

Sec. 17. COURT STUDY OF UNLAWFUL DETAINER REPORTS BY TENANT SCREENING SERVICES.

The second and fourth district courts are requested to study data reported in conjunction with unlawful detainer actions in order to assure that accurate and timely information on unlawful detainer proceedings is available for tenant reports. The study must identify ways to report data so that information on the outcome of unlawful detainer proceedings is as readily available, accurate, timely, and as permanent as information on unlawful detainer filings. The study shall also consider the length of time information on unlawful detainer filings and dispositions must be retained by the courts. The courts shall report their findings to the relevant housing committees of the house of representatives and the senate by January 1, 1994. Each district court shall implement the study findings and establish methods to report the outcome and disposition of unlawful detainer actions as soon as the study is completed, but no later than January 1, 1994.

Sec. 18. REPEALER.

Laws 1989, chapter 328, article 2, sections 18 and 19, are repealed.

Sec. 19. EFFECTIVE DATE.

Section 1 is effective August 1, 1993, for new or renewed tenancy beginning on or after August 1, 1993.

Section 8 is effective April 1, 1994.

Sections 16 and 18 are effective the day after final enactment.

Presented to the governor May 17, 1993

Signed by the governor May 20, 1993, 2:15 p.m.

CHAPTER 318—H.F.No. 201

An act relating to elections; providing campaign reform; permitting cities to use mail ballots in city, county, and state elections; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting certain contributions; changing the judicial ballot; regulating related committees; changing expenditure limits; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public matching subsidy; increasing

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expenditure limits in certain cases; clarifying filing requirements for candidate agreements and the duration of the agreements; providing for distribution of public subsidies; requiring return of public subsidies under certain conditions; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring certain reports; providing transition language; defining certain terms; clarifying certain language; imposing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10b, 10c, and by adding subdivisions; 10A.04, by adding a subdivision; 10A.065, subdivisions 1 and 5; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.16; 10A.17, subdivisions 4 and 5; 10A.19, subdivision 1; 10A.20, subdivisions 2, 3, and by adding subdivisions; 10A.24, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.28, subdivision 2; 10A.31, subdivisions 6, 7, 10, and by adding a subdivision; 10A.315; 10A.322, subdivisions 1 and 2; 10A.323; 10A.324, subdivisions 1, 3, and by adding a subdivision; 204B.36, subdivision 4; 204B.45, subdivision 1; 211B.12; 211B.15; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; and 211A; repealing Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2.

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

ARTICLE 1

Section 1. Minnesota Statutes 1992, section 204B.45, subdivision 1, is amended to read:

Subdivision 1. **AUTHORIZATION.** Any statutory or home rule charter city or town having fewer than 400 registered voters on June 1 of an election year and not located in a metropolitan county as defined by section 473.121 may apply to the county auditor to provide balloting by mail at any city, county, or state election with no polling place other than the office of the auditor or clerk. The governing body may apply to the county auditor for permission to conduct balloting by mail. The county board may provide for balloting by mail in unorganized territory.

ARTICLE 2

Section 1. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

Subd. 9a. ELECTION CYCLE. "Election cycle" means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that "election cycle" for a special election means the period from the date the special election writ is issued to 60 days after the special election is held.

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Sec. 2. Minnesota Statutes 1992, section 10A.01, subdivision 10b, is amended to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution to that candidate. An expenditure by a political party or political party unit, as defined in section 10A.275, subdivision 3, in a race where the political party has a candidate on the ballot is not an independent expenditure.

Sec. 3. Minnesota Statutes 1992, section 10A.01, subdivision 10c, is amended to read:

Subd. 10c. **NONCAMPAIGN DISBURSEMENT.** "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for ~~any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question:~~

~~Noncampaign disbursement includes any of the following purposes:~~

- (a) payment for accounting and legal services;
- (b) return of a contribution to the source;
- (c) repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;
- (d) ~~return of money from the state elections campaign fund~~ a public subsidy;
- (e) payment for food, beverages, entertainment, and facility rental for a fundraising event;
- (f) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to ~~60 days after adjournment sine die~~ of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;
- (g) a donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f);
- (h) payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities;
- (i) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;

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(j) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;

(k) costs of child care for the candidate's children when campaigning;

(l) fees paid to attend a campaign school;

(m) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;

(n) interest on loans paid by a principal campaign committee on outstanding loans;

(o) filing fees;

(p) post-general election thank-you notes or advertisements in the news media;

(q) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;

(r) transfers to a party unit as defined in section 10A.275, subdivision 3; and

(s) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision; ~~and~~

~~(h) Payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities.~~

Sec. 4. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

Subd. 29. POPULATION. "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the metropolitan council, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.

Sec. 5. Minnesota Statutes 1992, section 10A.04, is amended by adding a subdivision to read:

Subd. 8. REPORTS BY SOLICITORS. A lobbyist who directly solicits and causes others to make aggregate contributions to candidates or a caucus of the members of a political party in a house of the legislature in excess of \$5,000 between January 1 of the election year and 25 days before the primary or general election must file the information in the report required by section 10A.20.

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subdivision 14, ten days before the primary or general election. This disclosure requirement is in addition to the report required by section 10A.20, subdivision 14.

