 to read:

3.3 Subd. 17c. **General treasury money.** "General treasury money" means money
3.4 that an association other than a principal campaign committee, party unit, or political
3.5 committee accumulates through membership dues and fees, donations to the association
3.6 for its general purposes, and income from the operation of a business. General treasury
3.7 money does not include money collected to influence the nomination or election of
3.8 candidates or to promote or defeat a ballot question.

3.9 Sec. 7. Minnesota Statutes 2012, section 10A.01, is amended by adding a subdivision
3.10 to read:

3.11 Subd. 26a. **Person.** "Person" means an individual, an association, a political
3.12 subdivision, or a public higher education system.

3.13 Sec. 8. Minnesota Statutes 2012, section 10A.01, subdivision 27, is amended to read:

3.14 Subd. 27. **Political committee.** "Political committee" means an association whose
3.15 major purpose is to influence the nomination or election of ~~a candidate~~ one or more
3.16 candidates or to promote or defeat a ballot question, other than a principal campaign
3.17 committee or a political party unit.

3.18 Sec. 9. Minnesota Statutes 2012, section 10A.01, subdivision 28, is amended to read:

3.19 Subd. 28. **Political fund.** "Political fund" means an accumulation of dues or
3.20 voluntary contributions by an association other than a political committee, principal
3.21 campaign committee, or party unit, if the accumulation is collected or expended to
3.22 influence the nomination or election of ~~a candidate~~ one or more candidates or to promote
3.23 or defeat a ballot question. The term "political fund" as used in this chapter may also refer
3.24 to the association acting through its political fund.

3.25 Sec. 10. Minnesota Statutes 2012, section 10A.02, subdivision 9, is amended to read:

3.26 Subd. 9. **Documents; information.** The executive director must inspect all material
3.27 filed with the board as promptly as necessary to comply with this chapter ~~and,~~ with other
3.28 provisions of law requiring the filing of a document with the board, and with other
3.29 provisions of law under the board's jurisdiction pursuant to subdivision 11. The executive
3.30 director must immediately notify ~~the~~ an individual ~~required to file a document with the~~
3.31 ~~board~~ if a written complaint is filed with the board alleging, or it otherwise appears, that a
3.32 document filed with the board is inaccurate or does not comply with this chapter, or that

4.1 the individual has failed to file a document required by this chapter or has failed to comply
4.2 with this chapter or other provisions under the board's jurisdiction pursuant to subdivision
4.3 11. ~~The executive director may provide an individual required to file a document under~~
4.4 ~~this chapter with factual information concerning the limitations on corporate campaign~~
4.5 ~~contributions imposed by section 211B.15.~~

4.6 Sec. 11. Minnesota Statutes 2012, section 10A.02, subdivision 10, is amended to read:

4.7 Subd. 10. **Audits and investigations.** The board may make audits and investigations,
4.8 impose statutory civil penalties, and issue orders for compliance with respect to statements
4.9 and reports that are filed or that should have been filed under the requirements of this
4.10 chapter and provisions under the board's jurisdiction pursuant to subdivision 11. In all
4.11 matters relating to its official duties, the board has the power to issue subpoenas and cause
4.12 them to be served. If a person does not comply with a subpoena, the board may apply to
4.13 the District Court of Ramsey County for issuance of an order compelling obedience to the
4.14 subpoena. A person failing to obey the order is punishable by the court as for contempt.

4.15 Sec. 12. Minnesota Statutes 2012, section 10A.02, subdivision 11, is amended to read:

4.16 Subd. 11. **Violations; enforcement.** (a) The board may investigate any alleged
4.17 violation of this chapter. The board may also investigate an alleged violation of section
4.18 211B.04, 211B.12, or 211B.15 by or related to a candidate, treasurer, principal campaign
4.19 committee, political committee, political fund, or party unit, as those terms are defined in
4.20 this chapter. The board must investigate any violation that is alleged in a written complaint
4.21 filed with the board and must within 30 days after the filing of the complaint make a ~~public~~
4.22 ~~finding of whether there is probable cause to believe a violation has occurred~~ findings and
4.23 conclusions as to whether a violation has occurred and must issue an order, except that
4.24 if the complaint alleges a violation of section 10A.25 or 10A.27, the board must either
4.25 enter a conciliation agreement or make a public ~~finding of whether there is probable cause,~~
4.26 findings and conclusions as to whether a violation has occurred and must issue an order
4.27 within 60 days after the filing of the complaint. The deadline for action on a written
4.28 complaint may be extended by majority vote of the board.

4.29 (b) The board may bring legal actions or negotiate settlements in its own name to
4.30 recover money raised from contributions subject to the conditions in this paragraph.

4.31 (1) No action may be commenced unless the board has made a formal determination,
4.32 after an investigation, that the money was raised for political purposes as defined in
4.33 section 211B.01, subdivision 6, and that the money was used for purposes not permitted
4.34 under this chapter or under section 211B.12.

5.1 (2) Prior to commencing an action, the board must give the association whose money
5.2 was misused written notice by certified mail of its intent to take action under this subdivision
5.3 and must give the association a reasonable opportunity, for a period of not less than 90
5.4 days, to recover the money without board intervention. This period must be extended
5.5 for at least an additional 90 days for good cause if the association is actively pursuing
5.6 recovery of the money. The board may not commence a legal action under this subdivision
5.7 if the association has commenced a legal action for the recovery of the same money.

5.8 (3) Any funds recovered under this subdivision must be deposited in a campaign
5.9 finance recovery account in the special revenue fund and are appropriated as follows:

5.10 (i) an amount equal to the board's actual costs and disbursements in the action,
5.11 including court reporter fees for depositions taken in the course of an investigation, is
5.12 appropriated to the board for its operations;

5.13 (ii) an amount equal to the reasonable value of legal services provided by the Office
5.14 of the Attorney General in the recovery matter, calculated on the same basis as is used
5.15 for charging legal fees to state agencies, is appropriated to the attorney general for the
5.16 attorney general's operations; and

5.17 (iii) any remaining balance is appropriated to the board for distribution to the
5.18 association to which the money was originally contributed.

5.19 (4) Notwithstanding clause (3), item (iii), if the candidate of a principal campaign
5.20 committee is the person who used the association's money for illegal purposes, or if the
5.21 association or political fund whose money was misused is no longer registered with the
5.22 board, any money remaining after the payments specified in clause (3), items (i) and (ii),
5.23 must be transferred to the general account of the state elections campaign account.

5.24 (5) Any action by the board under this paragraph must be commenced not later than
5.25 four years after the improper use of money is shown on a report filed with the board or the
5.26 board has actual knowledge of improper use. No action may be commenced under this
5.27 paragraph for improper uses disclosed on reports for calendar years prior to 2011.

5.28 (6) If the board prevails in an action brought under this subdivision and the court
5.29 makes a finding that the misuse of funds was willful, the court may enter judgment in favor
5.30 of the board and against the person misusing the funds in the amount of the misused funds.

5.31 ~~(b)~~ (c) Within a reasonable time after beginning an investigation of an individual
5.32 or association, the board must notify the individual or association of the fact of the
5.33 investigation. The board must not make a finding of whether there is probable cause to
5.34 believe a violation has occurred without notifying the individual or association of the
5.35 nature of the allegations and affording an opportunity to answer those allegations.

6.1 (e) (d) A hearing or action of the board concerning a complaint or investigation
6.2 other than a finding concerning probable cause or a conciliation agreement is confidential.
6.3 Until the board makes a public finding concerning probable cause or enters a conciliation
6.4 agreement:

6.5 (1) a member, employee, or agent of the board must not disclose to an individual
6.6 information obtained by that member, employee, or agent concerning a complaint or
6.7 investigation except as required to carry out the investigation or take action in the matter
6.8 as authorized by this chapter; and

6.9 (2) an individual who discloses information contrary to this subdivision is subject
6.10 to a civil penalty imposed by the board of up to \$1,000.

