

(2) the application alleges an immediate and present danger to the physical safety of the child in the home of the parent.

Sec. 2. Minnesota Statutes 1998, section 518.158, subdivision 2, is amended to read:

Subd. 2. **EMERGENCY CUSTODY HEARING.** If the parent seeks to remove the child from the home of the relative or if the relative seeks to remove the child from the home of the parent and the applicable factors in subdivision 1 exist, the relative may apply for an ex parte temporary order for custody of the child. The application must include an affidavit made under oath that states with particularity the specific facts and circumstances on which the application is based. The court shall grant temporary custody if it finds, based on the application, that the applicable factors in subdivision 1 exist. If it finds that the factors in subdivision 1 do not exist, the court shall order that the child be returned to or remain with the parent. An ex parte temporary custody order under this subdivision is effective for a fixed period not to exceed 14 days. A temporary custody hearing under this chapter must be set for not later than seven days after issuance of the ex parte temporary custody order, except that if the ex parte temporary custody order is based on the grounds under subdivision 1, paragraph (b), clause (2), the temporary custody hearing must be set for not later than 72 hours, excluding Saturdays, Sundays, and holidays, after issuance of the order. The parent must be promptly served with a copy of the ex parte order and the petition and notice of the date for the hearing.

Presented to the governor May 21, 1999

Signed by the governor May 24, 1999, 9:56 a.m.

## CHAPTER 220—S.F.No. 145

*An act relating to ethics in government; clarifying and simplifying the law related to lobbyist registration, conflicts of interest, and campaign finance; eliminating invalid provisions; amending Minnesota Statutes 1998, sections 10A.01; 10A.02, as amended; 10A.03; 10A.04; 10A.05; 10A.06; 10A.065, subdivisions 1, 1a, and 3; 10A.08; 10A.09; 10A.10; 10A.11; 10A.12; 10A.13; 10A.14; 10A.15; 10A.16; 10A.17; 10A.18; 10A.19; 10A.20; 10A.22, subdivisions 6 and 7; 10A.23; 10A.24; 10A.241; 10A.242; 10A.25; 10A.255, subdivisions 1 and 3; 10A.265; 10A.27; 10A.275, subdivision 1; 10A.28; 10A.29; 10A.30, subdivision 1; 10A.31; 10A.315; 10A.321; 10A.322; 10A.323; 10A.324, subdivisions 1 and 3; 10A.34; 200.02, by adding a subdivision; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1998, sections 10A.065, subdivision 5; 10A.22, subdivisions 1, 4, and 5; 10A.255, subdivision 2; 10A.275, subdivisions 2 and 3; 10A.324, subdivisions 2 and 4; 10A.325; 10A.335; 10A.40; 10A.41; 10A.42; 10A.43; 10A.44; 10A.45; 10A.46; 10A.47; 10A.48; 10A.49; 10A.50; and 10A.51.*

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

Section 1. Minnesota Statutes 1998, section 10A.01, is amended to read:

### 10A.01 DEFINITIONS.

Subdivision 1. **SCOPE APPLICATION.** For the purposes of sections 10A.01 to 10A.34, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.

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

Subd. 2. **ADMINISTRATIVE ACTION.** "Administrative action" means an action by any official, board, commission or agency of the executive branch to adopt, amend, or repeal a rule pursuant to under chapter 14. "Administrative action" does not include the application or administration of an adopted rule, except in cases of rate setting, power plant and powerline siting, and granting of certificates of need ~~under chapter 116F section 216B.243.~~

Subd. 3. **ASSOCIATION.** "Association" means ~~business, corporation, firm, partnership, committee, labor organization, club, or any other~~ a group of two or more persons, ~~which includes more than~~ who are not all members of an immediate family, acting in concert.

Subd. 4. **ASSOCIATED BUSINESS.** "Associated business" means any an association ~~in connection with~~ from which the individual is compensated receives compensation in excess of \$50, except for actual and reasonable expenses, in any month as a director, officer, owner, member, partner, employer or employee, or is a holder of whose securities the individual holds worth \$2,500 or more at fair market value.

Subd. 5. **CANDIDATE.** "Candidate" means an individual who seeks nomination or election to ~~any statewide or legislative office for which reporting is not required under federal laws.~~ The term candidate shall also include an individual who seeks nomination or election to ~~supreme court, court of appeals, or district court judgeships of the~~ as a state constitutional officer, legislator, or judge. An individual ~~shall be~~ is deemed to seek nomination or election if the individual has taken the action necessary under the law of ~~the~~ this state of Minnesota to qualify for nomination or election, has received contributions or made expenditures in excess of \$100, or has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100, for the purpose of bringing about the individual's nomination or election. A candidate remains a candidate until the candidate's principal campaign committee is dissolved as provided in section 10A.24.

Subd. 6. **BOARD.** "Board" means the state campaign finance and public disclosure board.

Subd. 7. **CONTRIBUTION.** (a) "Contribution" means a transfer of funds money, a negotiable instrument, or a donation in kind that is given to a political committee, political fund, principal campaign committee, or party unit.

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

~~A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.~~

(c) "Contribution" does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political

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

committee or political fund, principal campaign committee, or party unit, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 7a. **TRANSFER OF FUNDS.** "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question.

Subd. 7b. **DONATION IN KIND.** "Donation in kind" means anything of value that is given, other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question. Donation in kind includes An approved expenditure is a donation in kind.

Subd. 8. **DEPOSITORY.** "Depository" means any a bank, savings association, or credit union, organized under federal or state law and transacting business within Minnesota this state.

Subd. 9. **ELECTION.** "Election" means a primary, special primary, general, or special election.

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.

Subd. 10. **CAMPAIGN EXPENDITURE.** "Campaign expenditure" or "expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question.

An expenditure is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

Except as provided in clause (a) (1), "expenditure" includes the dollar value of a donation in kind.

"Expenditure" does not include:

(a) (1) noncampaign disbursements as defined in subdivision 10c;

(b) ~~Transfers as defined in subdivision 7a;~~

(c) (2) services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee, or political fund, principal campaign committee, or party unit; or

(d) (3) the publishing or broadcasting of news items or editorial comments by the news media.

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

Subd. 10a. **APPROVED EXPENDITURE.** "Approved expenditure" means an expenditure made on behalf of a candidate by an entity other than the principal campaign committee of ~~that the candidate, which if the~~ that the candidate, which if the expenditure 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 ~~that the candidate, the candidate's principal campaign committee, or the candidate's agent.~~ that the candidate, the candidate's principal campaign committee, or the candidate's agent. An approved expenditure is a contribution to that candidate.

Subd. 10b. **INDEPENDENT EXPENDITURE.** "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, ~~which if the~~ which if the 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.

Subd. 10c. **NONCAMPAIGN DISBURSEMENT.** "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, ~~or a donation in kind received, by a political committee, political fund, or principal campaign committee for any of the following purposes:~~ or a donation in kind received, by a political committee, political fund, or principal campaign committee for any of the following purposes:

- (a) (1) payment for accounting and legal services;
- (b) (2) return of a contribution to the source;
- (c) (3) repayment of a loan made to the ~~political committee, political fund, or principal campaign committee by that committee or fund;~~ political committee, political fund, or principal campaign committee by that committee or fund;
- (d) (4) return of a public subsidy;
- (e) (5) payment for food, beverages, entertainment, and facility rental for a fundraising event;
- (f) (6) 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 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);~~ a donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f);
- (h) (7) payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities;
- (i) (8) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;
- (j) (9) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;
- (k) (10) costs of child care for the candidate's children when campaigning;
- (l) (11) fees paid to attend a campaign school;

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

~~(m)~~ (12) 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)~~ (13) interest on loans paid by a principal campaign committee on outstanding loans;

~~(o)~~ (14) filing fees;

~~(p)~~ (15) post-general election thank-you notes or advertisements in the news media;

~~(q)~~ (16) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;

~~(r)~~ transfers (17) contributions to a party unit as defined in section 10A.275, subdivision 3; and

~~(s)~~ (18) 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.

A noncampaign disbursement is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services.

