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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3682

- 02/21/2022 Authored by Pelowski
The bill was read for the first time and referred to the Committee on State Government Finance and Elections
- 03/07/2022 Adoption of Report: Placed on the General Register
Read for the Second Time
- 03/21/2022 Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate

1.1 A bill for an act

1.2 relating to local government; expanding certain requirements regarding qualified

1.3 newspapers; amending Minnesota Statutes 2020, sections 331A.01, subdivision

1.4 3, by adding subdivisions; 331A.02, subdivisions 1, 3, 5; 331A.04, subdivision 7;

1.5 331A.05, subdivision 7; 471.698, subdivision 1; repealing Minnesota Statutes

1.6 2020, section 331A.01, subdivision 4.

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

1.8 Section 1. Minnesota Statutes 2020, section 331A.01, subdivision 3, is amended to read:

1.9 Subd. 3. **Political subdivision.** "Political subdivision" means a county, municipality,

1.10 school district, home rule charter and statutory city or town, or any other local political

1.11 subdivision or local or area district, commission, board, or authority.

1.12 Sec. 2. Minnesota Statutes 2020, section 331A.01, is amended by adding a subdivision to

1.13 read:

1.14 Subd. 12. **Publish.** "Publish" means dissemination in the print edition of a qualified

1.15 newspaper, and in the e-edition of the qualified newspaper if it has one.

1.16 Sec. 3. Minnesota Statutes 2020, section 331A.01, is amended by adding a subdivision to

1.17 read:

1.18 Subd. 13. **General circulation.** "General circulation" means that a newspaper distributes

1.19 more than a nominal percentage of its total print circulation in a particular geographic area.

2.1 Sec. 4. Minnesota Statutes 2020, section 331A.01, is amended by adding a subdivision to
2.2 read:

2.3 Subd. 14. E-edition. "E-edition" means a digital facsimile of a newspaper's print edition
2.4 that is substantially the same in both format and content as the print edition.

2.5 Sec. 5. Minnesota Statutes 2020, section 331A.02, subdivision 1, is amended to read:

2.6 Subdivision 1. **Qualification.** No newspaper in this state shall be entitled to any
2.7 compensation or fee for publishing any public notice unless it is a qualified newspaper. A
2.8 newspaper that is not qualified must inform a public body that presents a public notice for
2.9 publication that it is not qualified. To be qualified, a newspaper shall:

2.10 (a) be printed in the English language in newspaper format and in column and sheet
2.11 form equivalent in printed space to at least ~~1,000 square inches, or 800 square inches if the~~
2.12 ~~political subdivision the newspaper purports to serve has a population of under 1,300 and~~
2.13 ~~the newspaper does not receive a public subsidy;~~

2.14 (b) if a daily, be published and distributed at least five days each week. If not a daily,
2.15 the newspaper may be published and distributed at least twice a month with respect to the
2.16 publishing of government public notices. In any week in which a legal holiday is included,
2.17 not more than four issues of a daily paper are necessary;

2.18 (c) in at least half of its issues each year, have no more than 75 percent of its printed
2.19 space comprised of advertising material and paid public notices. In all of its issues each
2.20 year, have 25 percent, if published more often than weekly, or 50 percent, if weekly, of its
2.21 news columns devoted to news of local interest ~~to the community which it purports to serve.~~
2.22 Not more than 25 percent of its total nonadvertising column inches in any issue may wholly
2.23 duplicate any other publication unless the duplicated material is from recognized general
2.24 news services;

2.25 (d) ~~be circulated in the political subdivision which it purports to serve, and either have~~
2.26 ~~at least 400 copies regularly delivered to paying subscribers, or 250 copies delivered to~~
2.27 ~~paying subscribers if the political subdivision it purports to serve has a population of under~~
2.28 ~~1,300, or have at least 400 copies regularly distributed without charge to local residents, or~~
2.29 ~~250 copies distributed without charge to local residents if the political subdivision it purports~~
2.30 ~~to serve has a population of under 1,300~~ of general circulation in the area to which a public
2.31 notice is directed, or where there is a reasonable likelihood that the person to whom it is
2.32 directed will become aware of the notice;