6.11 (e) A matter that is under the board's jurisdiction pursuant to this section and that
6.12 may result in a criminal offense must be finally disposed of by the board before the alleged
6.13 violation may be prosecuted by a city or county attorney.

6.14 Sec. 13. Minnesota Statutes 2012, section 10A.02, subdivision 12, is amended to read:

6.15 Subd. 12. **Advisory opinions.** (a) The board may issue and publish advisory
6.16 opinions on the requirements of this chapter and of those sections listed in subdivision 11
6.17 based upon real or hypothetical situations. An application for an advisory opinion may
6.18 be made only by ~~an individual or association~~ a person who is subject to chapter 10A and
6.19 who wishes to use the opinion to guide the individual's or the association's person's own
6.20 conduct. The board must issue written opinions on all such questions submitted to it
6.21 within 30 days after receipt of written application, unless a majority of the board agrees
6.22 to extend the time limit.

6.23 (b) A written advisory opinion issued by the board is binding on the board in a
6.24 subsequent board proceeding concerning the person making or covered by the request and
6.25 is a defense in a judicial proceeding that involves the subject matter of the opinion and is
6.26 brought against the person making or covered by the request unless:

6.27 (1) the board has amended or revoked the opinion before the initiation of the board
6.28 or judicial proceeding, has notified the person making or covered by the request of its
6.29 action, and has allowed at least 30 days for the person to do anything that might be
6.30 necessary to comply with the amended or revoked opinion;

6.31 (2) the request has omitted or misstated material facts; or

6.32 (3) the person making or covered by the request has not acted in good faith in
6.33 reliance on the opinion.

6.34 (c) A request for an opinion and the opinion itself are nonpublic data. The board,
6.35 however, may publish an opinion or a summary of an opinion, but may not include in the

7.1 publication the name of the requester, the name of a person covered by a request from an
7.2 agency or political subdivision, or any other information that might identify the requester,
7.3 unless the person consents to the inclusion.

7.4 Sec. 14. Minnesota Statutes 2012, section 10A.02, subdivision 15, is amended to read:

7.5 Subd. 15. **Disposition of fees.** The board must deposit all fees and civil penalties
7.6 collected under this chapter into the general fund in the state treasury.

7.7 Sec. 15. Minnesota Statutes 2012, section 10A.025, subdivision 2, is amended to read:

7.8 Subd. 2. **Penalty for false statements.** (a) A report or statement required to be filed
7.9 under this chapter must be signed and certified as true by the individual required to file the
7.10 report. The signature may be an electronic signature consisting of a password assigned
7.11 by the board.

7.12 (b) An individual ~~who signs and certifies~~ shall not sign and certify to be true a
7.13 report or statement knowing it contains false information or ~~who knowingly~~ knowing it
7.14 omits required information is ~~guilty of a gross misdemeanor and subject to a civil penalty~~
7.15 imposed by the board of up to \$3,000.

7.16 (c) An individual shall not knowingly provide false or incomplete information to
7.17 a treasurer with the intent that the treasurer will rely on that information in signing and
7.18 certifying to be true a report or statement.

7.19 (d) A person who violates paragraph (b) or (c) is subject to a civil penalty imposed
7.20 by the board of up to \$3,000. A violation of paragraph (b) or (c) is a gross misdemeanor.

7.21 (e) The board may impose an additional civil penalty of up to \$3,000 on the principal
7.22 campaign committee or candidate, party unit, political committee, or association that has a
7.23 political fund that is affiliated with an individual who violated paragraph (b) or (c).

7.24 Sec. 16. Minnesota Statutes 2012, section 10A.025, subdivision 3, is amended to read:

7.25 Subd. 3. **Record keeping; penalty.** (a) A person required to file a report or statement
7.26 or who has accepted record-keeping responsibility for the filer must maintain records on
7.27 the matters required to be reported, including vouchers, canceled checks, bills, invoices,
7.28 worksheets, and receipts, that will provide in sufficient detail the necessary information
7.29 from which the filed reports and statements may be verified, explained, clarified, and
7.30 checked for accuracy and completeness. The person must keep the records available for
7.31 audit, inspection, or examination by the board or its authorized representatives for four
7.32 years from the date of filing of the reports or statements or of changes or corrections to
7.33 them. ~~A person who knowingly violates this subdivision is guilty of a misdemeanor.~~

8.1 **(b) The board may impose a civil penalty of up to \$3,000 on a person who knowingly**
8.2 **violates this subdivision. The board may impose a separate civil penalty of up to \$3,000**
8.3 **on the principal campaign committee or candidate, party unit, political committee, or**
8.4 **association that has a political fund that is affiliated with an individual who violated**
8.5 **this subdivision.**

8.6 **(c) A knowing violation of this subdivision is a misdemeanor.**

8.7 Sec. 17. Minnesota Statutes 2012, section 10A.105, subdivision 1, is amended to read:

8.8 Subdivision 1. **Single committee.** A candidate must not accept contributions from a
8.9 source, other than self, in aggregate in excess of ~~\$100~~ \$750 or accept a public subsidy
8.10 unless the candidate designates and causes to be formed a single principal campaign
8.11 committee for each office sought. A candidate may not authorize, designate, or cause to be
8.12 formed any other political committee bearing the candidate's name or title or otherwise
8.13 operating under the direct or indirect control of the candidate. However, a candidate may
8.14 be involved in the direct or indirect control of a party unit.

8.15 Sec. 18. Minnesota Statutes 2012, section 10A.12, subdivision 1, is amended to read:

8.16 Subdivision 1. **When required for contributions and approved expenditures.** An
8.17 association other than a political committee or party unit may not contribute more than
8.18 ~~\$100~~ \$750 in aggregate in any ~~one~~ calendar year to candidates, political committees, or
8.19 party units or make ~~any approved or independent expenditure or expenditure to promote~~
8.20 ~~or defeat a ballot question~~ expenditures of more than \$750 in aggregate in any calendar
8.21 year unless the contribution or expenditure is made from through a political fund.

8.22 Sec. 19. Minnesota Statutes 2012, section 10A.12, subdivision 1a, is amended to read:

8.23 Subd. 1a. **When required for independent expenditures or ballot questions.** An
8.24 association other than a political committee that makes only independent expenditures
8.25 ~~and disbursements permitted under section 10A.121, subdivision 1, or expenditures to~~
8.26 promote or defeat a ballot question must do so ~~by forming and registering through~~ an
8.27 independent expenditure or ballot question political fund if the ~~expenditure is in excess of~~
8.28 ~~\$100~~ independent expenditures aggregate more than \$1,500 in a calendar year or if the
8.29 expenditures to promote or defeat a ballot question aggregate more than \$5,000 in a
8.30 calendar year, or by contributing to an existing independent expenditure or ballot question
8.31 political committee or political fund.

8.32 Sec. 20. Minnesota Statutes 2012, section 10A.12, subdivision 2, is amended to read:

9.1 Subd. 2. **Commingling prohibited.** The contents of a an association's political
 9.2 fund may not be commingled with other funds or with the personal funds of an officer or
 9.3 member of the association or the fund. It is not commingling for an association that uses
 9.4 only its own general treasury money to make expenditures and disbursements permitted
 9.5 under section 10A.121, subdivision 1, directly from the depository used for its general
 9.6 treasury money. An association that accepts more than \$1,500 in contributions to influence
 9.7 the nomination or election of candidates or more than \$5,000 in contributions to promote
 9.8 or defeat a ballot question must establish a separate depository for those contributions.