Subd. 11. **LOBBYIST.** (a) "Lobbyist" means an individual:

(1) engaged for pay or other consideration, or authorized to spend money by another individual, association, political subdivision, or public higher education system, who spends more than five hours in any month or more than \$250, not including the individual's own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action, or the official action of a metropolitan governmental unit, by communicating or urging others to communicate with public or local officials; or

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

(b) "Lobbyist" does not include:

(1) a public official;

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

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or adminis-

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

trative action, or the official action of a metropolitan governmental unit other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a metropolitan governmental unit, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of metropolitan governmental units;

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

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

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

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

(9) a stockholder of a family farm corporation as defined in section 500.24, subdivision 2, who does not spend over \$250, excluding the stockholder's own travel expenses, in any year in communicating with public officials; or

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

Subd. 12. **MAJOR POLITICAL PARTY.** "Major political party" means a major political party as defined in section 200.02, subdivision 7.

Subd. 13. **MINOR POLITICAL PARTY.** "Minor political party" means ~~any party other than a major~~ a minor political party: as defined in section 200.02, subdivision 23.

(a) ~~Under whose name in the last applicable general election a candidate filed for legislative office and received not less than ten percent of the vote for that office, or filed for statewide office; or~~

(b) ~~Which files a petition with the secretary of state containing the names of 2,000 individuals registered to vote in Minnesota and declaring that the signers desire that the party be eligible to receive money from the state elections campaign fund in the same manner as a major political party.~~

For the purposes of this chapter, all individuals who are eligible to vote in areas where there is no permanent system of registration shall be considered registered voters.

Subd. 15. **POLITICAL COMMITTEE.** "Political committee" means ~~any~~ an association as defined in subdivision 3 whose major purpose is to influence the nomination or election of a candidate or to promote or defeat a ballot question.

"Political committee" includes a major political party as defined in subdivision 12, a minor political party as defined in subdivision 13, and ~~any~~ other than a principal campaign committee formed pursuant to section 10A.19 or a political party unit.

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

Subd. 16. **POLITICAL FUND.** "Political fund" means any an accumulation of dues or voluntary contributions by an association other than a political committee, which principal campaign committee, or party unit, if the accumulation is collected or expended for the purpose of influencing to influence the nomination or election of a candidate or for the purpose of promoting to promote or defeating defeat a ballot question.

Subd. 17. **POLITICAL PARTY.** "Political party" means either a major political party or a minor political party. A political party is the aggregate of all its political party units in this state.

Subd. 17a. **POLITICAL PARTY UNIT.** "Political party unit" or "party unit" means the state committee or the party organization within a house of the legislature, congressional district, county, legislative district, municipality, or precinct.

Subd. 17b. **PRINCIPAL CAMPAIGN COMMITTEE.** "Principal campaign committee" means a principal campaign committee formed under section 10A.19.

Subd. 18. **PUBLIC OFFICIAL.** "Public official" means any:

(a) (1) member of the legislature;

(2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;

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

(c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;

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

(d) (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as designated pursuant to listed in section 15.01 or 15.06;

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

(e) (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules or adjudicate contested cases;

(f) (8) executive director of the state board of investment;

(g) executive director of the Indian affairs intertribal board;

(h) commissioner of the iron range resources and rehabilitation board;

(i) commissioner of mediation services;

(j) (9) deputy of any official listed in clauses (e) to (i) (7) and (8);

(k) (10) judge of the workers' compensation court of appeals;

(l) (11) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of economic security;

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

- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (o) (12) member, regional administrator, division director, general counsel, or operations manager of the metropolitan council;
- (13) member or chief administrator of a metropolitan agency;
- ~~(p) the director of the racing commission, the director of the gambling control board, the director of the state lottery, and the deputy director of the state lottery;~~
- ~~(q) (14) director of the division of alcohol and gambling enforcement in the department of public safety;~~
- ~~(r) (15) member or executive director of the higher education facilities authority;~~
- ~~(s) (16) member of the board of directors or president of the Minnesota world trade center corporation; or~~
- ~~(t) member or chief administrator of a metropolitan agency Minnesota Technology, Inc.; or~~
- (17) member of the board of directors or executive director of the Minnesota state high school league.

**Subd. 19. OFFICE HOLDER.** “Office holder” means an individual who holds any statewide or legislative office, ~~except a federal office for which candidates are required to report under federal laws, state supreme court justice, and judges of the court of appeals or district court.~~

**Subd. 20. ADVANCE OF CREDIT.** “Advance of credit” means any money owed for goods provided or services rendered. An advance of credit is an expenditure or a non-campaign disbursement in the year in which the goods or services are used or consumed. “Advance of credit” does not mean a loan as defined in subdivision 21.

**Subd. 21. LOAN.** “Loan” means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee, or party unit.

**Subd. 22. FINANCIAL INSTITUTION.** “Financial institution” means a lending institution chartered by an agency of the federal government or regulated by the commissioner of commerce.

**Subd. 23. BALLOT QUESTION.** “Ballot question” means a question or proposition ~~which~~ that is placed on the ballot and ~~which~~ that may be voted on by all voters of the state. “Promoting or defeating a ballot question” includes activities related to qualifying the question for placement on the ballot.

**Subd. 24. STATE COMMITTEE.** “State committee” means the organization ~~which~~ that, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the political party at the state level.

**Subd. 25. LOCAL OFFICIAL.** “Local official” means a person who holds elective office in a political subdivision or who is appointed to or employed in a public position in

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

a political subdivision in which the person has authority to make, to recommend, or to vote on as a member of the governing body, major decisions regarding the expenditure or investment of public money.

Subd. 26. **METROPOLITAN GOVERNMENTAL UNIT.** "Metropolitan governmental unit" means any of the seven counties in the metropolitan area as defined in section 473.121, subdivision 2, a regional railroad authority established by one or more of those counties under section 398A.03, a city with a population of over 50,000 located in the seven-county metropolitan area, the metropolitan council, or a metropolitan agency as defined in section 473.121, subdivision 5a; the Minnesota state high school league; and Minnesota Technology, Inc.

Subd. 27. **POLITICAL SUBDIVISION.** "Political subdivision" means the metropolitan council, a metropolitan agency as defined in section 473.121, subdivision 5a, or a municipality as defined in section 471.345, subdivision 1; the Minnesota state high school league; and Minnesota Technology, Inc.

Subd. 28. **PRINCIPAL.** "Principal" means an individual or association that:

(1) spends more than \$500 in the aggregate in any calendar year to engage a lobbyist, compensate a lobbyist, or authorize the expenditure of money by a lobbyist; or

(2) is not included in clause (1) and spends a total of at least \$50,000 in any calendar year on efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units, as described in section 10A.04, subdivision 6.

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. 2. Minnesota Statutes 1998, section 10A.02, as amended by Laws 1999, chapter 1, section 1, is amended to read:

#### 10A.02 BOARD OF CAMPAIGN FINANCE AND PUBLIC DISCLOSURE.

Subdivision 1. **MEMBERSHIP.** ~~There is hereby created a state~~ The campaign finance and public disclosure board is composed of six members. The ~~members shall be appointed by the governor shall appoint the members with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. If either house fails to confirm the appointment of a board member within 45 legislative days after appointment or by adjournment sine die, whichever occurs first, the appointment shall terminate on the day following the 45th legislative day or on adjournment sine die, whichever occurs first. If either house votes not to confirm an appointment, the appointment terminates on the day following the vote not to confirm. Two members shall must be former members of the legislature who support different political parties; two members shall must be persons who have not been public officials, held any political party office other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years preceding the date of their appointment; and the other two members shall must support different political parties. No more than three of the members of the board shall may support the same political party. No member of the board may currently serve as a lobbyist.~~

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

Subd. 2. **VACANCY; TERMS.** ~~Any~~ An appointment to fill a vacancy shall be ~~is~~ made only for the unexpired term of a member who is being replaced and the appointee shall must meet the same stated qualifications as the member being replaced. The membership terms, compensation, and removal of members on the board shall be are as provided in section 15.0575, except that the extension of terms and the filling of vacancies shall be are subject to the advice and consent of the legislature in the same manner as provided in subdivision 1.

Subd. 3. **VOTE REQUIRED.** The concurring vote of four members of the board shall be is required to decide any matter before the board.

Subd. 4. **OFFICERS.** The board shall elect from among its members a chair, ~~and~~ a vice-chair and a secretary. The secretary shall keep a record of all proceedings and actions by the board. Meetings of the board shall be are at the call of the chair or at the call of any four members of the board acting together.