Sec. 6. Minnesota Statutes 1992, section 10A.065, subdivision 1, is amended to read:

Subdivision 1. **REGISTERED LOBBYIST CONTRIBUTIONS; LEGISLATIVE SESSION.** A candidate for the legislature or for constitutional office, a candidate's principal campaign committee, any other political committee with the candidate's name or title, ~~or~~ any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature, shall not solicit or accept a contribution on behalf of ~~the a~~ candidate's principal campaign committee, any other political committee with the candidate's name or title, ~~or~~ any committee authorized by the candidate, or a political committee established by all or a part of the party organization within a house of the legislature, from a registered lobbyist, political committee, or political fund during a regular session of the legislature.

Sec. 7. Minnesota Statutes 1992, section 10A.065, subdivision 5, is amended to read:

Subd. 5. **POLITICAL COMMITTEE.** This section does not apply to a political committee established by a state political party; by the party organization within a congressional district, county, legislative district, municipality, or precinct; by all or part of the party organization within each house of the legislature, except for individual members; by a candidate for a judicial office; or to a member of such a political committee acting solely on behalf of the committee.

Sec. 8. Minnesota Statutes 1992, section 10A.14, subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

- (a) The name and address of the political committee or political fund;
- (b) The name and address of any supporting association of a political fund;
- (c) The name and address of the chair, the treasurer, and any deputy treasurers;
- (d) A listing of all depositories or safety deposit boxes used;
- (e) A statement as to whether the committee is a principal campaign committee as authorized by section 10A.19, subdivision 1; and
- (f) For political parties only, a list of categories of substate units as defined in section 10A.27, subdivision 4.

Sec. 9. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

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Subd. 3c. RELATED COMMITTEES. An individual, association, political committee, or political fund may establish, finance, maintain, or control a political committee or political fund. One who does this is a "parent." The political committee or fund so established, financed, maintained, or controlled is a "subsidiary." If the parent is an association, the association must create a political committee or political fund to serve as the parent for reporting purposes. A subsidiary must report its contribution to a candidate or principal campaign committee as attributable to its parent, and the contribution is counted toward the contribution limits in section 10A.27 of the parent as well as of the subsidiary.

Sec. 10. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 5. LOBBYIST, POLITICAL COMMITTEE, OR POLITICAL FUND REGISTRATION NUMBER ON CHECKS. A contribution made to a candidate by a lobbyist, political committee, or political fund must show the name of the lobbyist, political committee, or political fund and the number under which it is registered with the board.

Sec. 11. Minnesota Statutes 1992, section 10A.16, is amended to read:

10A.16 EARMARKING CONTRIBUTIONS PROHIBITED.

Any An individual, political committee, or political fund which receives may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient; and in the reports required by section 10A.20, the original source of the contribution; the fact that the contribution is earmarked and the candidate to whom it is directed. The ultimate recipient of any contribution so earmarked shall also disclose the original source and the individual, political committee, or political fund through which it is directed. This section applies only to contributions required to be disclosed by section 10A.20, subdivision 3, clause (b). Any other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution and fails to make the required disclosure is guilty of a gross misdemeanor.

Sec. 12. Minnesota Statutes 1992, section 10A.17, subdivision 4, is amended to read:

Subd. 4. Any individual, political committee, or political fund who independently solicits or accepts contributions or makes independent expenditures on behalf of any candidate shall publicly disclose that the ~~candidate has not approved the expenditure~~ is an independent expenditure. All written communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate, shall contain a statement in conspicuous type that the activity is an independent expenditure and is not approved by the candidate nor is the candidate responsible for it. Similar language shall be included in all oral communications,

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in conspicuous type on the front page of all literature and advertisements published or posted, and at the end of all broadcast advertisements made by that individual, political committee or political fund on the candidate's behalf.

Sec. 13. Minnesota Statutes 1992, section 10A.17, subdivision 5, is amended to read:

Subd. 5. Any person who knowingly violates the provisions of subdivision 2 or 4, ~~or who falsely claims that the candidate has not approved the expenditure or activity~~ is guilty of a misdemeanor. A person who knowingly violates the provisions of subdivision 4 or falsely claims that an expenditure was an independent expenditure is guilty of a gross misdemeanor.

Sec. 14. Minnesota Statutes 1992, section 10A.19, subdivision 1, is amended to read:

Subdivision 1. No candidate shall accept contributions from any source, other than self, in aggregate in excess of \$100 or ~~any money from the state elections campaign fund~~ accept a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit as defined in section 10A.275, subdivision 3.

A political committee bearing a candidate's name or title or otherwise operating under the direct or indirect control of the candidate, other than a principal campaign committee of the candidate, may not accept contributions after the effective date of this section, and must be dissolved by December 31, 1993.

Sec. 15. Minnesota Statutes 1992, section 10A.20, subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year and additional reports shall be filed as required and in accordance with clauses (a) and (b).

(a) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall be filed ten days before a primary and a general election, seven days before a special primary and a special election, and ~~30~~ ten days after a special election cycle. The report due after a special election may be filed on January 31 following the special election if the special election is held not more than 60 days before that date.

(b) In each general election year political committees and political funds other than principal campaign committees shall file reports ten days before a primary and general election.