9.9 Sec. 21. Minnesota Statutes 2012, section 10A.121, is amended to read:

9.10 **10A.121 INDEPENDENT EXPENDITURE AND BALLOT QUESTION**
 9.11 **~~POLITICAL COMMITTEES AND INDEPENDENT EXPENDITURE POLITICAL~~**
 9.12 **~~FUNDS.~~**

9.13 Subdivision 1. **Permitted disbursements.** An independent expenditure political
 9.14 committee or an independent expenditure political fund, or a ballot question political
 9.15 committee or fund, in addition to making independent expenditures, may:

9.16 (1) pay costs associated with its fund-raising and general operations;

9.17 (2) pay for communications that do not constitute contributions or approved
 9.18 expenditures; ~~and~~

9.19 (3) make contributions to ~~other independent expenditure or ballot question political~~
 9.20 committees or independent expenditure political funds;

9.21 (4) make independent expenditures;

9.22 (5) make expenditures to promote or defeat ballot questions;

9.23 (6) return a contribution to its source;

9.24 (7) for a political fund, record bookkeeping entries transferring the association's
 9.25 general treasury money allocated for political purposes back to the general treasury of
 9.26 the association; and

9.27 (8) for a political fund, return general treasury money transferred to a separate
 9.28 depository to the general depository of the association.

9.29 Subd. 2. **Penalty.** (a) An independent expenditure political committee or
 9.30 independent expenditure political fund is subject to a civil penalty of up to four times the
 9.31 amount of the contribution or approved expenditure if it does the following:

9.32 (1) makes a contribution to a candidate, party unit, political committee, or political
 9.33 fund other than an independent expenditure political committee or an independent
 9.34 expenditure political fund; or

9.35 (2) makes an approved expenditure.

10.1 (b) No other penalty provided in law may be imposed for conduct that is subject to a
10.2 civil penalty under this section.

10.3 Sec. 22. Minnesota Statutes 2012, section 10A.14, subdivision 1, is amended to read:

10.4 Subdivision 1. **First registration.** The treasurer of a political committee, political
10.5 fund, principal campaign committee, or party unit must register with the board by filing
10.6 a registration statement of organization no later than 14 days after the committee, fund,
10.7 or party unit has made a contribution, received contributions, or made expenditures in
10.8 excess of ~~\$100~~ \$750, or by the end of the next business day after it has received a loan
10.9 or contribution that must be reported under section 10A.20, subdivision 5, whichever is
10.10 earlier. This subdivision does not apply to ballot question or independent expenditure
10.11 political committees or funds, which are subject to subdivision 1a.

10.12 Sec. 23. Minnesota Statutes 2012, section 10A.14, is amended by adding a subdivision
10.13 to read:

10.14 Subd. 1a. **Independent expenditure or ballot question political committees**
10.15 **and funds; first registration; reporting.** The treasurer of an independent expenditure
10.16 or ballot question political committee or fund must register with the board by filing
10.17 a registration statement:

10.18 (1) no later than 14 calendar days after the committee or the association registering
10.19 the political fund has:

10.20 (i) received aggregate contributions for independent expenditures of more than
10.21 \$1,500 in a calendar year;

10.22 (ii) received aggregate contributions for expenditures to promote or defeat a ballot
10.23 question of more than \$5,000 in a calendar year;

10.24 (iii) made aggregate independent expenditures of more than \$1,500 in a calendar
10.25 year; or

10.26 (iv) made aggregate expenditures to promote or defeat a ballot question of more
10.27 than \$5,000 in a calendar year; or

10.28 (2) by the end of the next business day after it has received a loan or contribution
10.29 that must be reported under section 10A.20, subdivision 5, and it has met one of the
10.30 requirements of clause (1).

10.31 Sec. 24. Minnesota Statutes 2012, section 10A.15, subdivision 1, is amended to read:

10.32 Subdivision 1. **Anonymous contributions.** A political committee, political fund,
10.33 principal campaign committee, or party unit may not retain an anonymous contribution in

11.1 excess of ~~\$20~~ \$50, but must forward it to the board for deposit in the general account of
11.2 the state elections campaign ~~fund~~ account.

11.3 Sec. 25. Minnesota Statutes 2012, section 10A.15, subdivision 2, is amended to read:

11.4 Subd. 2. **Source; amount; date.** An individual who receives a contribution in
11.5 excess of ~~\$20~~ \$50 for a political committee, political fund, principal campaign committee,
11.6 or party unit must, on demand of the treasurer, inform the treasurer of the name and, if
11.7 known, the address of the source of the contribution, the amount of the contribution, and
11.8 the date it was received.

11.9 Sec. 26. Minnesota Statutes 2012, section 10A.15, subdivision 3, is amended to read:

11.10 Subd. 3. **Deposit.** All contributions received by or on behalf of a candidate,
11.11 principal campaign committee, political committee, political fund, or party unit must
11.12 be deposited in an account designated "Campaign Fund of (name of candidate,
11.13 committee, fund, or party unit)." All contributions must be deposited promptly upon
11.14 receipt and, except for contributions received during the last three days of a reporting
11.15 period as described in section 10A.20, must be deposited during the reporting period
11.16 in which they were received. A contribution received during the last three days of a
11.17 reporting period must be deposited within 72 hours after receipt and must be reported
11.18 as received during the reporting period whether or not deposited within that period. A
11.19 candidate, principal campaign committee, political committee, political fund, or party unit
11.20 may refuse to accept a contribution. A deposited contribution may be returned to the
11.21 contributor within ~~60~~ 90 days after deposit. A contribution deposited and not returned
11.22 within ~~60~~ 90 days after that deposit must be reported as accepted.

11.23 Sec. 27. Minnesota Statutes 2012, section 10A.20, subdivision 1, is amended to read:

11.24 Subdivision 1. **First filing; duration.** The treasurer of a political committee, political
11.25 fund, principal campaign committee, or party unit must begin to file the reports required
11.26 by this section ~~in~~ for the first year it receives contributions or makes expenditures ~~in excess~~
11.27 ~~of \$100~~ that require it to register under section 10A.14 and must continue to file until the
11.28 committee, fund, or party unit is terminated. The reports must be filed electronically in a
11.29 standards-based open format specified by the board. For good cause shown, the board
11.30 must grant exemptions to the requirement that reports be filed electronically.

11.31 Sec. 28. Minnesota Statutes 2012, section 10A.20, subdivision 2, is amended to read:

12.1 Subd. 2. **Time for filing.** (a) The reports must be filed with the board on or before
12.2 January 31 of each year and additional reports must be filed as required and in accordance
12.3 with paragraphs (b) to (d).

12.4 (b) In each year in which the name of ~~the~~ a candidate for legislative or district court
12.5 judicial office is on the ballot, the report of the principal campaign committee must be
12.6 filed 15 days before a primary and ten days before a general election, seven days before a
12.7 special primary and a special election, and ten days after a special election cycle.

12.8 (c) In each general election year, a political committee ~~or~~, a political fund must file
12.9 reports 28 and 15 days before a primary and 42 and ten days before a general election.
12.10 Beginning in 2012, reports required under this paragraph must also be filed 56 days before
12.11 a primary, a state party committee, a party unit established by all or a part of the party
12.12 organization within a house of the legislature, and the principal campaign committee
12.13 of a candidate for constitutional or appellate court judicial office must file reports on
12.14 the following schedule:

12.15 (1) a first-quarter report covering the calendar year through March 31, which is
12.16 due April 14;

12.17 (2) in a year in which a primary election is held in August, a report covering the
12.18 calendar year through May 31, which is due June 14;

12.19 (3) in a year in which a primary election is held before August, a pre-general-election
12.20 report covering the calendar year through July 15, which is due July 29;

12.21 (4) a pre-primary-election report due 15 days before a primary election;

12.22 (5) a pre-general-election report due 42 days before the general election;

12.23 (6) a pre-general-election report due ten days before a general election; and

12.24 (7) for a special election, a constitutional office candidate whose name is on the
12.25 ballot must file reports seven days before a special primary and a special election, and ten
12.26 days after a special election cycle.

12.27 (d) In each general election year, a party unit not included in paragraph (c) must file
12.28 reports 15 days before a primary election and ten days before a general election.

12.29 (e) Notwithstanding paragraphs (a) to (d), the principal campaign committee of a
12.30 candidate whose name will not be on the general election ballot is not required to file the
12.31 report due ten days before a general election or seven days before a special election.