Subd. 5. **EXECUTIVE DIRECTOR; STAFF.** The board shall appoint an executive director who shall be. The executive director is in the unclassified service. The executive director serves as secretary of the board and shall keep a record of all proceedings and actions by the board. The board may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer this chapter, subject to appropriation. The executive director and all other employees shall serve at the pleasure of the board. Expenses of the board shall must be approved by the chair or ~~such other another~~ member as the rules of the board may provide and the expenses shall must then be paid in the same manner as other state expenses are paid.

Subd. 7. **POLITICAL ACTIVITY.** All members and employees of the board shall be are subject to any provisions of law regulating political activity by state employees. In addition, no member or employee of the board shall may be a candidate for, or holder of, ~~(a)~~ (1) a national, state, congressional district, legislative district, county, or precinct office in a political party, or ~~(b)~~ (2) an elected public office for which party designation is required by statute.

Subd. 8. **DUTIES.** (a) The board shall:

(a) report at the close of each fiscal year to the legislature, the governor, and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ, and the money it has disbursed. The board shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) The board shall prescribe forms for statements and reports required to be filed under this chapter and make the forms available to individuals required to file them;

(c) The board shall make available to the individuals required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) The board shall develop a filing, coding, and cross-indexing system consistent with the purposes of this chapter;

(e) The board shall make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they

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

were received. ~~Any~~ An individual may copy a report or statement by hand or by duplicating machine and the board shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any individual or association for any commercial purpose. "Commercial purpose" does not include purposes related to elections, political activities, or law enforcement. Any individual or association violating the provisions of this clause may be subject to a civil penalty of up to \$1,000. An individual who knowingly violates this subdivision is guilty of a misdemeanor;

(f) ~~Notwithstanding the provisions of section 138.163, the board shall preserve reports and statements for a period of five years from the date of receipt;~~

(g) The board shall compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and.

(h) The board shall prepare and publish reports as it may deem considers appropriate.

**Subd. 9. DOCUMENTS; INFORMATION.** ~~The executive director of the board or the director's staff shall inspect all material filed with the board as promptly as is necessary to comply with the provisions of this chapter, and other provisions of law requiring the filing of a document with the board. The executive director shall immediately notify the individual required to file a document with the board if a written complaint is filed with the board by any registered voter alleging, or it otherwise appears, that a document filed with the board is inaccurate or does not comply with the provisions of this chapter, or that the individual has failed to file a document required by this chapter. The executive director and staff may provide an individual required to file a document under this chapter with factual information concerning the limitations on corporate campaign contributions imposed by section 211B.15.~~

**Subd. 10. AUDITS AND INVESTIGATIONS.** ~~The board may make audits and investigations with respect to statements and reports which that are filed or which that should have been filed under the provisions of this chapter. In all matters relating to its official duties, the board shall have has the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the board may apply to the district court of Ramsey county for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.~~

**Subd. 11. VIOLATIONS; ENFORCEMENT.** ~~(a) The board may investigate any alleged violation of this chapter. The board shall investigate any violation which that is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written, except that if the complaint alleging alleges a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of after the filing of the complaint. The deadline for action on any a written complaint may be extended by majority vote of the board.~~

(b) ~~Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that the individual or association of the fact of the investigation. The board shall not make no a finding of whether or not there is probable~~

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

cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations.

Any (c) A hearing or action of the board concerning any a complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be is confidential. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(a) No (1) a member, employee, or agent of the board shall not disclose to any an individual any information obtained by that member, employee, or agent concerning any a complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter; and

(b) Any (2) an individual who discloses information contrary to the provisions of this subdivision shall be is guilty of a misdemeanor.

(d) Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities.

Subd. 11a. **DATA PRIVACY.** If, after making a public finding concerning probable cause or entering a conciliation agreement, the board determines that the record of the investigation contains statements, documents, or other matter which that, if disclosed, would unfairly injure the reputation of an innocent individual, the board may:

(a) (1) retain any such the statement, document, or other matter as a private record, as "private" is defined in section 13.02, subdivision 12, for a period of one year, after which it shall must be destroyed; or

(b) (2) return any such the statement, document, or other matter to the individual who supplied it to the board.

Subd. 12. **ADVISORY OPINIONS.** (a) The board may issue and publish advisory opinions on the requirements of this chapter based upon real or hypothetical situations. An application for an advisory opinion may be made only by an individual or association who wishes to use the opinion to guide the individual's or the association's own conduct. The board shall issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the board agrees to extend the time limit.

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

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

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

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

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

(c) A request for an opinion and the opinion itself are nonpublic data. The board, however, may publish an opinion or a summary of an opinion, but may not include in the publication the name of the requester, the name of a person covered by a request from an agency or political subdivision, or any other information that might identify the requester, unless the person consents to the inclusion.

Subd. 12a. **ADVISORY OPINIONS; RULES.** If the board intends to apply principles of law or policy announced in an advisory opinion issued under subdivision 12 more broadly than to the individual or association to whom the opinion was issued, the board must adopt these principles or policies as rules under chapter 14.

Subd. 13. **RULES.** ~~The provisions of Chapter 14 apply~~ applies to the board. The board may adopt rules to carry out the purposes of this chapter.

Subd. 14. **LEGAL SERVICES.** Notwithstanding ~~the provisions of section 8.15,~~ the board must not be assessed the cost of legal services rendered to it by the attorney general's office.

### Sec. 3. **[10A.025] FILING DATE.**

If a scheduled filing date under this chapter falls on a Saturday, Sunday, or legal holiday, the filing date is the next regular business day.

Sec. 4. Minnesota Statutes 1998, section 10A.03, is amended to read:

### 10A.03 **LOBBYIST REGISTRATION.**

Subdivision 1. **FILING OF FIRST REGISTRATION FORM.** ~~Each~~ A lobbyist shall file a registration form with the board within five days after becoming a lobbyist.

Subd. 2. **CONTENTS OF FORM.** The board shall prescribe a registration form ~~shall be prescribed by the board and shall,~~ which must include:

(a) (1) the name and address of the lobbyist;

(b) (2) the principal place of business of the lobbyist;

(c) (3) the name and address of each ~~person~~ individual, association, political subdivision, or public higher education system, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears; and

(d) (4) a general description of the subject or subjects on which the lobbyist expects to lobby.

If the lobbyist lobbies on behalf of an association, the registration form shall must include the name and address of the officers and directors of the association.

Subd. 3. **NOTICE; LATE FILING FAILURE TO FILE.** The board shall notify by certified mail or personal service any lobbyist who ~~fails to file a registration form within five days after becoming a lobbyist.~~ If a lobbyist fails to file a form within seven days after receiving this notice, the board may impose a late filing fee ~~at~~ of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a form within 21 days of receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the form. A lobbyist who knowingly fails to file a form within seven days after receiving a second notice from the board is guilty of a misdemeanor.

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

Sec. 5. Minnesota Statutes 1998, section 10A.04, is amended to read:

**10A.04 LOBBYIST REPORTS.**

Subdivision 1. **REPORTS REQUIRED.** ~~Each~~ A lobbyist shall file reports of the lobbyist's activities with the board as long as the lobbyist continues to lobby. A lobbyist may file a termination statement at any time after ceasing to lobby.

Subd. 2. **TIME OF REPORTS.** Each report ~~shall~~ must cover the time from the last day of the period covered by the last report to 15 days prior to ~~before~~ the current filing date. The reports ~~shall~~ must be filed with the board by the following dates:

- (a) (1) January 15;
- (b) (2) April 15; and
- (c) (3) July 15.

Subd. 3. **INFORMATION SUPPLIED TO LOBBYIST.** ~~Each person or association~~ An employer or employee about whose activities a lobbyist is required to report shall provide the information required by sections 10A.03 to 10A.05 subdivision 4 to the lobbyist no later than five days before the prescribed filing date.

Subd. 4. **CONTENT.** (a) ~~The~~ A report ~~shall~~ under this section must include such information as the board ~~may require~~ requires from the registration form and the information required by this subdivision for the reporting period.