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

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Sec. 16. Minnesota Statutes 1992, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **CONTENTS OF REPORT.** Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

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(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) Except for contributions to a candidate or committee for a candidate for office in a municipality as defined in section 471.345, subdivision 1, the name and address of each individual or association to whom aggregate noncampaign disbursements in excess of \$100 have been made within the year by or on behalf of a principal campaign committee, political committee, or political fund, together with the amount, date, and purpose of each noncampaign disbursement; ~~and~~

(m) The sum of all noncampaign disbursements made within the year by or on behalf of a principal campaign committee, political committee, or political fund; and

(n) A report filed under subdivision 2, clause (b), by a political committee or political fund that is subject to subdivision 14, must contain the information required by subdivision 14, if the political committee or political fund has solicited and caused others to make aggregate contributions greater than \$5,000 between January 1 of the general election year and the end of the reporting period. This disclosure requirement is in addition to the report required by subdivision 14.

Sec. 17. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

Subd. 6b. INDEPENDENT EXPENDITURES; NOTICE. (a) Within 24 hours after an individual, political committee, or political fund makes or becomes obligated by oral or written agreement to make an independent expenditure in excess of \$100, other than an expenditure by an association targeted to inform solely its own dues-paying members of the association's position on a candidate, the individual, political committee, or political fund shall file with the board an affidavit notifying the board of the intent to make the independent expenditure and serve a copy of the affidavit on each candidate in the affected

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race and on the treasurer of the candidate's principal campaign committee. The affidavit must contain the information with respect to the expenditure that is required to be reported under subdivision 3, paragraph (g); except that if an expenditure is reported before it is made, the notice must include a reasonable estimate of the anticipated amount. Each new expenditure requires a new notice.

(b) An individual or the treasurer of a political committee or political fund who fails to give notice as required by this subdivision, or who files a false affidavit of notice, is guilty of a gross misdemeanor and is subject to a civil fine of up to four times the amount of the independent expenditure stated in the notice or of which notice was required, whichever is greater.

Sec. 18. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

Subd. 14. REPORTS BY SOLICITORS. An individual, association, political committee, or political fund, other than a candidate or the members of a candidate's principal campaign committee, that directly solicits and causes others to make contributions to candidates or a caucus of the members of a political party in a house of the legislature, that aggregate more than \$5,000 in a calendar year must file with the board a report disclosing the amount of each contribution, the names of the contributors, and to whom the contributions were given. The report for each calendar year must be filed with the board by January 31 of the following year. The report must cover the accumulated contributions made or received during the calendar year.

Sec. 19. Minnesota Statutes 1992, section 10A.24, subdivision 1, is amended to read:

Subdivision 1. **TERMINATION REPORT.** No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. "Assets" include credit balances at vendors and physical assets such as computers and postage stamps. Physical assets must be listed at their fair market value. The termination report may be made at any time and shall include all information required in periodic reports.

Sec. 20. Minnesota Statutes 1992, section 10A.25, subdivision 2, is amended to read:

Subd. 2. (a) In a year in which an election is held for an office sought by a candidate, no expenditures shall be made by the principal campaign committee of that candidate, nor any approved expenditures made on behalf of that candidate which expenditures and approved expenditures result in an aggregate amount in excess of the following:

(a) (1) For governor and lieutenant governor, running together, \$1,626,691;

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(b) (2) For attorney general, \$271,116;

(c) (3) For secretary of state, state treasurer, and state auditor, separately, \$135,559;

(d) (4) For state senator, \$40,669;

(e) (5) For state representative, \$20,335.

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

(c) The expenditure limits in this subdivision for an office are increased by ten percent for a candidate who is running for that office for the first time and who has not run previously for any other office whose territory now includes a population that is more than one-third of the population in the territory of the new office.

Sec. 21. Minnesota Statutes 1992, section 10A.25, subdivision 6, is amended to read:

Subd. 6. In any year ~~following~~ before an election year for the office held or sought, the aggregate amount of expenditures by and approved expenditures on behalf of a candidate for or holder of that office shall not exceed ~~one-fourth~~ 20 percent of the expenditure limit set forth in subdivision 2.

Sec. 22. Minnesota Statutes 1992, section 10A.25, subdivision 10, is amended to read:

Subd. 10. **EFFECT OF OPPONENT'S AGREEMENT.** (a) The expenditure limits imposed by this section apply only to candidates whose major political party opponents agree to be bound by the limits and who themselves agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns ~~in the form of an allocation of money from the state elections campaign fund.~~

(b) A candidate of a ~~major political party~~ who agrees to be bound by the limits and receives a public subsidy, who has an opponent who: (1) is a candidate of a major political party; and (2) does not agree to be bound by the limits but is otherwise eligible to receive a public subsidy:

(i) is no longer bound by the limits, including those in section 10A.324, subdivision 1, paragraph (c); ~~and~~

(ii) is eligible to receive a public subsidy; and

(iii) also receives, or shares equally with any other candidate who agrees to be bound by limits, the opponent's share of the general account public subsidy under section 10A.31.

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For purposes of this subdivision, "otherwise eligible to receive a public subsidy" means that a candidate meets the requirements of sections 10A.31, 10A.315, 10A.321, and 10A.322, but does not mean that the candidate has filed an affidavit of matching funds under section 10A.323.

Sec. 23. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

Subd. 11. CARRYFORWARD; DISPOSITION OF OTHER FUNDS. After all campaign expenditures and noncampaign disbursements for an election cycle have been made, an amount up to 50 percent of the expenditure limit for the office may be carried forward. Any remaining amount up to the total amount of the public subsidy from the state elections campaign fund and any public matching subsidy must be returned to the state treasury for credit to the general fund under section 10A.324. Any remaining amount in excess of the total public subsidy must be contributed to the state elections campaign fund or a political party for multicandidate expenditures as defined in section 10A.275.