12.32 Sec. 29. Minnesota Statutes 2012, section 10A.20, subdivision 3, is amended to read:

12.33 Subd. 3. **Contents of report.** (a) The report required by this section must include
12.34 each of the items listed in paragraphs (b) to (o) that are applicable to the filer. The board

13.1 shall prescribe forms based on filer type indicating which of those items must be included
13.2 on the filer's report.

13.3 ~~(a)~~ (b) The report must disclose the amount of liquid assets on hand at the beginning
13.4 of the reporting period.

13.5 ~~(b)~~ (c) The report must disclose the name, address, and employer, or occupation if
13.6 self-employed, of each individual or association that has made one or more contributions
13.7 to the reporting entity, including the purchase of tickets for a fund-raising effort, that in
13.8 aggregate within the year exceed ~~\$100~~ \$200 for legislative or statewide candidates or more
13.9 than \$500 for ballot questions, together with the amount and date of each contribution, and
13.10 the aggregate amount of contributions within the year from each source so disclosed. A
13.11 donation in kind must be disclosed at its fair market value. An approved expenditure must
13.12 be listed as a donation in kind. A donation in kind is considered consumed in the reporting
13.13 period in which it is received. The names of contributors must be listed in alphabetical
13.14 order. Contributions from the same contributor must be listed under the same name. When
13.15 a contribution received from a contributor in a reporting period is added to previously
13.16 reported unitemized contributions from the same contributor and the aggregate exceeds
13.17 the disclosure threshold of this paragraph, the name, address, and employer, or occupation
13.18 if self-employed, of the contributor must then be listed on the report.

13.19 ~~(e)~~ (d) The report must disclose the sum of contributions to the reporting entity
13.20 during the reporting period.

13.21 ~~(d)~~ (e) The report must disclose each loan made or received by the reporting entity
13.22 within the year in aggregate in excess of ~~\$100~~ \$200, continuously reported until repaid or
13.23 forgiven, together with the name, address, occupation, and principal place of business,
13.24 if any, of the lender and any endorser and the date and amount of the loan. If a loan
13.25 made to the principal campaign committee of a candidate is forgiven or is repaid by an
13.26 entity other than that principal campaign committee, it must be reported as a contribution
13.27 for the year in which the loan was made.

13.28 ~~(e)~~ (f) The report must disclose each receipt over ~~\$100~~ \$200 during the reporting
13.29 period not otherwise listed under paragraphs ~~(b)~~ (c) to ~~(d)~~ (e).

13.30 ~~(f)~~ (g) The report must disclose the sum of all receipts of the reporting entity during
13.31 the reporting period.

13.32 ~~(g)~~ (h) The report must disclose the name and address of each individual or
13.33 association to whom aggregate expenditures, ~~including~~ approved expenditures,
13.34 independent expenditures and ballot question expenditures have been made by or on
13.35 behalf of the reporting entity within the year in excess of ~~\$100~~ \$200, together with the
13.36 amount, date, and purpose of each expenditure and the name and address of, and office

14.1 sought by, each candidate on whose behalf the expenditure was made, identification of the
14.2 ballot question that the expenditure was intended to promote or defeat and an indication of
14.3 whether the expenditure was to promote or to defeat the ballot question, and in the case
14.4 of independent expenditures made in opposition to a candidate, the candidate's name,
14.5 address, and office sought. A reporting entity making an expenditure on behalf of more
14.6 than one candidate for state or legislative office must allocate the expenditure among the
14.7 candidates on a reasonable cost basis and report the allocation for each candidate.

14.8 ~~(h)~~ (i) The report must disclose the sum of all expenditures made by or on behalf of
14.9 the reporting entity during the reporting period.

14.10 ~~(i)~~ (j) The report must disclose the amount and nature of an advance of credit
14.11 incurred by the reporting entity, continuously reported until paid or forgiven. If an advance
14.12 of credit incurred by the principal campaign committee of a candidate is forgiven by the
14.13 creditor or paid by an entity other than that principal campaign committee, it must be
14.14 reported as a donation in kind for the year in which the advance of credit was made.

14.15 ~~(j)~~ (k) The report must disclose the name and address of each political committee,
14.16 political fund, principal campaign committee, or party unit to which contributions have
14.17 been made that aggregate in excess of ~~\$100~~ \$200 within the year and the amount and
14.18 date of each contribution.

14.19 ~~(k)~~ (l) The report must disclose the sum of all contributions made by the reporting
14.20 entity during the reporting period.

14.21 ~~(l)~~ (m) The report must disclose the name and address of each individual or
14.22 association to whom noncampaign disbursements have been made that aggregate in excess
14.23 of ~~\$100~~ \$200 within the year by or on behalf of the reporting entity and the amount, date,
14.24 and purpose of each noncampaign disbursement.

14.25 ~~(m)~~ (n) The report must disclose the sum of all noncampaign disbursements made
14.26 within the year by or on behalf of the reporting entity.

14.27 ~~(n)~~ (o) The report must disclose the name and address of a nonprofit corporation that
14.28 provides administrative assistance to a political committee or political fund as authorized
14.29 by section 211B.15, subdivision 17, the type of administrative assistance provided, and the
14.30 aggregate fair market value of each type of assistance provided to the political committee
14.31 or political fund during the reporting period.

14.32 Sec. 30. Minnesota Statutes 2012, section 10A.20, subdivision 5, is amended to read:

14.33 Subd. 5. ~~Preelection~~ Pre-election reports. (a) Any loan, contribution, or
14.34 contributions:

15.1 (1) to a political committee or political fund from any one source totaling more than
 15.2 \$1,000 or more, or in a statewide election for;

15.3 (2) to the principal campaign committee of a candidate for an appellate court judicial
 15.4 office, any loan, contribution, or contributions from any one source totaling more than
 15.5 \$2,000 or more, or in any judicial;

15.6 (3) to the principal campaign committee of a candidate for district court judge
 15.7 totaling more than \$400 or more, and any loan, contribution, or contributions; or

15.8 (4) to the principal campaign committee of a candidate for constitutional office or
 15.9 for the legislature from any one source totaling 80 more than 50 percent or more of the
 15.10 election cycle contribution limit for the office, received between the last day covered in
 15.11 the last report before an election and the election must be reported to the board in one of
 15.12 the following ways: in the manner provided in paragraph (b).

15.13 (b) A loan, contribution, or contributions required to be reported to the board under
 15.14 paragraph (a) must be reported to the board either:

15.15 (1) in person by the end of the next business day after its receipt; or

15.16 (2) by electronic means sent within 24 hours after its receipt.

15.17 (c) These loans and contributions must also be reported in the next required report.

15.18 (d) This notice requirement does not apply with respect to in a primary in which
 15.19 the statewide or legislative election to a candidate who is unopposed in the primary, in a
 15.20 primary election to a ballot question political committee or fund, or in a general election to
 15.21 a candidate whose name is not on the general election ballot. The board must post the
 15.22 report on its Web site by the end of the next business day after it is received.

15.23 (e) This subdivision does not apply to a ballot question or independent expenditure
 15.24 political committee or fund that has not met the registration threshold of section 10A.14,
 15.25 subdivision 1a. However, if a contribution that would be subject to this section triggers the
 15.26 registration requirement in section 10A.14, subdivision 1a, then both registration under
 15.27 that section and reporting under this section are required.

15.28 Sec. 31. Minnesota Statutes 2012, section 10A.20, subdivision 6, is amended to read:

15.29 Subd. 6. **Report when no committee.** (a) A candidate who does not designate
 15.30 and cause to be formed a principal campaign committee and an individual who makes
 15.31 independent expenditures or campaign expenditures expressly advocating the approval or
 15.32 defeat of a ballot question in aggregate in excess of \$100 \$750 in a year must file with
 15.33 the board a report containing the information required by subdivision 3. Reports required
 15.34 by this subdivision must be filed on by the dates on which reports by principal campaign
 15.35 committees, funds, and party units are must be filed.