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

(c) ~~Each~~ A lobbyist shall report the amount and nature of each ~~honorarium, gift, loan, item, or benefit,~~ excluding contributions to a candidate, equal in value to \$5 or more, given or paid to any ~~public or local official,~~ as defined in section 10A.071, subdivision 1, by the lobbyist or any employer or any employee of the lobbyist. The list shall ~~must~~ include the name and address of each ~~public or local official~~ to whom the ~~honorarium, gift, loan, item, or benefit~~ was given or paid and the date it was given or paid. ~~A lobbyist need report only the aggregate amount and nature of food or beverages given or made available to all members of the legislature or a house of the legislature or to all members of a local legislative body, along with the name of the legislative body and the date it was given or made available.~~

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

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

Subd. 4a. **STATEMENT IN LIEU OF REPORT.** If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item or benefit equal in value to \$50 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The January 15 report shall include all previously unreported disbursements, even though the total for the year is not over \$100.

Subd. 5. **LATE FILING.** The board shall notify by certified mail or personal service any lobbyist who fails after seven days after a filing date imposed by this section to file a report or statement required by this section. If a lobbyist fails to file a report within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a report within 21 days after receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the report. A lobbyist who knowingly fails to file such a report or statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Subd. 6. **LOBBYIST AND PRINCIPAL REPORTS.** (a) ~~Each~~ A principal shall report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) ~~Each~~ The principal shall report which of the following categories includes the total amount, rounded to the nearest dollar, spent by the principal during the preceding calendar year to influence legislative action, administrative action, and the official action of metropolitan governmental units:

- (1) \$501 to \$50,000;
- (2) \$50,001 to \$150,000; or
- (3) \$150,001 to \$250,000.

(c) Beyond \$250,000, each additional \$250,000 constitutes an additional category, and each principal shall report which of the categories includes the total amount spent by the principal for the purposes provided in this subdivision.

(d) The principal shall report under this subdivision a total amount that includes:

- (1) all direct payments by the principal to lobbyists in Minnesota this state;
- (2) all expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, or the official action of metropolitan governmental units in Minnesota this state; and
- (3) all salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units in Minnesota this state.

Subd. 7. **FINANCIAL RECORDS.** The board may randomly audit the financial records of lobbyists and principals required to report under this section.

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

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, 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 1998, section 10A.05, is amended to read:

**10A.05 LOBBYIST REPORT.**

Within 30 days after each lobbyist filing date set by section 10A.04, the executive director of the board shall report to the governor, and the presiding officer of each house of the legislature, publish the names of the lobbyists registered who were not previously reported, the names of the persons or individuals, associations, political subdivisions, or public higher education systems whom they represent as lobbyists, the subject or subjects on which they are lobbying, and whether in each case they lobby to influence legislative or action, administrative action or both. At the same times, the executive director of the board shall report to the governing body of each metropolitan governmental unit, the names of the registered lobbyists who attempt to influence the official action of metropolitan governmental units, the names of the persons or associations whom they represent as lobbyists, and the subject or subjects on which they are lobbying, or the official action of a metropolitan governmental unit.

Sec. 7. Minnesota Statutes 1998, section 10A.06, is amended to read:

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

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

Sec. 8. Minnesota Statutes 1998, section 10A.065, subdivision 1, is amended to read:

Subdivision 1. **REGISTERED LOBBYIST CONTRIBUTIONS; DURING 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, any committee authorized by the candidate, or a political committee or party unit 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 a candidate's principal campaign committee, any other political committee with the candidate's name or title, 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, or from a party unit established by the party organization within a house of the legislature, during a regular session of the legislature.

Sec. 9. Minnesota Statutes 1998, section 10A.065, subdivision 1a, is amended to read:

Subd. 1a. **PARTY UNIT SOLICITATIONS.** A political party unit shall not solicit or receive at an event hosted by a candidate for the legislature or by a candidate for consti-

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

tutional office a contribution from a lobbyist, political committee, ~~or~~ political fund, or party unit during a regular session of the legislature.

Sec. 10. Minnesota Statutes 1998, section 10A.065, subdivision 3, is amended to read:

Subd. 3. **CIVIL PENALTY.** A candidate ~~or~~ political committee, or party unit that violates this section is subject to a civil fine of up to \$500. If the board makes a public finding that there is probable cause to believe a violation of this section has occurred, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county, to ~~impose~~ collect a civil fine as ~~prescribed~~ imposed by the board. Fines paid under this section must be deposited in the general fund in the state treasury.

Sec. 11. Minnesota Statutes 1998, section 10A.08, is amended to read:

#### 10A.08 REPRESENTATION DISCLOSURE.

Any A public official who represents a client for a fee before ~~any~~ an individual, board, commission, or agency that has rule making authority in a hearing conducted under chapter 14, shall disclose the official's participation in the action to the board within 14 days after the appearance. The board shall notify by certified mail or personal service any public official who fails to disclose the participation within 14 days after the appearance. If the public official fails to disclose the participation within seven days of this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice.

Sec. 12. Minnesota Statutes 1998, section 10A.09, is amended to read:

#### 10A.09 STATEMENTS OF ECONOMIC INTEREST.

Subdivision 1. **TIME FOR FILING.** Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the board:

(1) within 60 days of accepting employment as a public official or a local official in a metropolitan governmental unit;

(2) within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective ~~public~~ state office or an elective local office in a metropolitan governmental unit;

(3) in the case of a public official requiring the advice and consent of the senate, within 14 days after undertaking the duties of office; or

(4) in the case of members of the Minnesota racing commission, the director of the Minnesota racing commission, chief of security, medical officer, inspector of pari-mutuels, and stewards employed or approved by the commission or persons who fulfill those duties under contract, within 60 days of accepting or assuming duties.

Subd. 2. **NOTIFICATION NOTICE TO BOARD.** The secretary of state or the appropriate county auditor, upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public or local official required by

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

this section to file a statement of economic interest, shall notify the board of the name of the individual required to file a statement and the date of the affidavit, petition, or nomination.

Subd. 3. **NOTICE OF FILING.** The board shall notify the secretary of state or the appropriate county auditor and, when necessary in the case of appointive office, the presiding officer of the house that will approve or disapprove the nomination, of the name of the individual who has filed a statement of economic interest with the board, a copy of the statement, and the date on which the statement was filed.

Subd. 5. **FORM.** A statement of economic interest required by this section shall must be on a form prescribed by the board. The individual filing shall provide the following information:

(a) (1) name, address, occupation, and principal place of business;

(b) (2) the name of each associated business and the nature of that association;

(c) (3) a listing of all real property within the state, excluding homestead property, in which the individual holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which if the interest is valued in excess of \$2,500; or (ii) an option to buy, which if the property has a fair market value of \$50,000 or more;

(d) (4) a listing of all real property within the state in which a partnership of which the individual is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the individual's share of the partnership interest is valued in excess of \$2,500; or (ii) an option to buy, which if the property has a fair market value of \$50,000 or more. Any A listing under clause (c) (3) or (d) shall (4) must indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein in which the property is located; and

(e) (5) a listing of any investments, ownership, or interests in property connected with pari-mutuel horse racing in the United States and Canada, including a race horse, in which the individual directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest.

Subd. 6. **SUPPLEMENTARY STATEMENT.** Each individual who is required to file a statement of economic interest shall file a supplementary statement on April 15 of each year that the individual remains in office if information on the most recently filed statement has changed. The supplementary statement, if required, shall must include the amount of each honorarium in excess of \$50 received since the previous statement, together with and the name and address of the source of the honorarium. The board shall maintain a statement of economic interest submitted by an officeholder shall be filed in the same file with the statement submitted as a candidate.

Subd. 6a. **LOCAL OFFICIALS.** A local official required to file a statement under this section shall file it with the governing body of the official's political subdivision. The governing body shall maintain statements filed with it under this subdivision as public data.

Subd. 7. **LATE FILING.** The board shall notify by certified mail or personal service any individual who fails within the prescribed time to file a statement of economic

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

interest required by this section. If an individual fails to file a statement within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file a statement. An individual who fails to file a statement within seven days after a second notice is guilty of a misdemeanor.

Subd. 8. **FAILURE TO FILE; SUSPENSION.** ~~Any~~ A public official, except a member of the legislature or a constitutional officer, who is required to file a statement of economic interest and fails to do so by the prescribed deadline ~~shall~~ must be suspended without pay by the board in the manner prescribed in the contested case procedures in chapter 14.