Sec. 24. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

Subd. 12. UNUSED POSTAGE AND CREDIT BALANCES CARRIED FORWARD. Postage that is purchased but not used during an election cycle and credit balances at vendors that exceed a combined total of \$500 must be carried forward and counted as expenditures during the election cycle during which they are used.

Sec. 25. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

Subd. 13. INDEPENDENT EXPENDITURES; LIMITS INCREASED. (a) The expenditure limits in this section are increased by the sum of independent expenditures made in opposition to a candidate plus independent expenditures made on behalf of the candidate's major political party opponents, other than expenditures by an association targeted to inform solely its own dues-paying members of the association's position on a candidate.

(b) Within 48 hours after receipt of an expenditure report or notice required by section 10A.20, subdivision 3, 6, or 6b, the board shall notify each candidate in the race of the increase in the expenditure limit for the candidates against whom the independent expenditures have been made.

(c) Within three days after providing this notice, the board shall pay each candidate against whom the independent expenditures have been made, if the candidate is eligible to receive a public subsidy and has raised twice the minimum match required, an additional public subsidy equal to one-half the independent expenditures. The amount needed to pay the additional public subsidy under this subdivision is appropriated from the general fund to the board.

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Sec. 26. Minnesota Statutes 1992, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. **CONTRIBUTION LIMITS.** Except as provided in subdivisions 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept aggregate contributions ~~from made or delivered by~~ any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, ~~\$20,000~~ \$2,000 in an election year for the office sought and ~~\$3,000~~ \$500 in other years;

(b) To a candidate for attorney general, ~~\$10,000~~ \$1,000 in an election year for the office sought and ~~\$2,000~~ \$200 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, ~~\$5,000~~ \$500 in an election year for the office sought and ~~\$1,000~~ \$100 in other years;

(d) To a candidate for state senator, ~~\$1,500~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in other years; and

(e) To a candidate for state representative, ~~\$750~~ \$500 in an election year for the office sought and ~~one-third of that amount~~ \$100 in the other year.

The following deliveries are not subject to the bundling limitation in this subdivision:

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

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

Sec. 27. Minnesota Statutes 1992, section 10A.27, subdivision 2, is amended to read:

Subd. 2. No candidate shall permit the candidate's principal campaign committee to accept contributions from any political party units in aggregate in excess of ~~five~~ ten times the amount that may be contributed to that candidate ~~by a political committee~~ as set forth in subdivision 1.

Sec. 28. Minnesota Statutes 1992, section 10A.27, subdivision 9, is amended to read:

Subd. 9. (a) A candidate or the treasurer of a candidate's principal campaign committee shall not accept in any calendar year aggregate contributions in an amount greater than the maximum amount allowed under subdivision 4 a transfer or contribution from another candidate's principal campaign committee or from any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate, unless the contributing candidate's principal campaign committee is being dissolved. A candidate's principal campaign committee shall not make a transfer or contribution to

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another candidate's principal campaign committee, except when the contributing committee is being dissolved.

(b) A candidate's principal campaign committee shall not accept a transfer or contribution from, or make a transfer or contribution to, a committee associated with a person who seeks nomination or election to the office of President, Senator, or Representative in Congress of the United States.

(c) A candidate or the treasurer of a candidate's principal campaign committee shall not accept a contribution from a candidate for political subdivision office, unless the contribution is from the personal funds of the candidate for political subdivision office. A candidate or the treasurer of a candidate's principal campaign committee shall not make a contribution from the principal campaign committee to a candidate for political subdivision office.

Sec. 29. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 10. PROHIBITED CONTRIBUTIONS. A candidate who accepts a public subsidy may not contribute to the candidate's own campaign more than ten times the candidate's election year contribution limit under subdivision 1.

Sec. 30. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 11. CONTRIBUTIONS FROM CERTAIN TYPES OF CONTRIBUTORS. A candidate shall not permit the candidate's principal campaign committee to accept a contribution from a political committee other than a political party unit as defined in section 10A.275, a political fund, a lobbyist, or an individual, other than the candidate, who contributes more than half the amount an individual may contribute, if the contribution will cause the aggregate contributions from those types of contributors to exceed an amount equal to 20 percent of the expenditure limits for the office sought by the candidate.

Sec. 31. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 12. CONTRIBUTIONS TO OTHER POLITICAL COMMITTEES OR FUNDS. The treasurer of a political committee or political fund, other than a candidate's principal campaign committee or a political party unit as defined in section 10A.275, shall not permit the political committee or political fund to accept aggregate contributions from an individual, political committee, or political fund in an amount more than \$100 a year.

Sec. 32. Minnesota Statutes 1992, section 10A.28, subdivision 2, is amended to read:

Subd. 2. A candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27, and the treasurer of a political fund or political committee, other than a princi-

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pal campaign committee, who permits the committee or fund to accept contributions in excess of the limits imposed by section 10A.27, shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Sec. 33. Minnesota Statutes 1992, section 10A.31, subdivision 6, is amended to read:

Subd. 6. Within two weeks As soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary, the ~~state treasurer~~ board shall distribute the available funds in each party account, as certified by the commissioner of revenue on September ~~15~~ 1, to the candidates of that party who have signed the agreement as provided in section 10A.322 and filed the affidavit required by section 10A.323, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. If a candidate files the affidavit required by section 10A.323 after September 1 of the general election year, the board shall pay the candidate's allocation to the candidate at the next regular payment date for public subsidies for that election cycle that occurs at least 15 days after the candidate files the affidavit.