16.1 (b) An individual who makes independent expenditures that aggregate more than
16.2 \$1,500 in a calendar year or expenditures to promote or defeat a ballot question that
16.3 aggregate more than \$5,000 in a calendar year must file with the board a report containing
16.4 the information required by subdivision 3. A report required by this subdivision must be
16.5 filed by the date on which the next report by political committees and political funds
16.6 must be filed.

16.7 Sec. 32. Minnesota Statutes 2012, section 10A.20, subdivision 7, is amended to read:

16.8 Subd. 7. **Statement of inactivity.** If a reporting entity principal campaign
16.9 committee, party unit, or political committee, has no receipts or expenditures during a
16.10 reporting period, the treasurer must file with the board at the time required by this section
16.11 a statement to that effect.

16.12 Sec. 33. Minnesota Statutes 2012, section 10A.20, is amended by adding a subdivision
16.13 to read:

16.14 Subd. 7a. **Activity of political fund.** An association is not required to file any
16.15 statement or report for a reporting period when the association accepted no contributions
16.16 into the association's political fund and made no expenditures from its political fund since
16.17 the last date included in its most recent filed report. If the association maintains a separate
16.18 checking account for its political fund, the receipt of interest on the proceeds of that
16.19 account and the payment of fees to maintain that account do not constitute activity that
16.20 requires the filing of a report for an otherwise inactive political fund.

16.21 Sec. 34. Minnesota Statutes 2012, section 10A.241, is amended to read:

16.22 **10A.241 TRANSFER OF DEBTS.**

16.23 ~~Notwithstanding section 10A.24,~~ A candidate may terminate the candidate's
16.24 principal campaign committee for one state office by transferring any debts of that
16.25 committee to the candidate's principal campaign committee for another state office if
16.26 all outstanding unpaid bills or loans from the committee being terminated are assumed
16.27 and continuously reported by the committee to which the transfer is being made until
16.28 paid or forgiven. A loan that is forgiven is covered by section 10A.20 and, ~~for purposes~~
16.29 ~~of section 10A.324,~~ is a contribution to the principal campaign committee from which
16.30 the debt was transferred under this section.

16.31 Sec. 35. **[10A.243] TERMINATION OF REGISTRATION.**

17.1 Subdivision 1. **Termination report.** A political committee, political fund, principal
17.2 campaign committee, or party unit may terminate its registration with the board after it
17.3 has disposed of all its assets in excess of \$100 by filing a final report of receipts and
17.4 expenditures. The final report must be identified as a termination report and must include
17.5 all financial transactions that occurred after the last date included on the most recent
17.6 report filed with the board. The termination report may be filed at any time after the
17.7 asset threshold in this section is reached.

17.8 Subd. 2. **Asset disposition.** "Assets" include credit balances at vendors, prepaid
17.9 postage and postage stamps, as well as physical assets. Assets must be disposed of at their
17.10 fair market value. Assets of a political fund that consist of, or were acquired using, only
17.11 the general treasury money of the fund's supporting association remain the property of the
17.12 association upon termination of the association's political fund registration and are not
17.13 subject to the disposal requirements of this section.

17.14 Sec. 36. **[10A.244] VOLUNTARY INACTIVE STATUS; POLITICAL FUNDS.**

17.15 Subdivision 1. **Election of voluntary inactive status.** An association that has a
17.16 political fund registered under this chapter may elect to have the fund placed on voluntary
17.17 inactive status if the following conditions are met:

17.18 (1) the association makes a written request for inactive status;

17.19 (2) the association has filed all periodic reports required by this chapter and
17.20 has received no contributions into its political fund and made no expenditures or
17.21 disbursements through its political fund since the last date included on the association's
17.22 most recent report; and

17.23 (3) the association has satisfied all obligations to the state for late filing fees and civil
17.24 penalties imposed by the board or the board has waived this requirement.

17.25 Subd. 2. **Effect of voluntary inactive status.** After an association has complied
17.26 with the requirements of subdivision 1:

17.27 (1) the board must notify the association that its political fund has been placed in
17.28 voluntary inactive status and of the terms of this section;

17.29 (2) the board must stop sending the association reports, forms, and notices of report
17.30 due dates that are periodically sent to entities registered with the board;

17.31 (3) the association is not required to file periodic disclosure reports for its political
17.32 fund as otherwise required under this chapter;

17.33 (4) the association may not accept contributions into its political fund and may not
17.34 make expenditures, contributions, or disbursements through its political fund; and

18.1 (5) if the association maintains a separate depository account for its political fund,
18.2 it may continue to pay bank service charges and receive interest paid on that account
18.3 while its political fund is in inactive status.

18.4 Subd. 3. **Resumption of active status or termination.** (a) An association that
18.5 has placed its political fund in voluntary inactive status may resume active status upon
18.6 written notice to the board.

18.7 (b) A political fund placed in voluntary inactive status must resume active status
18.8 within 14 days of the date that it has accepted contributions or made expenditures,
18.9 contributions, or disbursements that aggregate more than \$750 since the political fund was
18.10 placed on inactive status. If, after meeting this threshold, the association does not notify
18.11 the board that its fund has resumed active status, the board may place the association's
18.12 political fund in active status and notify the association of the change in status.

18.13 (c) An association that has placed its political fund in voluntary inactive status may
18.14 terminate the registration of the fund without returning it to active status.

18.15 Subd. 4. **Penalty for financial activity while in voluntary inactive status.** If an
18.16 association fails to notify the board of its political fund's resumption of active status under
18.17 subdivision 3, the board may impose a civil penalty of \$50 per day, not to exceed \$1,000
18.18 commencing on the 15th calendar day after the fund resumed active status.

18.19 Sec. 37. **[10A.245] ADMINISTRATIVE TERMINATION OF INACTIVE**
18.20 **COMMITTEES AND FUNDS.**

18.21 Subdivision 1. **Inactivity defined.** (a) A principal campaign committee becomes
18.22 inactive on the later of the following dates:

18.23 (1) six years after the last election in which the individual for whom the committee
18.24 exists was a candidate for the office sought or held at the time the principal campaign
18.25 committee registered with the board; or

18.26 (2) six years after the last day on which the individual for whom the committee
18.27 exists served in an elective office subject to this chapter.

18.28 (b) A political committee, political fund, or party unit becomes inactive when
18.29 four years have elapsed since the end of a reporting period during which the political
18.30 committee, political fund, or party unit made an expenditure or disbursement requiring
18.31 itemized disclosure under this chapter.

18.32 (c) A political fund that has elected voluntary inactive status under section 10A.244
18.33 becomes inactive within the meaning of this section when four years have elapsed during
18.34 which the political fund was continuously in voluntary inactive status.

19.1 Subd. 2. **Termination by board.** The board may terminate the registration of a
 19.2 principal campaign committee, party unit, political committee, or political fund found to be
 19.3 inactive under this section 60 days after sending written notice of inactivity by certified mail
 19.4 to the affected association at the last address on record with the board for that association.
 19.5 Within 60 days after the board sends notice under this section, the affected association must
 19.6 dispose of its assets as provided in this subdivision. The assets of the principal campaign
 19.7 committee, party unit, or political committee must be used for the purposes authorized by
 19.8 this chapter or section 211B.12 or must be liquidated and deposited in the general account
 19.9 of the state elections campaign account. The assets of an association's political fund that
 19.10 were derived from the association's general treasury money revert to the association's
 19.11 general treasury. Assets of a political fund that resulted from contributions to the political
 19.12 fund must be used for the purposes authorized by this chapter or section 211B.12 or must
 19.13 be liquidated and deposited in the general account of the state elections campaign account.

19.14 Sec. 38. [10A.246] UNPAID DEBT UPON TERMINATION.

19.15 Termination of a registration with the board does not affect the liability, if any, of the
 19.16 association or its candidates, officers, or other individuals for obligations incurred in the
 19.17 name of the association or its political fund.