Sec. 13. Minnesota Statutes 1998, section 10A.10, is amended to read:

**10A.10 PENALTY FOR FALSE STATEMENTS.**

A report or statement required to be filed by ~~sections 10A.02 to 10A.09~~ shall under this chapter must be signed and certified as true by the individual required to file the report. ~~Any~~ An individual who signs and certifies to be true a report or statement knowing it contains false information or who knowingly omits required information is guilty of a gross misdemeanor.

Sec. 14. Minnesota Statutes 1998, section 10A.11, is amended to read:

**10A.11 ORGANIZATION OF POLITICAL COMMITTEES AND PARTY UNITS.**

Subdivision 1. **CHAIR AND TREASURER.** ~~Every~~ A political committee shall, principal campaign committee, or party unit must have a chair and a treasurer. ~~Nothing in this chapter shall prohibit them from being~~ The chair and treasurer may be the same individual.

Subd. 2. **TREASURER VACANCY IN OFFICE OF TREASURER.** ~~No~~ contribution shall be accepted and no expenditure shall be made by or on behalf of A political committee at a time when there is a vacancy in, principal campaign committee, or party unit may not accept a contribution or make an expenditure or permit an expenditure to be made on its behalf while the office of treasurer is vacant.

Subd. 3. **DEPUTY TREASURERS.** The treasurer of a political committee, principal campaign committee, or party unit may appoint as many deputy treasurers as necessary and shall be is responsible for their accounts.

Subd. 4. **DEPOSITORIES.** The treasurer of a political committee, principal campaign committee, or party unit may designate ~~not more than one~~ one or two depositories in each county in which a campaign is conducted.

Subd. 5. **COMMINGLING PROHIBITED.** ~~No~~ funds of A political committee shall be commingled, principal campaign committee, or party unit may not commingle its funds with any personal funds of officers, members, or associates of the committee.

Subd. 7. **PENALTY.** ~~Any~~ A person who knowingly violates the ~~provisions~~ of this section is guilty of a misdemeanor.

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

Sec. 15. Minnesota Statutes 1998, section 10A.12, is amended to read:

**10A.12 POLITICAL FUNDS.**

Subdivision 1. **TRANSFERS MUST BE FROM POLITICAL FUND WHEN REQUIRED.** ~~No~~ An association other than a political committee shall transfer or party unit may not contribute more than \$100 in aggregate in any one year to candidates ~~or~~ political committees, or party units or make any approved or independent expenditure or expenditure to promote or defeat a ballot question unless the ~~transfer~~ contribution or expenditure is made from a political fund.

Subd. 2. **COMMINGLING PROHIBITED.** The contents of a political fund shall ~~may~~ not be commingled with any other funds or with the personal funds of any an officer or member of the fund.

Subd. 3. **TREASURER.** ~~Each~~ An association which that has a political fund shall ~~must~~ elect or appoint a treasurer of the political fund.

Subd. 4. **TREASURER VACANCY IN OFFICE OF TREASURER.** ~~No~~ contributions to the A political fund shall be accepted and no expenditures may not accept a contribution or make an expenditure or transfers contribution from the political fund shall be made while the office of treasurer of the political fund is vacant.

Subd. 5. **DUES OR MEMBERSHIP FEES.** ~~Notwithstanding subdivision 1,~~ any An association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. Pursuant to Under section 10A.20, the treasurer of the fund shall disclose the name of any member whose dues, membership fees, and contributions deposited in the political fund together exceed \$100 in any one year.

Subd. 6. **PENALTY.** ~~Any A~~ person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 16. Minnesota Statutes 1998, section 10A.13, is amended to read:

**10A.13 ACCOUNTS WHICH THAT MUST BE KEPT.**

Subdivision 1. **LIST OF ACCOUNTS; PENALTY.** The treasurer of a political committee ~~or~~ political fund, principal campaign committee, or party unit shall keep an account of:

(a) (1) the sum of all contributions, except any donation in kind valued at \$20 or less, made to the political committee or political, fund, or party unit;

(b) (2) the name and address of each source of a transfer contribution made to the political committee or political, fund, or party unit in excess of \$20, together with the date and amount of each;

(c) The name and address of each source of a donation in kind valued in excess of \$20, together with the date and amount;

(d) (3) each expenditure made by the committee or, fund, or party unit, together with the date and amount;

(e) (4) each approved expenditure made on behalf of the committee or, fund, or party unit, together with the date and amount; and

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

~~(f) (5) the name and address of each political committee or, political fund, principal campaign committee, or party unit to which transfers contributions in excess of \$20 have been made, together with the date and amount.~~

Any individual who knowingly violates any provision of this subdivision is guilty of a misdemeanor.

Subd. 2. **RECEIPTS.** The treasurer shall obtain a receipted bill, stating the particulars, for every expenditure in excess of over \$100 made by, or approved expenditure in excess of over \$100 made on behalf of, a political the committee or political, fund, or party unit, and for any expenditure or approved expenditure in a lesser amount if the aggregate amount of lesser expenditures and approved expenditures made to the same individual or association during any the same year exceeds \$100. ~~The treasurer shall preserve all receipted bills and accounts required to be kept by this section for four years.~~

Sec. 17. Minnesota Statutes 1998, section 10A.14, is amended to read:

**10A.14 REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.**

Subdivision 1. **FIRST REGISTRATION BY TREASURER.** The treasurer of a political committee or, political fund, principal campaign committee, or party unit shall register with the board by filing a statement of organization no later than 14 days after the date upon which the committee or, fund, or party unit has made a contribution, received contributions, or made expenditures in excess of \$100.

Subd. 2. **CONTENTS FORM.** The statement of organization shall must include:

- (a) (1) the name and address of the political committee or political, fund, or party unit;
- (2) the name and address of the chair of a political committee, principal campaign committee, or party unit;
- (b) (3) the name and address of any supporting association of a political fund;
- (c) (4) the name and address of the chair, the treasurer, and any deputy treasurers;
- (d) (5) 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) (6) for political parties the state committee of a political party only, a list of categories of substate its party units as defined in section 10A.27, subdivision 4.

Subd. 4. **NOTICE OF FAILURE TO FILE; PENALTY.** The board shall notify by certified mail or personal service any individual who fails to file a statement required by this section. If an individual fails to file a statement within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that such individual may be subject to a criminal penalty for failure to file the report. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

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

Sec. 18. Minnesota Statutes 1998, section 10A.15, is amended to read:

**10A.15 CONTRIBUTIONS.**

Subdivision 1. **ANONYMOUS CONTRIBUTIONS.** ~~No anonymous contribution in excess of \$20 shall be retained by any~~ A political committee or, political fund, principal campaign committee, or party unit may not retain an anonymous contribution in excess of \$20, but shall be forwarded forward it to the board and deposited for deposit in the general account of the state elections campaign fund.

Subd. 2. **SOURCE OF CONTRIBUTIONS; AMOUNT; DATE.** ~~Every~~ An individual who receives a contribution in excess of \$20 for a political committee or, political fund, principal campaign committee, or party unit shall, on demand of the treasurer, inform the treasurer of the name and, if known, the address of the source of the contribution, together with the amount of the contribution, and the date it was received.

Subd. 3. **DEPOSIT IN ACCOUNT.** ~~All transfers~~ contributions received by or on behalf of any a candidate, principal campaign committee, political committee or, political fund shall, or party unit must be deposited in an account designated "Campaign Fund of ..... (name of candidate, committee or, fund, or party unit)." All transfers shall contributions must be deposited promptly upon receipt and, except for transfers contributions received during the last three days of any a reporting period as described in section 10A.20, shall must be deposited during the reporting period in which they were received. Any transfer A contribution received during the last three days of a reporting period shall must be deposited within 72 hours of after receipt and shall must be reported as received during the reporting period whether or not deposited within that period. Any A candidate, principal campaign committee, political committee, political fund, or party unit may refuse to accept a contribution. A deposited transfer contribution may be returned to the contributor within 60 days of after deposit. A transfer contribution deposited and not returned within 60 days of after that deposit shall be deemed for the purposes of this chapter, to be must be reported as accepted by the candidate, political committee, or political fund.

Subd. 3a. **EXCEEDING CONTRIBUTION LIMITS EXCESS.** ~~No~~ A treasurer of a principal campaign committee of a candidate shall may not deposit any transfer which a contribution that on its face exceeds the limit on contributions to that the candidate prescribed by section 10A.27 unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess.