Sec. 34. Minnesota Statutes 1992, section 10A.31, subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the ~~state treasurer~~ board shall distribute the available funds in the general account, as certified by the commissioner of revenue on November ~~15~~ 1 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.

Sec. 35. Minnesota Statutes 1992, section 10A.31, subdivision 10, is amended to read:

Subd. 10. **DISTRIBUTION.** In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board ~~on~~ by December 7 1 the amount accumulated in each account since the previous certification. ~~Within one week thereafter~~ By December 15, the board shall ~~certify to the state treasurer the amount to be distributed~~ distribute to each candidate according to the allocations as provided in subdivision 5: ~~As soon as practicable thereafter, the state treasurer shall distrib-~~

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~~the~~ the amounts to which the candidates are entitled in the form of checks made "payable to the campaign fund of(name of candidate)....." Any money accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 36. Minnesota Statutes 1992, section 10A.31, is amended by adding a subdivision to read:

Subd. 12. UNOPPOSED CANDIDATE NOT ELIGIBLE. A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public subsidy from the state election campaign fund. The subsidy from the party account the candidate would otherwise have been eligible to receive must be paid to the candidate's political party to be deposited in a special account under section 10A.31, subdivision 5, clause (6), and used for only those items permitted under section 10A.275.

Sec. 37. [10A.312] PUBLIC MATCHING SUBSIDY.

Subdivision 1. ELIGIBILITY. (a) In addition to the subsidy payable from the state elections campaign fund, the board shall pay a public matching subsidy to a candidate who:

(1) is seeking an office for which voluntary spending limits are specified in section 10A.25;

(2) has designated a principal campaign committee;

(3) has signed and filed with the board an agreement to limit campaign expenditures as provided in section 10A.322 and is abiding by the agreement;

(4) has received contributions that exceed the threshold established by section 10A.323;

(5) has been nominated to appear on the ballot in the general election; and

(6) has submitted to the board the affidavits required by section 10A.323.

(b) A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public matching subsidy under this section.

Subd. 2. AMOUNT. The subsidy must be paid in an amount that will match the first \$50 of contributions received from a person eligible to vote in this state, up to a total of 35 percent of the expenditure limits for state senator or representative and up to a total of 25 percent of the expenditure limits for constitutional officers set forth in section 10A.25, subdivision 2, as adjusted for inflation under section 10A.255, except as otherwise provided in this subdivision. The public subsidy under this section may not be paid in an amount that would cause the sum of the public subsidy paid under this section plus the public subsidy paid under section 10A.31 to exceed 50 percent of the expenditure limit for the office.

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If a candidate's share of the state election campaign fund is equal to or greater than 50 percent of the spending limit for the office sought by the candidate, the candidate may not apply for a subsidy under this section. The board must determine the candidate's anticipated share of the state election campaign fund based on the certification by the commissioner of revenue under section 10A.321. If the subsequent certification by the commissioner of revenue under section 10A.31, subdivision 7, indicates that the candidate's share of the state election campaign fund is less than 50 percent of the spending limit for the office sought, the candidate may apply for the public match subsidy by submitting an affidavit by December 1.

Subd. 3. PAYMENT DATES. (a) The board shall make the first payment of the public matching subsidy as soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary. The board shall make the second payment by October 1 of the election year, the third payment by October 15 of the election year, the fourth payment by November 15 of the election year, and the final payment by December 15 of the election year.

(b) The amount necessary to make the payments required by this section is appropriated from the general fund to the board. * (The preceding paragraph beginning "(b)" was vetoed by the governor.)

Sec. 38. Minnesota Statutes 1992, section 10A.315, is amended to read:

10A.315 SPECIAL ELECTION SUBSIDY.

(a) Each eligible candidate for a legislative office in a special election must be paid a public subsidy equal to the sum of:

(1) the party account money at the last general election for the candidate's party for the office the candidate is seeking; and

(2) the general account money paid to candidates for the same office at the last general election.

(b) If the filing period for the special election coincides with the filing period for the general election, the candidate must meet the matching requirements of section 10A.323 and the special election subsidy must be distributed in the same manner as money is distributed to legislative candidates in a general election.

(c) If the filing period for the special election does not coincide with the filing period for the general election, the procedures in this paragraph apply. A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board not later than the day after the candidate files the affidavit of candidacy or nominating petition for the office. To receive a subsidy, The candidate must meet the matching requirements of section 10A.323; except that the dates in that section do not apply to a special election in which the filing period does not coincide with the filing period for the

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~~general election. To the extent feasible,~~ The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.

(e) ~~(d)~~ The amount necessary to make the payments required by this subdivision is appropriated from the general fund to the state treasurer.

Sec. 39. Minnesota Statutes 1992, section 10A.322, subdivision 1, is amended to read:

Subdivision 1. **AGREEMENT BY CANDIDATE.** (a) As a condition of receiving a public subsidy ~~from the state elections campaign fund~~, a candidate shall sign and file with the board a written agreement in which the candidate agrees that the candidate will comply with sections 10A.25 and 10A.324.