19.18 Sec. 39. Minnesota Statutes 2012, section 10A.25, subdivision 2, is amended to read:

19.19 Subd. 2. **Amounts.** (a) In a year in which an election is held each election cycle for
 19.20 an office sought by a candidate, the principal campaign committee of the candidate must
 19.21 not make campaign expenditures nor permit approved expenditures to be made on behalf
 19.22 of the candidate that result in aggregate expenditures in excess of the following:

19.23 (1) for governor and lieutenant governor, running together, ~~\$2,577,200~~ \$5,000,000;

19.24 (2) for attorney general, ~~\$429,600~~;

19.25 ~~(3) for secretary of state, and state auditor, separately, \$214,800~~ each \$1,500,000;

19.26 ~~(4) (3) for state senator, \$68,100~~ \$120,000;

19.27 ~~(5) (4) for state representative, \$34,300~~ \$60,000.

19.28 (b) In addition to the amount in paragraph (a), clause (1), a candidate for
 19.29 endorsement for the office of lieutenant governor at the convention of a political party
 19.30 may make campaign expenditures and approved expenditures of five percent of that
 19.31 amount to seek endorsement.

19.32 (c) If a special election cycle occurs during a general election cycle, expenditures by
 19.33 or on behalf of a candidate in the special election cycle do not count as expenditures by or
 19.34 on behalf of the candidate in the general election cycle.

20.1 (d) The expenditure limits in this subdivision for an office are increased by ten
20.2 percent for a candidate who is ~~running for that office for the first time~~ has not previously
20.3 held the same office, whose name has not previously been on the primary or general
20.4 election ballot for that office, and who has not in the past ten years raised or spent
20.5 more than \$750 in a run previously for any other office whose territory now includes a
20.6 population that is more than one-third of the population in the territory of the new office.
20.7 In the case of a legislative candidate, the office is that of a member of the house of
20.8 representatives or senate without regard to any specific district.

20.9 Sec. 40. Minnesota Statutes 2012, section 10A.25, subdivision 2a, is amended to read:

20.10 Subd. 2a. **Aggregated expenditures.** If a candidate makes expenditures from more
20.11 than one principal campaign committee for nomination or election to statewide office
20.12 in the same election ~~year~~ cycle, the amount of expenditures from all of the candidate's
20.13 principal campaign committees for statewide office for that election ~~year~~ cycle must be
20.14 aggregated for purposes of applying the limits on expenditures under subdivision 2.

20.15 Sec. 41. Minnesota Statutes 2012, section 10A.25, subdivision 3, is amended to read:

20.16 Subd. 3. **Governor and lieutenant governor a single candidate.** For the purposes
20.17 of ~~sections 10A.11 to 10A.34~~ this chapter, a candidate for governor and a candidate
20.18 for lieutenant governor, running together, are considered a single candidate. Except
20.19 as provided in subdivision 2, paragraph (b), all expenditures made by or all approved
20.20 expenditures made on behalf of the candidate for lieutenant governor are considered to be
20.21 expenditures by or approved expenditures on behalf of the candidate for governor.

20.22 Sec. 42. Minnesota Statutes 2012, section 10A.25, subdivision 5, is amended to read:

20.23 Subd. 5. **Contested primary races.** Notwithstanding the limits imposed by
20.24 subdivision 2, the winning candidate in a contested race in a primary who received fewer
20.25 than ~~twice~~ three times as many votes as any one of the candidate's opponents in that
20.26 primary may make expenditures and permit approved expenditures to be made on behalf
20.27 of the candidate equal to ~~120~~ 130 percent of the applicable limit as set forth in subdivision
20.28 2, but no more than 100 percent of the limit until after the primary.

20.29 Sec. 43. Minnesota Statutes 2012, section 10A.257, subdivision 1, is amended to read:

20.30 Subdivision 1. **Unused funds.** After all campaign expenditures and noncampaign
20.31 disbursements for an election cycle have been made, an amount up to ~~50~~ 25 percent of the
20.32 election ~~year~~ cycle expenditure limit for the office may be carried forward. Any remaining

21.1 amount up to the total amount of the public subsidy from the state elections campaign fund
21.2 must be returned to the state treasury for credit to the general fund under section 10A.324.
21.3 Any remaining amount in excess of the total public subsidy must be contributed to the
21.4 state elections campaign fund and account or a political party for multicandidate expenditures
21.5 as defined in section 10A.275.

21.6 Sec. 44. Minnesota Statutes 2012, section 10A.27, subdivision 1, is amended to read:

21.7 Subdivision 1. **Contribution limits.** (a) Except as provided in subdivision 2,
21.8 a candidate must not permit the candidate's principal campaign committee to accept
21.9 aggregate contributions in an election cycle made or delivered by any individual, political
21.10 committee, ~~or political fund~~, or association not registered with the board in excess of
21.11 the following:

21.12 (1) to candidates for governor and lieutenant governor running together, ~~\$2,000 in~~
21.13 ~~an election year for the office sought and \$500 in other years~~ \$6,000;

21.14 (2) to a candidate for attorney general, secretary of state, or state auditor, ~~\$1,000 in~~
21.15 ~~an election year for the office sought and \$200 in other years~~ \$4,000;

21.16 (3) to a candidate for state senator, ~~\$500 in an election year for the office sought~~
21.17 ~~and \$100 in other years~~ \$3,000;

21.18 (4) to a candidate for state representative, ~~\$500 in an election year for the office~~
21.19 ~~sought and \$100 in the other year~~ \$1,500; and

21.20 (5) to a candidate for judicial office, ~~\$2,000 in an election year for the office sought~~
21.21 ~~and \$500 in other years~~ \$4,500.

21.22 (b) The following deliveries are not subject to the bundling limitation in this
21.23 subdivision:

21.24 (1) delivery of contributions collected by a member of the candidate's principal
21.25 campaign committee, such as a block worker or a volunteer who hosts a fund-raising
21.26 event, to the committee's treasurer; and

21.27 (2) a delivery made by an individual on behalf of the individual's spouse.

21.28 (c) A lobbyist, political committee, political party unit, ~~or an association that has a~~
21.29 ~~political fund~~, or an association not registered with the board must not make a contribution
21.30 a candidate is prohibited from accepting.

21.31 Sec. 45. Minnesota Statutes 2012, section 10A.27, subdivision 10, is amended to read:

21.32 Subd. 10. **Limited personal contributions.** A candidate who ~~accepts a public~~
21.33 ~~subsidy~~ signs an agreement under section 10A.322 may not contribute to the candidate's

22.1 own campaign during ~~a year~~ an election cycle more than ~~ten~~ five times the candidate's
22.2 election ~~year~~ cycle contribution limit under subdivision 1.

22.3 Sec. 46. Minnesota Statutes 2012, section 10A.27, subdivision 11, is amended to read:

22.4 Subd. 11. **Contributions from certain types of contributors.** A candidate must
22.5 not permit the candidate's principal campaign committee to accept a contribution from
22.6 a political committee, political fund, lobbyist, ~~or~~ large contributor, or association not
22.7 registered with the board if the contribution will cause the aggregate contributions from
22.8 those types of contributors to exceed an amount equal to 20 percent of the expenditure
22.9 limits for the office sought by the candidate, provided that the 20 percent limit must be
22.10 rounded to the nearest \$100. For purposes of this subdivision, "large contributor" means
22.11 an individual, other than the candidate, who contributes an amount that is ~~more than \$100~~
22.12 ~~and~~ more than one-half the amount an individual may contribute.

22.13 Sec. 47. Minnesota Statutes 2012, section 10A.27, subdivision 13, is amended to read:

22.14 Subd. 13. **Unregistered association limit; statement; penalty.** (a) The treasurer of
22.15 a political committee, political fund, principal campaign committee, or party unit must not
22.16 accept a contribution of more than ~~\$100~~ \$200 from an association not registered under
22.17 this chapter unless the contribution is accompanied by a written statement that meets the
22.18 disclosure and reporting period requirements imposed by section 10A.20. This statement
22.19 must be certified as true and correct by an officer of the contributing association. The
22.20 committee, fund, or party unit that accepts the contribution must include a copy of the
22.21 statement with the report that discloses the contribution to the board. ~~This subdivision~~
22.22 ~~does not apply when a national political party contributes money to its affiliate in this state.~~

22.23 (b) An unregistered association may provide the written statement required by this
22.24 subdivision to no more than three committees, funds, or party units in a calendar year. Each
22.25 statement must cover at least the 30 days immediately preceding and including the date on
22.26 which the contribution was made. An unregistered association or an officer of it is subject
22.27 to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

22.28 (1) fails to provide a written statement as required by this subdivision; or

22.29 (2) fails to register after giving the written statement required by this subdivision to
22.30 more than three committees, funds, or party units in a calendar year.