Subd. 3b. **ATTRIBUTABLE CONTRIBUTIONS.** ~~Contributions made to a candidate or principal campaign committee that are directed to that the candidate or principal campaign committee by a political fund or, committee, or party unit must be reported as attributable to the political fund or, committee, or party unit and count toward the contribution limits of that fund or, committee, or party unit specified in section 10A.27, if the political fund or, committee, or party unit was organized or is operated primarily to direct contributions other than from its own funds money to one or more candidates or principal campaign committees. The treasurer of the political fund or, committee, or party unit shall advise the candidate or the candidate's principal campaign committee if the contribution or contributions are not from the funds money of the political fund or the political, committee, or party unit and the original source of the funds money. As used in this~~

New language is indicated by underline, deletions by strikeout.

subdivision, the term "direct" includes, but is not limited to, order, command, control, or instruct. A violation of this subdivision is a violation of section 10A.29.

Subd. 3c. **RELATED COMMITTEES.** An individual, association, political committee, ~~or political fund, or party unit~~ may establish, finance, maintain, or control a political committee ~~or political fund, or party unit~~. One who does this is a "parent." The political committee ~~or fund, or party unit~~ 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.

Subd. 4. **PENALTY.** ~~Any~~ An individual violating the provisions of this section is guilty of a misdemeanor.

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, or party unit~~ must show the name of the lobbyist, political committee, ~~or political fund, or party unit~~ and the number under which it is registered with the board.

Sec. 19. Minnesota Statutes 1998, section 10A.16, is amended to read:

**10A.16 EARMARKING CONTRIBUTIONS PROHIBITED.**

An individual, political committee, ~~or political fund,~~ principal campaign committee, or party unit 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 other than the initial recipient. An individual, political committee, ~~or political fund~~ who, principal campaign committee, or party unit that knowingly accepts any earmarked contribution is guilty of a gross misdemeanor.

Sec. 20. Minnesota Statutes 1998, section 10A.17, is amended to read:

**10A.17 EXPENDITURES.**

Subdivision 1. **AUTHORIZATION.** ~~No expenditure shall be made by~~ A political committee, political fund, ~~or principal campaign committee,~~ or party unit may not expend money unless it the expenditure is authorized by the treasurer or deputy treasurer of that committee or, fund, or party unit.

Subd. 2. **APPROVED EXPENDITURES WRITTEN AUTHORIZATION.** ~~No~~ An individual or association may not make an approved expenditure of more than \$20 without receiving written authorization as to the amount that may be spent and the purpose of the expenditure from the treasurer of the principal campaign committee of the candidate who approved the expenditure stating the amount that may be spent and the purpose of the expenditure.

Subd. 3. **VOUCHERS FOR PETTY CASH.** The treasurer or deputy treasurer of a political committee, principal campaign committee, or party unit may sign vouchers for petty cash of not more than up to \$100 per week for statewide elections or \$20 per week for legislative elections, to be used for miscellaneous expenditures.

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

Subd. 4. **INDEPENDENT SOLICITATION OR EXPENDITURE EXPENDITURES.** Any An individual, political committee, or political fund who, principal campaign committee, or party unit that independently solicits or accepts contributions or makes independent expenditures on behalf of any a candidate shall publicly disclose that 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 must 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 must be included in all oral communications, 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, principal campaign committee, or party unit on the candidate's behalf.

Subd. 5. **PENALTY.** Any A person who knowingly violates the provisions of subdivision 2 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. 21. Minnesota Statutes 1998, section 10A.18, is amended to read:

**10A.18 TIME FOR RENDERING BILLS WHEN RENDERED AND PAID, CHARGES, OR CLAIMS; PENALTY.**

Every A person who has a bill, charge, or claim against any a political committee or, political fund, principal campaign committee, or party unit for any an expenditure shall render in writing to the treasurer of the committee or, fund, or party unit the bill, charge, or claim within 60 days after the material or service is provided. Failure to so present the bill, charge or claim Violation of this section is a misdemeanor.

Sec. 22. Minnesota Statutes 1998, section 10A.19, is amended to read:

**10A.19 PRINCIPAL CAMPAIGN COMMITTEE.**

Subdivision 1. **SINGLE COMMITTEE.** No A candidate shall not accept contributions from any a source, other than self, in aggregate in excess of \$100 or 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 May 21, 1993, and must be dissolved by December 31, 1993.

Subd. 2. **REPLACEMENT OF OFFICERS.** A candidate may at any time without cause remove and replace the chair, treasurer, deputy treasurer, or any other officer of the candidate's principal campaign committee.

Sec. 23. Minnesota Statutes 1998, section 10A.20, is amended to read:

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

### 10A.20 CAMPAIGN REPORTS.

Subdivision 1. **FIRST FILING; DURATION.** The treasurer of every a political committee and, political fund, principal campaign committee, or party unit shall begin to file the reports required by this section in the first year it receives contributions or makes expenditures in excess of \$100 and shall continue to file until the committee or fund, or party unit is terminated.

Subd. 2. **TIME FOR FILING.** (a) The reports shall must be filed with the board on or before January 31 of each year and additional reports shall must be filed as required and in accordance with ~~clauses (a) paragraphs (b) and (b) (c).~~

(a) (b) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall must be filed 15 days before a primary and ten days before a general election, seven days before a special primary and a special election, and 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) (c) In each general election year, a political ~~committees and committee,~~ political funds ~~other than principal campaign committees fund, or party unit~~ shall file reports ten 15 days before a primary and ten days before a 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.

Subd. 3. **CONTENTS OF REPORT.** Each (a) The report under this section shall must disclose:

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

(b) The report must disclose the name, address, and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year or association that has made one or more transfers or donations in kind contributions to the political committee or political fund reporting entity, including the purchase of tickets for all a fund raising efforts effort, which that in aggregate within the year exceed \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind contribution, and the aggregate amount of transfers and donations in kind contributions within the year from each source so disclosed. A donation in kind shall must be disclosed at its fair market value. An approved expenditure is must be 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 must be listed in alphabetical order; Contributions from the same contributor must be listed under the same name. When a contribution received from a contributor in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of this paragraph, the name, address, and employer, or occupation if self-employed, of the contributor must then be listed on the report.

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

(d) The report must disclose each loan made or received by the political committee or political fund reporting entity within the year in aggregate in excess of \$100, continu-

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

ously 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~~ a loan made to the principal campaign committee of a candidate is forgiven at any time or is repaid by ~~any~~ an entity other than that principal campaign committee, it ~~shall~~ must be reported as a contribution for the year in which the loan was made;.

(e) The report must disclose each receipt in excess of over \$100 during the reporting period not otherwise listed under clauses paragraphs (b) to (d);.

(f) The report must disclose the sum of all receipts of the political committee or political fund reporting entity during the reporting period;.

(g) The report must disclose 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 reporting entity 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 that the expenditure is was intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the candidate's name, address, and office sought for each such candidate; A reporting entity making an expenditure on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report the allocation for each candidate.

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

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

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

(k) The report must disclose the sum of all transfers contributions made by the political committee, political fund, or principal campaign committee reporting entity 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 report must disclose the name and address of each individual or association to whom aggregate noncampaign disbursements have been made that aggregate 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 reporting entity and the amount, date, and purpose of each non-campaign disbursement;.

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

(m) The report must disclose the sum of all noncampaign disbursements made within the year by or on behalf of a principal campaign committee, political committee, or political fund; the reporting entity.

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

(o) 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.

**Subd. 3a. COUNTIES IN LEGISLATIVE DISTRICT.** The reports of a principal campaign committee of a legislative candidate required by this section shall list in a prominent place on the first page of every report each county in which the legislative district lies.

**Subd. 4. PERIOD OF REPORT.** A report shall must cover the period from the last day covered by the previous report to seven days prior to before the filing date, except that the report due on January 31 shall must cover the period from the last day covered by the previous report to December 31.

**Subd. 5. PREELECTION REPORTS.** In any a statewide election any loan, contribution, or contributions from any one source totaling \$2,000 or more, or in any judicial district or legislative election totaling more than \$400, received between the last day covered in the last report prior to before an election and the election shall must be reported to the board in one of the following ways:

- (1) in person within 48 hours after its receipt;
- (2) by telegram or mailgram within 48 hours after its receipt; or
- (3) by certified mail sent within 48 hours after its receipt.