(b) Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The board shall also provide agreement forms to candidates on request at any time. The candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the candidate may submit the agreement directly to the board at any time before September 1 preceding the general election. An agreement may not be ~~signed or rescinded~~ filed after that date. An agreement once filed may not be rescinded.

(c) The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

(d) Notwithstanding any provisions of this section, when a vacancy occurs that will be filled by means of a special election and the filing period does not coincide with the filing period for the general election, a candidate may sign and submit a spending limit agreement at any time before the deadline for submission of a signed agreement under section 10A.315.

Sec. 40. Minnesota Statutes 1992, section 10A.322, subdivision 2, is amended to read:

Subd. 2. **HOW LONG AGREEMENT IS EFFECTIVE.** The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or the ~~day filings open for the next succeeding election to the office held or sought at the time of the agreement end of the first election cycle completed after the agreement was filed~~, whichever occurs first.

Sec. 41. Minnesota Statutes 1992, section 10A.323, is amended to read:

10A.323 MATCHING REQUIREMENTS.

In addition to the requirements of section 10A.322, to be eligible to receive

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a public subsidy ~~from the state elections campaign fund~~ under section 10A.31 or 10A.312 a candidate or the candidate's treasurer shall file an affidavit with the board stating that during that calendar year the candidate has accumulated contributions; ~~including unexpended balances from the year before, equal to 20 percent or more of the minimum amount that the board estimates, on August 15 of the general election year, would be received by the candidate from the state elections campaign fund.~~ from persons eligible to vote in this state in the amount indicated for the office sought, counting only the first \$50 received from each contributor:

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

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

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

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

(5) candidates for the house of representatives, \$1,500.

To be eligible to receive a public matching subsidy under section 10A.312, the affidavit must state the total amount of contributions that have been received from persons eligible to vote in this state and the total amount of those contributions received, disregarding the portion of any contribution in excess of \$50.

The candidate or the candidate's treasurer shall submit the affidavit required by this ~~subdivision~~ section to the board in writing by ~~October~~ September 1 of the general election year to receive the payment based on the results of the primary election, by September 15 to receive the payment made October 1, by October 1 to receive the payment made October 15, by November 1 to receive the payment made November 15, and by December 1 to receive the payment made December 15.

Sec. 42. Minnesota Statutes 1992, section 10A.324, subdivision 1, is amended to read:

Subdivision 1. **WHEN RETURN REQUIRED.** A candidate shall return all or a portion of the public subsidy received from the state elections campaign fund or the public matching subsidy received under section 10A.315, under the circumstances in ~~paragraph (a), (b),~~ this section or (e) section 10A.25, subdivision 11.

(a) To the extent that the amount of public subsidy received by the candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the candidate's principal campaign committee shall return the excess to the board.

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(b) To the extent that the amount of public subsidy received exceeds the aggregate of: (1) actual expenditures made by the principal campaign committee of the candidate; and (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee shall return an amount equal to the difference to the board.

(c) ~~Except for an amount equal to 25 percent of the expenditure limits set forth in section 10A.25, but not exceeding \$15,000, any amount by which the aggregate contributions and approved expenditures agreed to exceed the difference between: (1) the amount which legally may be expended by or for the candidate; and (2) the amount the candidate receives from the state elections campaign fund must be returned to the state treasurer, deposited in the state treasury, and credited to the general fund.~~

Sec. 43. Minnesota Statutes 1992, section 10A.324, subdivision 3, is amended to read:

Subd. 3. **HOW RETURN DETERMINED.** Whether or not a candidate is required under subdivision 1 to return all or a portion of the public subsidy ~~received from the state elections campaign fund~~ must be determined from the report required to be filed with the board by that candidate by January 31 of the year following an election. For purposes of this section, a transfer from ~~one a~~ principal campaign committee to ~~another principal campaign committee or to a~~ political party is considered to be a noncampaign disbursement. The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned. Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board shall forward the check or money order to the state treasurer for deposit in the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate ~~from the state elections campaign fund.~~

Sec. 44. Minnesota Statutes 1992, section 10A.324, is amended by adding a subdivision to read:

Subd. 5. RETURN OF OPPONENT'S PUBLIC SUBSIDY. If a candidate received an opponent's public subsidy under section 10A.25, subdivision 10, the candidate shall return all or a portion of the opponent's public subsidy if required under subdivision 1. In addition, the candidate shall return all of the opponent's public subsidy to the board if the opponent is not required to file a campaign spending report under section 10A.20 or if the opponent's postelection report due on January 31 indicates that the opponent raised and spent \$1,000 or less during the campaign.

Sec. 45. Minnesota Statutes 1992, section 204B.36, subdivision 4, is amended to read:

Subd. 4. **JUDICIAL CANDIDATES.** The official ballot shall contain the

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names of all candidates for each judicial office and shall state the number of those candidates for whom a voter may vote. Each seat for an associate justice, associate judge, or judge of the district court must be numbered. The title of each judicial office shall be printed on the official primary and general election ballot as follows:

(a) In the case of the supreme court:

"Chief justice ~~(or associate justice)~~ - supreme court ~~(last name of incumbent) seat~~";

"Associate justice (number) - supreme court"

(b) In the case of the court of appeals:

"Judge (number) - court of appeals ~~(last name of incumbent) seat~~"; or

(c) In the case of the district court:

"Judge (number) - (number) district court ~~(last name of incumbent) seat~~"; or

~~(d) In the case of the county court:~~

~~"Judge - (number) county court (last name of incumbent) seat."~~

Sec. 46. [211A.12] CONTRIBUTION LIMITS.