2.33 (e) have its known office of issue ~~established~~ located in either:

3.1 (1) the county in which lies, in whole or in part, the political subdivision ~~which the~~
 3.2 ~~newspaper purports to serve,~~ that is publishing the public notice; or ~~in~~

3.3 (2) an adjoining county;

3.4 (f) file a copy of each issue ~~immediately~~ promptly with the State Historical Society;

3.5 (g) be made available at single or subscription prices to any person or entity requesting
 3.6 the newspaper and making the applicable payment, or be distributed without charge to local
 3.7 residents;

3.8 (h) have complied with all the foregoing conditions of this subdivision for at least one
 3.9 year immediately preceding the date of the notice publication;

3.10 (i) between September 1 and December 31 of each year publish a sworn United States
 3.11 Post Office periodicals-class statement of ownership and circulation or a statement of
 3.12 ownership and circulation verified by a recognized independent circulation auditing agency
 3.13 covering a period of at least one year ending no earlier than the June 30 preceding the
 3.14 publication deadline. When publication occurs after December 31 and before July 1,
 3.15 qualification shall be effective from ~~the date of the filing described in paragraph (j)~~ January
 3.16 1 through December 31 of that year; and

3.17 (j) after publication of the statement described in paragraph (i), submit to the secretary
 3.18 of state by December 31 a filing containing the newspaper's name, address of its known
 3.19 office of issue, telephone number, and a statement that it has complied with all of the
 3.20 requirements of this section. The filing must be accompanied by a fee of \$25. The secretary
 3.21 of state shall make available for public inspection a list of newspapers that have filed.
 3.22 Acceptance of a filing does not constitute a guarantee by the state that any other qualification
 3.23 has been met.

3.24 Sec. 6. Minnesota Statutes 2020, section 331A.02, subdivision 3, is amended to read:

3.25 Subd. 3. **Publication; suspension; changes.** The following circumstances shall not
 3.26 affect the qualification of a newspaper, invalidate an otherwise valid publication, or invalidate
 3.27 a designation as official newspaper.

3.28 (a) Suspension of publication for a period of not more than three consecutive months
 3.29 resulting from the destruction of its known office of issue, equipment, or other facility by
 3.30 the elements, unforeseen accident, or acts of God or by reason of a labor dispute.

4.1 (b) The consolidation of one newspaper with another published in the same county or
4.2 in an adjoining county, or a change in its name or ownership, or a temporary change in its
4.3 known office of issue.

4.4 (c) Change of the day of publication, the frequency of publication, or the change of the
4.5 known office of issue from one place to another within the same county or in an adjoining
4.6 county. Except as provided in this subdivision, suspension of publication, or a change of
4.7 known office of issue ~~from one county to another~~, or failure to maintain its known office
4.8 of issue in the county or in an adjoining county, shall deprive a newspaper of its standing
4.9 as a qualified newspaper until it again becomes qualified pursuant to subdivision 1.

4.10 Sec. 7. Minnesota Statutes 2020, section 331A.02, subdivision 5, is amended to read:

4.11 Subd. 5. **Posting notices on website.** If, in the normal course of its business, a qualified
4.12 newspaper maintains a website, then as a condition of accepting and publishing public
4.13 notices, the newspaper must agree to post all the notices on its website and on the Minnesota
4.14 Newspaper Association's statewide public notice website, at no additional cost to the
4.15 advertiser. The newspaper's website must include a link to its online public notices section,
4.16 the contents of which must be accessible at no cost to the public. Each notice must remain
4.17 on the website during the notice's full publication period. Failure to post or maintain a public
4.18 notice on the newspaper's website or to post a public notice on the statewide public notice
4.19 website does not affect the validity of the public notice.