22.31 (c) The treasurer of a political committee, political fund, principal campaign
22.32 committee, or party unit who accepts a contribution in excess of ~~\$100~~ \$200 from an
22.33 unregistered association without the required written disclosure statement is subject to a
22.34 civil penalty up to four times the amount in excess of ~~\$100~~ \$200.

23.1 (d) This subdivision does not apply:

23.2 (1) when a national political party contributes money to its state committee; or

23.3 (2) to purchases by candidates for federal office of tickets to events or space rental

23.4 at events held by party units in this state (i) if the geographical area represented by the

23.5 party unit includes any part of the geographical area of the office that the federal candidate

23.6 is seeking and (ii) the purchase price is not more than that paid by other attendees or

23.7 renters of similar spaces.

23.8 Sec. 48. Minnesota Statutes 2012, section 10A.27, subdivision 14, is amended to read:

23.9 Subd. 14. **Contributions of business revenue.** An association may, if not prohibited
23.10 by other law, contribute revenue from the operation of a business to an independent
23.11 expenditure or ballot question political committee or ~~an independent expenditure political~~
23.12 fund without complying with subdivision 13.

23.13 Sec. 49. Minnesota Statutes 2012, section 10A.27, subdivision 15, is amended to read:

23.14 Subd. 15. **Contributions of dues or contribution revenue or use of general**
23.15 **treasury money.** (a) An association may, if not prohibited by other law, contribute revenue
23.16 ~~from membership dues or fees, or from contributions received by the association~~ its general
23.17 treasury money to an independent expenditure or ballot question political committee or
23.18 ~~an independent expenditure political~~ fund, including its own independent expenditure or
23.19 ballot question political committee or fund, without complying with subdivision 13.

23.20 (b) Before the day when the recipient committee or fund's next report must be
23.21 filed with the board under section 10A.20, subdivision 2 or 5, an association that has
23.22 contributed more than \$5,000 or more in aggregate to independent expenditure political
23.23 committees or funds during the calendar year or has contributed more than \$5,000 in
23.24 aggregate to ballot question political committees or funds during the calendar year
23.25 must provide in writing to the recipient's treasurer a statement that includes the name,
23.26 address, and amount attributable to each ~~individual or association~~ person that paid the
23.27 association dues or fees, or made ~~contributions~~ donations to the association that, in total,
23.28 aggregate more than \$1,000 or more \$5,000 of the contribution from the association to the
23.29 independent expenditure or ballot question political committee or fund. The statement
23.30 must also include the total amount of the contribution ~~from individuals or associations~~
23.31 attributable to persons not subject to itemization under this section. The statement must be
23.32 certified as true ~~and correct~~ by an officer of the donor association.

23.33 ~~(b)~~ (c) To determine the amount of membership dues or fees, or ~~contributions~~
23.34 donations made by ~~an individual or association that exceed \$1,000 of the contribution~~

24.1 ~~made by the donor association~~ a person to an association and attributable to the
 24.2 association's contribution to the independent expenditure or ballot question political
 24.3 committee or fund, the donor association must:

24.4 (1) apply a pro rata calculation to all unrestricted dues, fees, and contributions
 24.5 received by the donor association in the calendar year; or

24.6 (2) as provided in paragraph ~~(e)~~ (d), identify the specific individuals or associations
 24.7 whose dues, fees, or contributions are included in the contribution to the independent
 24.8 expenditure political committee or fund.

24.9 ~~(e)~~ (d) Dues, fees, or contributions from an individual or association must be
 24.10 identified in a contribution to an independent expenditure political committee or fund
 24.11 under paragraph ~~(b)~~ (c), clause (2), if:

24.12 (1) the individual or association has specifically authorized the donor association to
 24.13 use the individual's or association's dues, fees, or contributions for this purpose; or

24.14 (2) the individual's or association's dues, fees, or contributions to the donor
 24.15 association are unrestricted and the donor association designates them as the source of the
 24.16 subject contribution to the independent expenditure political committee or fund.

24.17 (e) After a portion of ~~an individual's or association's dues, fees, or contributions~~
 24.18 ~~to the donor association have the general treasury money received by an association~~
 24.19 from a person has been designated as the source of a contribution to an independent
 24.20 expenditure or ballot question political committee or fund, that portion of the individual's
 24.21 ~~or association's dues, fees, or contributions to the donor association~~ association's general
 24.22 treasury money received from that person may not be designated as the source of any other
 24.23 contribution to an independent expenditure or ballot question political committee or fund.

24.24 ~~(d) For the purposes of this section, "donor association" means the association~~
 24.25 ~~contributing to an independent expenditure political committee or fund that is required to~~
 24.26 ~~provide a statement under paragraph (a).~~

24.27 Sec. 50. Minnesota Statutes 2012, section 10A.323, is amended to read:

24.28 **10A.323 AFFIDAVIT OF CONTRIBUTIONS.**

24.29 (a) In addition to the requirements of section 10A.322, to be eligible to receive a
 24.30 public subsidy under section 10A.31 a candidate or the candidate's treasurer must ~~file an~~
 24.31 ~~affidavit with the board stating that:~~

24.32 (1) between January 1 of the previous year and the cutoff date for transactions
 24.33 included in the report of receipts and expenditures due before the primary election ~~the~~
 24.34 ~~candidate has accumulated,~~ accumulate contributions from ~~persons~~ individuals eligible to

25.1 vote in this state in at least the amount indicated for the office sought, counting only the
25.2 first \$50 received from each contributor, excluding in-kind contributions:

25.3 ~~(1)~~ (i) candidates for governor and lieutenant governor running together, \$35,000;

25.4 ~~(2)~~ (ii) candidates for attorney general, \$15,000;

25.5 ~~(3)~~ (iii) candidates for secretary of state and state auditor, separately, \$6,000;

25.6 ~~(4)~~ (iv) candidates for the senate, \$3,000; and

25.7 ~~(5)~~ (v) candidates for the house of representatives, \$1,500_;

25.8 (2) the candidate or the candidate's treasurer must file an affidavit with the board

25.9 stating that the principal campaign committee has complied with this paragraph. The

25.10 affidavit must state the total amount of contributions that have been received from ~~persons~~

25.11 individuals eligible to vote in this state, ~~disregarding~~ excluding:

25.12 (i) the portion of any contribution in excess of \$50_;

25.13 (ii) any in-kind contribution; and

25.14 (iii) any contribution for which the name and address of the contributor is not known

25.15 and recorded; and

25.16 (3) the candidate or the candidate's treasurer must submit the affidavit required

25.17 by this section to the board in writing by the deadline for reporting of receipts and

25.18 expenditures before a primary under section 10A.20, subdivision 4.

25.19 (b) A candidate for a vacancy to be filled at a special election for which the filing

25.20 period does not coincide with the filing period for the general election must accumulate

25.21 the contributions specified in paragraph (a) and must submit the affidavit required by this

25.22 section to the board within five days after the close of the filing period for the special

25.23 election for which the candidate filed.

25.24 Sec. 51. Minnesota Statutes 2012, section 211B.32, subdivision 1, is amended to read:

25.25 Subdivision 1. **Administrative remedy; exhaustion.** (a) Except as provided in

25.26 paragraph (b), a complaint alleging a violation of chapter 211A or 211B must be filed with

25.27 the office. The complaint must be finally disposed of by the office before the alleged

25.28 violation may be prosecuted by a county attorney.