A candidate may not accept aggregate contributions made or delivered by an individual or committee in excess of \$300 in an election year for the office sought and \$100 in other years; except that a candidate for an office whose territory has a population over 100,000 may not accept aggregate contributions made or delivered by an individual or committee in excess of \$500 in an election year for the office sought and \$100 in other years.

Sec. 47. [211A.13] PROHIBITED TRANSFERS.

A candidate for political subdivision office must not accept contributions from the principal campaign committee of a candidate as defined in section 10A.01, subdivision 5. A candidate for political subdivision office must not make contributions to a principal campaign committee, unless the contribution is made from the personal funds of the candidate for political subdivision office.

Sec. 48. Minnesota Statutes 1992, section 211B.12, is amended to read:

211B.12 LEGAL EXPENDITURES.

Use of ~~funds~~ money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, or is a noncampaign disbursement as defined in section 10A.01, subdivision 10c. The following are permitted expenditures when made for political purposes:

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- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;
- (5) office and other space and necessary equipment, furnishings, and incidental supplies;
- (6) charitable contributions of not more than ~~\$100~~ \$50 to any charity annually; and

(7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.

Sec. 49. Minnesota Statutes 1992, section 211B.15, is amended to read:

211B.15 CORPORATE ~~OR LIMITED LIABILITY~~ POLITICAL CONTRIBUTIONS.

Subdivision 1. **DEFINITIONS.** ~~(a) For purposes of this section, the following terms have the meanings given them.~~

~~(b)~~ "corporation" means:

(1) a corporation organized for profit that does business in Minnesota; this state;

(2) a nonprofit corporation that carries out activities in this state; or

~~(c) "Limited liability company" means~~ (3) a limited liability company formed under chapter 322B, or under similar laws of another state, that does business in Minnesota this state.

Subd. 2. **PROHIBITED CONTRIBUTIONS.** A corporation ~~or limited liability company~~ may not make a contribution or offer or agree to make a contribution, directly or indirectly, of any money, property, free service of its officers, ~~or employees, or members,~~ or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate to a political office that is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

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Subd. 3. **INDEPENDENT EXPENDITURES.** A corporation ~~or limited liability company~~ may not make an independent expenditure or offer or agree to make an independent expenditure to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "independent expenditure" means an expenditure that is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 4. **BALLOT QUESTION.** A corporation ~~or limited liability company~~ may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. A corporation ~~or limited liability company~~ may not make a contribution to a candidate for nomination, election, or appointment to a political office or to a committee organized wholly or partly to promote or defeat a candidate.

Subd. 5. **NEWS MEDIA.** This section does not prohibit publication or broadcasting of news items or editorial comments by the news media.

Subd. 6. **PENALTY FOR INDIVIDUALS.** An officer, manager, stockholder, member, agent, employee, attorney, or other representative of a corporation ~~or limited liability company~~ acting in behalf of the corporation ~~or limited liability company~~ who violates this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Subd. 7. **PENALTY FOR CORPORATIONS ~~OR LIMITED LIABILITY COMPANIES~~.** A corporation ~~or limited liability company~~ convicted of violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation ~~or limited liability company~~ may be dissolved as well as fined. If a foreign or nonresident corporation ~~or limited liability company~~ is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Subd. 8. **PERMITTED ACTIVITY; POLITICAL PARTY.** It is not a violation of this section for a political party, as defined in section 200.02, subdivision 7, to form a nonprofit corporation for the sole purpose of holding real property to be used exclusively as the party's headquarters.

Subd. 9. **MEDIA PROJECTS.** It is not a violation of this section for a corporation ~~or limited liability company~~ to contribute to or conduct public media projects to encourage individuals to attend precinct caucuses, register, or vote if the projects are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 10. **MEETING FACILITIES.** It is not a violation of this section for a corporation ~~or limited liability company~~ to provide meeting facilities to a committee, political party, or candidate on a nondiscriminatory and nonpreferential basis.

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Subd. 11. **MESSAGES ON PREMISES.** It is not a violation of this section for a corporation ~~or limited liability company~~ selling products or services to the public to post on its public premises messages that promote participation in precinct caucuses, voter registration, or elections if the messages are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 12. **REPORTS REQUIRED.** The total amount of an expenditure or contribution for any one project permitted by subdivisions 9 and 11 that is more than \$200, together with the date, purpose, and the names and addresses of the persons receiving the contribution or expenditures, must be reported to the secretary of state. The reports must be filed on forms provided by the secretary of state on the dates required for committees under section 211A.02. Failure to file is a misdemeanor.

Subd. 13. **AIDING VIOLATION; PENALTY.** An individual who aids, abets, or advises a violation of this section is guilty of a gross misdemeanor.

Subd. 14. **PROSECUTIONS; VENUE.** Violations of this section may be prosecuted in the county where the payment or contribution was made, where services were rendered, or where money was paid or distributed.

Subd. 15. **NONPROFIT CORPORATION EXEMPTION.** The prohibitions in this section do not apply to a nonprofit corporation that:

- (1) cannot engage in business activities;
- (2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and
- (3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.