4.20 Sec. 8. Minnesota Statutes 2020, section 331A.04, subdivision 7, is amended to read:

4.21 Subd. 7. **Joint bidding.** A bid submitted jointly by two or more newspapers for the
4.22 publication of public notices must not be considered anticompetitive or otherwise unlawful
4.23 if the following conditions are met:

4.24 (1) all of the qualified newspapers ~~in the political subdivision~~ eligible for designation
4.25 participate in the joint bid;

4.26 (2) the existence of the joint bid arrangement is disclosed to the governing body of the
4.27 political subdivision before or at the time of submission of the joint bid; and

4.28 (3) ~~the board~~ governing body is free to reject the joint bid and, if it does, individual
4.29 qualified newspapers do not refuse to submit separate bids owing to the rejection of the
4.30 joint bid.

5.1 Sec. 9. Minnesota Statutes 2020, section 331A.05, subdivision 7, is amended to read:

5.2 Subd. 7. **Errors in publication.** If through no fault of the political subdivision, an error
5.3 occurs in the publication of a public notice, the error shall have no effect on the validity of
5.4 the event, action, or proceeding to which the public notice relates. In cases where the error
5.5 is the fault of the newspaper, the political subdivision shall not be charged for the publication.

5.6 Sec. 10. Minnesota Statutes 2020, section 471.698, subdivision 1, is amended to read:

5.7 Subdivision 1. **All operations except some hospitals, nursing homes.** In any city with
5.8 a population of less than 2,500 according to the latest federal census, the city clerk or chief
5.9 financial officer shall:

5.10 (a) prepare a detailed statement of the financial affairs of the city including operations
5.11 of municipal hospitals and nursing homes, liquor stores, and public utility commissions in
5.12 the style and form prescribed by the state auditor, for the preceding fiscal year showing all
5.13 money received, with the sources, and respective amounts thereof; all disbursements for
5.14 which orders have been drawn upon the treasurer; the amount of outstanding and unpaid
5.15 orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable;
5.16 the amount of money remaining in the treasury; and all items necessary to show accurately
5.17 the revenues and expenditures and financial position of the city;

5.18 (b) file the statement in the clerk's or financial officer's office for the public inspection
5.19 and present it to the city council within 45 days after the close of the fiscal year;

5.20 (c)(1) publish the statement, or a summary of the statement in a form as prescribed by
5.21 the state auditor, within 90 days after the close of the fiscal year in a qualified newspaper
5.22 of general circulation in the city; or

5.23 (2) if there is no qualified newspaper of general circulation in the city, the clerk shall,
5.24 at the direction of the city council, post copies in three of the most public places in the city.
5.25 It is not necessary to publish individual disbursements of less than ~~\$300~~ \$500, if
5.26 disbursements aggregating \$1,000 or more to any person, firm, or other entity are set forth
5.27 in a schedule of major disbursements showing amounts paid out, to whom, and for what
5.28 purpose, and are made a part of and published with the financial statement; and

5.29 (d) submit within 90 days after the close of the fiscal year a copy of the statement to the
5.30 state auditor in such summary form as the state auditor may prescribe.

5.31 A municipal hospital or nursing home established before June 6, 1979, whose fiscal year
5.32 is not a calendar year on August 1, 1980, is not subject to this subdivision but shall submit
5.33 to the state auditor a detailed statement of its financial affairs audited by a certified public

6.1 accountant, a public accountant or the state auditor no later than 120 days after the close of
6.2 its fiscal year. It may also submit a summary financial report for the calendar year.

6.3 Sec. 11. **REPEALER.**

6.4 Minnesota Statutes 2020, section 331A.01, subdivision 4, is repealed.

APPENDIX
Repealed Minnesota Statutes: 22-05706

331A.01 DEFINITIONS.

Subd. 4. **Municipality.** "Municipality" means a home rule charter or statutory city or town.