These loans and contributions must also be reported in the next required report.

The 48-hour notice requirement does not apply with respect to a primary if in which the statewide or legislative candidate is unopposed in that primary.

**Subd. 6. REPORT WHEN NO COMMITTEE.** Every A candidate who does not designate and cause to be formed a principal campaign committee, and any an individual who makes independent expenditures or expenditures expressly advocating the approval or defeat of a ballot question in aggregate in excess of \$100 in any a year, shall file with the board a report containing the information required by subdivision 3. Reports required by this subdivision shall must be filed on the dates on which reports by committees and funds, and party units are filed.

**Subd. 6a. STATEMENT OF INDEPENDENCE.** Any An individual, political committee or, political fund, or party unit filing a report or statement disclosing any an

New language is indicated by underline, deletions by strikeout.

independent expenditure pursuant to under subdivision 3 or 6 shall file with that the report a sworn statement that the disclosed expenditures ~~so disclosed~~ were not made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of any candidate, or any candidate's principal campaign committee or agent.

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 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.

Subd. 7. **STATEMENT OF INACTIVITY.** ~~If no contribution is received or expenditure made by or on behalf of a candidate, political fund or political committee a reporting entity has no receipts or expenditures during a reporting period, the treasurer of the committee or fund shall file with the board at the time required by this section a statement to that effect.~~

Subd. 8. **EXEMPTION FROM DISCLOSURE.** The board shall exempt any a member of or contributor to any an association, ~~political committee or political fund~~ or any other individual, from the provisions requirements of this section if the member, contributor, or other individual demonstrates by clear and convincing evidence that disclosure would expose the member or contributor to economic reprisals, loss of employment, or threat of physical coercion.

An association, ~~political committee or political fund~~ may seek an exemption for all of its members or contributors if it demonstrates by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually.

Subd. 10. **EXEMPTION PROCEDURE.** ~~Any An~~ individual, or association, ~~political committee or political fund~~ seeking an exemption pursuant to under subdivision 8 shall submit a written application for exemption to the board. The board, without hearing, shall grant or deny the exemption within 30 days after receiving an the application, and shall issue a written order stating the reasons for its action. The board shall publish its order in the State Register and give notice to all parties known to the board to have an interest in the matter. If the board receives a written objection to its action from any party within 20 days after publication of its order and notification of interested parties, the

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

board shall hold a contested case hearing on the matter. Upon the filing of a timely objection from the applicant, an order denying an exemption shall be suspended pending the outcome of the contested case. If no timely objection is received, the exemption shall continue to be continues in effect until a written objection is filed with the board in a succeeding election year. The board by rule shall establish a procedure so that any individual seeking an exemption may proceed anonymously if the individual would be exposed to the reprisals listed in subdivision 8 if the individual's identity were to be revealed for the purposes of a hearing.

Subd. 11. **REPRISALS PROHIBITED ACTIVITY; PENALTY.** ~~No person~~ An individual or association shall not engage in economic reprisals or threaten loss of employment or physical coercion against any person an individual or association because of that person's individual's or association's political contributions or political activity. This subdivision shall does not apply to compensation for employment or loss of employment when if the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment. Any person An individual or association which that violates this subdivision is guilty of a gross misdemeanor.

Subd. 12. **FAILURE TO FILE; PENALTY.** The board shall notify by certified mail or personal service ~~any an~~ individual who fails to file a statement required by this section. If an individual fails to file a statement due January 31 within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. If an individual fails to file a statement due before ~~any a~~ primary or election within three days ~~of after~~ the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service ~~any an~~ individual who fails to file ~~any a~~ statement within 14 days after receiving a first notice from the board that the individual may be subject to a criminal penalty for failure to file a statement. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Subd. 13. **THIRD-PARTY REIMBURSEMENT.** An individual, ~~political committee, or political fund~~ or association filing a report disclosing an expenditure or non-campaign disbursement that must be reported and itemized under subdivision 3, paragraph (g) or (l), that is a reimbursement to a third party ~~is required to~~ must report the purpose of each expenditure or disbursement for which the third party is being reimbursed. An expenditure or disbursement is a reimbursement to a third party if it is for goods or services that were not directly provided by the individual or association to whom the expenditure or disbursement is made. ~~Third-party~~ reimbursements include payments to credit card companies and reimbursement of individuals for expenses they have incurred.

Subd. 14. **REPORTS BY SOLICITORS.** An individual, ~~or 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 unit in a house of the legislature,~~ that aggregate more than \$5,000 in a calendar year between January 1 of a general election year and the end of the reporting period 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 must be filed 15 days before a primary and ten days

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

before a general election. 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. 24. Minnesota Statutes 1998, section 10A.22, subdivision 6, is amended to read:

Subd. 6. **RECORDKEEPING; PENALTY.** ~~Each~~ A person required to file any a report or statement shall maintain records on the matters required to be reported, including vouchers, canceled checks, bills, invoices, worksheets, and receipts, ~~which~~ that will provide in sufficient detail the necessary information from which the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness. The person shall keep the records available for audit, inspection, or examination by the board or its authorized representatives for four years from the date of filing of the reports or statements or of changes or corrections ~~thereto to them.~~ Any A person who knowingly violates ~~any~~ provisions of this subdivision is guilty of a misdemeanor.

Sec. 25. Minnesota Statutes 1998, section 10A.22, subdivision 7, is amended to read:

Subd. 7. **UNREGISTERED ASSOCIATION LIMIT; STATEMENT REQUIRED; PENALTY.** ~~(a) The treasurer of a political committee or, political fund, principal campaign committee, or party unit shall not accept a contribution of more than \$100 from an association not registered in this state under this chapter unless the contribution is accompanied by a written statement which that meets the disclosure and reporting period requirements imposed by section 10A.20. This statement shall must be certified as true and correct by an officer of the contributing association. The political committee or political, fund which, or party unit that accepts the contribution shall include a copy of the statement with the report which that discloses the contribution to the board. The provisions of This subdivision shall does not apply when a national political party transfers contributes money to its affiliate in this state.~~

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

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

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

An officer of an association who violates this paragraph is guilty of a misdemeanor.

Sec. 26. Minnesota Statutes 1998, section 10A.23, is amended to read:

#### 10A.23 CHANGES AND CORRECTIONS.

~~Any~~ Material changes in information previously submitted and ~~any~~ corrections to a report or statement ~~shall~~ must be reported in writing to the board within ten days follow-

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

ing the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction ~~shall~~ must identify the form and the paragraph containing the information to be changed or corrected. ~~Any~~ A person who willfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 27. Minnesota Statutes 1998, section 10A.24, is amended to read:

**10A.24 DISSOLUTION OR TERMINATION.**

Subdivision 1. **TERMINATION REPORT.** ~~No~~ A political committee ~~or~~ political fund ~~shall~~, principal campaign committee, or party unit may not 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~~ must include all information required in periodic reports.

Subd. 2. **TERMINATION ALLOWED.** Notwithstanding subdivision 1, ~~after mailing notice to any remaining creditors by certified mail, a political committee or political, fund, or party unit that has debts incurred more than six years previously, has disposed of all its assets, and has met the requirements of section 10A.20, subdivision 7, may notify any remaining creditors by certified mail and then file a termination report.~~

Sec. 28. Minnesota Statutes 1998, section 10A.241, is amended to read:

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

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

Sec. 29. Minnesota Statutes 1998, section 10A.242, is amended to read:

**10A.242 DISSOLUTION OF INACTIVE COMMITTEES AND FUNDS.**

Subdivision 1. **DISSOLUTION REQUIRED.** A political committee ~~or~~ political fund, ~~or principal campaign committee~~ must be dissolved within 60 days after receiving notice from the board that the committee or fund has become inactive. The assets of the committee or fund must be spent for the purposes authorized by section 211B.12 and other applicable law or liquidated and deposited in the general account of the state elections campaign fund within 60 days after the board notifies the committee or fund that it has become inactive.

Subd. 2. **INACTIVITY DEFINED.** (a) A principal campaign committee becomes inactive on the later of the following dates:

- (1) when six years have elapsed since the last election in which the person was a candidate for the office sought or held at the time the principal campaign committee registered with the board; or

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

(2) when six years have elapsed since the last day on which the individual for whom it exists served in an elective office subject to this chapter.