Subd. 16. **EMPLOYEE POLITICAL FUND SOLICITATION.** Any solicitation of political contributions by an employee must be in writing, informational and nonpartisan in nature, and not promotional for any particular candidate or group of candidates. The solicitation must consist only of a general request on behalf of an independent political committee (conduit fund) and must state that there is no minimum contribution, that a contribution or lack thereof will in no way impact the employee's employment, that the employee must direct the contribution to candidates of the employee's choice, and that any response by the employee shall remain confidential and shall not be directed to the employee's supervisors or managers. Questions from an employee regarding a solicitation may be answered orally or in writing consistent with the above requirements. Nothing in this subdivision authorizes a corporate donation of an employee's time prohibited under subdivision 2.

Sec. 50. Minnesota Statutes 1992, section 290.06, subdivision 23, is amended to read:

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Subd. 23. REFUND OF CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.

(a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to any political party. The maximum refund for an individual must not exceed \$50 and, for a married couple filing jointly, must not exceed \$100. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the party chair, after the contribution was received. The receipt forms must be numbered, and the data on the receipt that are not public must be made available to the ethical practices board upon its request. A claim must be filed with the commissioner not sooner than January 1 of the calendar year in which the contribution is made and no later than April 15 of the calendar year following the calendar year in which the contribution is made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution is made must include interest at the rate specified in section 270.76.

(b) No refund is allowed under this subdivision for a contribution to any candidate unless the candidate:

(1) has signed an agreement to limit campaign expenditures as provided in section 10A.322 or 10A.43;

(2) is seeking an office for which voluntary spending limits are specified in section 10A.25 or 10A.43; and

(3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditure of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major or minor party" includes the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

"Candidate" means a congressional candidate as defined in section 10A.41, subdivision 4, or a candidate as defined in section 10A.01, subdivision 5, except a candidate for judicial office.

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

(f) The commissioner shall report to the ethical practices board by August 1 of each year a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.

(g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

Sec. 51. REPEALER.

Minnesota Statutes 1992, sections 10A.27, subdivision 6; 10A.31, subdivisions 8 and 9; 488A.021, subdivision 3; and 488A.19, subdivision 2, are repealed.

Sec. 52. TRANSITION.

Subdivision 1. ELECTION CYCLE. Notwithstanding section 1, the first election cycle begins the day following final enactment of this act and concludes on December 31 following the next general election for the respective offices listed in Minnesota Statutes, section 10A.27, subdivision 1, clauses (a) to (e).

Subd. 2. CONTRIBUTION LIMITS. Contributions to a candidate that were made before the effective date of this act and were lawful when made need not be refunded, even though they exceed the new limit on contributions in section 10A.27, subdivision 1.

Subd. 3. EXPENDITURE LIMITS. All spending limit agreements filed with the ethical practices board before the effective date of this act become void September 1, 1993, and all eligibility for continued public subsidies under Minnesota Statutes, chapter 10A or 290, is ended on that date. The new expenditure limits and eligibility for a public subsidy under this act apply to candidates who sign and file with the ethical practices board a new spending limit agreement under this act after its effective date.

Subd. 4. INFLATION FREEZE. The expenditure limits in Minnesota Statutes 1992, section 10A.25, subdivision 2, must not be adjusted for inflation for the 1994 election year. The inflation adjustment under Minnesota Statutes 1992, section 10A.255, must resume for the 1996 election year, but omitting any inflation attributable to the period between December 1991 and December 1993.

Sec. 53. EFFECTIVE DATE.

New language is indicated by underline, deletions by ~~strikeout~~.

This act is effective the day following final enactment, except that section 19 is effective December 31, 1993, section 28 is effective June 1, 1993, and sections 46 and 47 are effective January 1, 1994.

Presented to the governor May 17, 1993

Signed by the governor May 20, 1993, 10:58 a.m.

CHAPTER 319—H.F.No. 1523

An act relating to insurance; regulating life insurance and annuity contracts; establishing and regulating the life and health guaranty association; providing for its powers and duties; amending Minnesota Statutes 1992, section 61A.02, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 61B.04; 61B.05; 61B.06; 61B.07; 61B.08; 61B.09; 61B.10; 61B.11; 61B.12; 61B.13; 61B.14; 61B.15; and 61B.16.

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

Section 1. Minnesota Statutes 1992, section 61A.02, subdivision 2, is amended to read:

Subd. 2. **APPROVAL REQUIRED.** No policy of life insurance or annuity contract nor any rider of any kind or description which is made a part thereof shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, until the form of the same has been approved by the commissioner. In making a determination under this section, the commissioner may require the insurer to provide rates and advertising materials related to policies or contracts issued or delivered in this state.

Sec. 2. Minnesota Statutes 1992, section 61A.02, subdivision 3, is amended to read:

Subd. 3. **DISAPPROVAL.** The commissioner shall, within 60 days after the filing of any form, disapprove the form:

(1) if the benefits provided are unreasonable in relation to the premium charged;

(2) if the safety and soundness of the company would be threatened by the offering of an excess rate of interest on the policy or contract;

(3) if it contains a provision or provisions which are unlawful, unfair, inequitable, misleading, or encourages misrepresentation of the policy; or

~~(3)~~ (4) if the form, or its provisions, is otherwise not in the public interest. It shall be unlawful for the company to issue any policy in the form so disap-

New language is indicated by underline, deletions by ~~strikeout~~.