25.29 (b) Complaints arising under those sections and related to those individuals and

25.30 associations specified in section 10A.02, subdivision 11, paragraph (a), must be filed with

25.31 the Campaign Finance and Public Disclosure Board.

25.32 Sec. 52. **REPEALER.**

25.33 Minnesota Statutes 2012, sections 10A.24; 10A.242; and 10A.25, subdivision 6, are

25.34 repealed.

26.1 Sec. 53. **EFFECTIVE DATE.**

26.2 This article is effective the day following final enactment.

26.3 **ARTICLE 2**26.4 **PUBLIC OFFICIAL**

26.5 Section 1. Minnesota Statutes 2012, section 10A.01, subdivision 35, is amended to read:

26.6 Subd. 35. **Public official.** "Public official" means any:

26.7 (1) member of the legislature;

26.8 (2) individual employed by the legislature as secretary of the senate, legislative
26.9 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
26.10 legislative analyst, or attorney in the Office of Senate Counsel and Research or House
26.11 Research;

26.12 (3) constitutional officer in the executive branch and the officer's chief administrative
26.13 deputy;

26.14 (4) solicitor general or deputy, assistant, or special assistant attorney general;

26.15 (5) commissioner, deputy commissioner, or assistant commissioner of any state
26.16 department or agency as listed in section 15.01 or 15.06, or the state chief information
26.17 officer;

26.18 (6) member, chief administrative officer, or deputy chief administrative officer of a
26.19 state board or commission that has either the power to adopt, amend, or repeal rules under
26.20 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

26.21 (7) individual employed in the executive branch who is authorized to adopt, amend,
26.22 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

26.23 (8) executive director of the State Board of Investment;

26.24 (9) deputy of any official listed in clauses (7) and (8);

26.25 (10) judge of the Workers' Compensation Court of Appeals;

26.26 (11) administrative law judge or compensation judge in the State Office of
26.27 Administrative Hearings or unemployment law judge in the Department of Employment
26.28 and Economic Development;

26.29 (12) member, regional administrator, division director, general counsel, or operations
26.30 manager of the Metropolitan Council;

26.31 (13) member or chief administrator of a metropolitan agency;

26.32 (14) director of the Division of Alcohol and Gambling Enforcement in the
26.33 Department of Public Safety;

26.34 (15) member or executive director of the Higher Education Facilities Authority;

26.35 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;

- 27.1 (17) member of the board of directors or executive director of the Minnesota State
 27.2 High School League;
- 27.3 (18) member of the Minnesota Ballpark Authority established in section 473.755;
- 27.4 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- 27.5 (20) manager of a watershed district, or member of a watershed management
 27.6 organization as defined under section 103B.205, subdivision 13;
- 27.7 (21) supervisor of a soil and water conservation district;
- 27.8 (22) director of Explore Minnesota Tourism;
- 27.9 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established
 27.10 in section 97A.056;
- 27.11 (24) citizen member of the Clean Water Council established in section 114D.30; ~~or~~
- 27.12 (25) member or chief executive of the Minnesota Sports Facilities Authority
 27.13 established in section 473J.07²;
- 27.14 (26) district court judge, appeals court judge, or Supreme Court justice; or
- 27.15 (27) county commissioner.

27.16 Sec. 2. Minnesota Statutes 2012, section 10A.07, is amended to read:

27.17 **10A.07 CONFLICTS OF INTEREST.**

27.18 Subdivision 1. **Disclosure of potential conflicts.** A public official or a local
 27.19 official elected to or appointed by a metropolitan governmental unit who in the discharge
 27.20 of official duties would be required to take an action or make a decision that would
 27.21 substantially affect the official's financial interests or those of an associated business,
 27.22 unless the effect on the official is no greater than on other members of the official's
 27.23 business classification, profession, or occupation, must take the following actions:

- 27.24 (1) prepare a written statement describing the matter requiring action or decision and
 27.25 the nature of the potential conflict of interest;
- 27.26 (2) deliver copies of the statement to the official's immediate superior, if any; and
- 27.27 (3) if a member of the legislature or of the governing body of a metropolitan
 27.28 governmental unit, deliver a copy of the statement to the presiding officer of the body
 27.29 of service.

27.30 If a potential conflict of interest presents itself and there is insufficient time to
 27.31 comply with clauses (1) to (3), the public or local official must orally inform the superior
 27.32 or the official body of service or committee of the body of the potential conflict.

27.33 Subd. 2. **Required actions.** If the official is not a member of the legislature or of the
 27.34 governing body of a metropolitan governmental unit, the superior must assign the matter,
 27.35 if possible, to another employee who does not have a potential conflict of interest. If there

28.1 is no immediate superior, the official must abstain, if possible, in a manner prescribed by
28.2 the board from influence over the action or decision in question. If the official is a member
28.3 of the legislature, the house of service may, at the member's request, excuse the member
28.4 from taking part in the action or decision in question. If the official is not permitted or is
28.5 otherwise unable to abstain from action in connection with the matter, the official must
28.6 file a statement describing the potential conflict and the action taken. A public official
28.7 must file the statement with the board and a local official must file the statement with the
28.8 governing body of the official's political subdivision. The statement must be filed within a
28.9 week of the action taken.

28.10 Subd. 3. **Interest in contract; local officials.** This section does not apply to a local
28.11 official with respect to a matter governed by sections 471.87 and 471.88.

28.12 Subd. 4. **Exception; judges.** Notwithstanding subdivisions 1 and 2, a public official
28.13 who is a district court judge, an appeals court judge, or a Supreme Court justice is not
28.14 required to comply with the provisions of this section.

28.15 Sec. 3. Minnesota Statutes 2012, section 10A.071, subdivision 1, is amended to read:

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

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

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

28.23 Sec. 4. Minnesota Statutes 2012, section 10A.08, is amended to read:

28.24 **10A.08 REPRESENTATION DISCLOSURE.**

28.25 Subdivision 1. **Disclosure required.** A public official who represents a client for a
28.26 fee before an individual, board, commission, or agency that has rulemaking authority in a
28.27 hearing conducted under chapter 14, must disclose the official's participation in the action
28.28 to the board within 14 days after the appearance. If the public official fails to disclose the
28.29 participation within ten business days after the disclosure required by this section was due,
28.30 the board may impose a late filing fee of \$5 per day, not to exceed \$100, starting on the
28.31 11th day after the disclosure was due. The board must send notice by certified mail to a
28.32 public official who fails to disclose the participation within ten business days after the
28.33 disclosure was due that the public official may be subject to a civil penalty for failure to
28.34 disclose the participation. A public official who fails to disclose the participation within

29.1 seven days after the certified mail notice was sent by the board is subject to a civil penalty
29.2 imposed by the board of up to \$1,000.

29.3 Subd. 2. **Exception; judges.** Notwithstanding subdivision 1, a public official who is
29.4 a district court judge, an appeals court judge, or a Supreme Court justice is not required to
29.5 comply with the provisions of this section.

29.6 Sec. 5. Minnesota Statutes 2012, section 10A.09, subdivision 6a, is amended to read:

29.7 Subd. 6a. ~~Local officials~~ Place of filing. A public official required to file a
29.8 statement under this section must file it with the board. A local official required to file a
29.9 statement under this section must file it with the governing body of the official's political
29.10 subdivision. The governing body must maintain statements filed with it under this
29.11 subdivision as public data. If an official position is defined as both a public official and as
29.12 a local official of a metropolitan governmental unit under this chapter, the official must
29.13 file the statement with the board.

29.14 Sec. 6. Minnesota Statutes 2012, section 10A.09, is amended by adding a subdivision
29.15 to read:

29.16 Subd. 9. **Waivers.** Upon written request and for good cause shown, the board may
29.17 waive the requirement that an official disclose the address of real property that constitutes
29.18 a secondary residence of the official.

29.19 Sec. 7. **EFFECTIVE DATE.**

29.20 This article is effective January 1, 2014, and applies to public officials elected or
29.21 appointed to terms of office commencing on or after that date.