(b) A political committee or fund other than a principal campaign committee becomes inactive when two years have elapsed since the end of a reporting period during which the political committee or fund made an expenditure or disbursement requiring disclosure under this chapter.

Subd. 3. **REMAINING DEBTS.** If a committee or fund becomes inactive when it still has unpaid debts, the committee or fund shall liquidate available assets to pay the debts. If insufficient assets exist to pay the debts, the board may set up a payment schedule and allow the committee or fund to defer dissolution until all debts are paid. This section does not extinguish debts incurred by the committee or fund.

Sec. 30. Minnesota Statutes 1998, section 10A.25, is amended to read:

**10A.25 SPENDING LIMITS ON CAMPAIGN EXPENDITURES.**

Subdivision 1. **GOVERNOR AND LIEUTENANT GOVERNOR CANDIDATES LIMITS ARE VOLUNTARY.** ~~For the purposes of sections 10A.11 to 10A.34 a candidate for governor and a candidate for lieutenant governor, running together, shall be deemed to be a single candidate. Except as provided in subdivision 3, all expenditures made by and all approved expenditures made on behalf of the candidate for lieutenant governor shall be considered to be expenditures by and approved expenditures on behalf of the candidate for governor. The expenditure limits imposed by this section apply only to a candidate who has signed an agreement under section 10A.322 to be bound by them as a condition of receiving a public subsidy for the candidate's campaign.~~

Subd. 2. **MAXIMUM EXPENDITURES AMOUNTS.** (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 the candidate, shall not make campaign expenditures nor any permit approved expenditures to be made on behalf of that the candidate which expenditures and approved expenditures that result in an aggregate amount expenditures in excess of the following:~~

- (1) for governor and lieutenant governor, running together, \$1,626,691;
- (2) for attorney general, \$271,116;
- (3) for secretary of state, ~~state treasurer,~~ and state auditor, separately, \$135,559;
- (4) for state senator, \$40,669;
- (5) for state representative, \$20,335.

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

(c) 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.

(e) (d) 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

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

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.

Subd. 2a. **AGGREGATED EXPENDITURES.** If a candidate makes expenditures from more than one principal campaign committee for nomination or election to statewide office in the same election year, the amount of expenditures from all of the candidate's principal campaign committees for statewide office for that election year must be aggregated for purposes of the application of applying the limits on campaign expenditures under subdivision 2, clauses (a) to (e).

Subd. 3. **ENDORSEMENT OF GOVERNOR AND LIEUTENANT GOVERNOR A SINGLE CANDIDATE.** ~~Notwithstanding subdivision 2, clause (a), a candidate for endorsement for the office of lieutenant governor at the convention of a political party may make expenditures and approved expenditures of \$30,000 or five percent of the amount in subdivision 2, clause (a), whichever is greater, to seek endorsement. This amount shall be in addition to the amount which may be expended pursuant to subdivision 2, clause (a).~~ For the purposes of sections 10A.11 to 10A.34, a candidate for governor and a candidate for lieutenant governor, running together, are considered a single candidate. Except as provided in subdivision 2, paragraph (b), all expenditures made by or all approved expenditures made on behalf of the candidate for lieutenant governor are considered to be expenditures by or approved expenditures on behalf of the candidate for governor.

Subd. 4. **EXPENDITURES BEFORE FEBRUARY 28, 1978.** ~~The limits prescribed in this section shall not apply to any expenditure or approved expenditure made or advance of credit incurred before February 28, 1978 unless the goods or services for which they were made or incurred are consumed or used after February 28, 1978.~~

Subd. 5. **CONTESTED PRIMARY RACES.** ~~Notwithstanding the limits imposed by subdivision 2, the winning candidate in a contested race in a primary who received fewer than twice as many votes as any one of the candidate's opponents in that primary may make aggregate expenditures and permit approved expenditures to be made on behalf of the candidate equal to 120 percent of the applicable amount limit as set forth in subdivision 2, as adjusted by section 10A.255. A candidate in a contested primary race may not, under this subdivision, make aggregate expenditures and approved expenditures of but no more than 100 percent of the expenditure limits imposed by subdivision 2 limit until after the primary.~~

Subd. 6. **LIMIT IN NONELECTION YEAR.** ~~During an election cycle, in any year before an the election year for the office held or sought by the candidate, the aggregate amount of a candidate shall not make campaign expenditures by and nor permit approved expenditures to be made on behalf of a the candidate for or holder of that office shall not exceed 20 percent of the expenditure limit set forth in subdivision 2.~~

Subd. 7. **PUBLICATION OF EXPENDITURE LIMITS.** ~~On or before December 31 of each nonelection year the board shall determine and publish in the State Register the expenditure limits for each office for the next calendar year as prescribed by subdivision 2.~~

Subd. 10. **EFFECT OF OPPONENT'S CONDUCT.** (a) A candidate who has agreed to be bound by the expenditure limits imposed by this section as a condition of receiving a public subsidy for the candidate's campaign is released from the expenditure

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

limits but remains eligible to receive a public subsidy if the candidate has an opponent who does not agree to be bound by the limits and receives contributions or makes or becomes obligated to make expenditures during that election cycle in excess of the following limits:

(1) up to ten days before the primary election, receipts or expenditures equal to 20 percent of the expenditure limit for that office as set forth in subdivision 2; or

(2) after ten days before the primary election, cumulative receipts or expenditures during that election cycle equal to 50 percent of the expenditure limit for that office as set forth in subdivision 2.

(b) A candidate who has not agreed to be bound by expenditure limits, or the candidate's principal campaign committee, shall file written notice with the board and provide written notice to any opponent of the candidate for the same office within 24 hours of exceeding the limits in paragraph (a), clause (2). The notice must state only that the candidate or candidate's principal campaign committee has received contributions or made or become obligated to make campaign expenditures in excess of the limits in paragraph (a), clause (2). Upon receipt of the notice, the candidate who has had agreed to be bound by the limits is no longer bound by the expenditure limits.

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 election year 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.

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.

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 need-

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

ed to pay the additional public subsidy under this subdivision is appropriated from the general fund to the board.

Sec. 31. Minnesota Statutes 1998, section 10A.255, subdivision 1, is amended to read:

Subdivision 1. **METHOD OF CALCULATION.** The dollar amounts provided in section 10A.25, subdivision 2, must be adjusted for general election years as provided in this section. ~~By June 1 of the~~ Each general election year, the executive director of the board shall determine the percentage increase in the consumer price index from December of the year preceding the last general election year to December of the year preceding the year in which the determination is made. The dollar amounts used for the preceding general election year must be multiplied by that percentage. The product of the calculation must be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product must be rounded up to the next highest whole dollar \$10 increment. The index used must be the revised consumer price index for all urban consumers for the St. Paul–Minneapolis metropolitan area prepared by the United States Department of Labor ~~with 1982 as a base year.~~

Sec. 32. Minnesota Statutes 1998, section 10A.255, subdivision 3, is amended to read:

Subd. 3. **PUBLICATION OF EXPENDITURE LIMIT.** ~~By June April 15 of each~~ election year the board shall publish in the State Register the expenditure limit for each office for that calendar year under section 10A.25 as adjusted by this section. The revisor of statutes shall code the adjusted amounts in the next edition of Minnesota Statutes, section 10A.25, subdivision 2.

Sec. 33. Minnesota Statutes 1998, section 10A.265, is amended to read:

**10A.265 FREEDOM TO ASSOCIATE AND COMMUNICATE.**

Nothing in this chapter shall ~~may~~ be construed as abridging to abridge the right of an association to communicate with its members.

Sec. 34. Minnesota Statutes 1998, section 10A.27, is amended to read:

**10A.27 ADDITIONAL LIMITATIONS CONTRIBUTION LIMITS.**

Subdivision 1. **CONTRIBUTION LIMITS.** (a) Except as provided in subdivision 2, ~~no~~ a candidate shall not permit the candidate's principal campaign committee to accept aggregate contributions made or delivered by any individual, political committee, or political fund in excess of the following:

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

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

(c) (3) to a candidate for the office of secretary of state, ~~state treasurer~~ or state auditor, \$500 in an election year for the office sought and \$100 in other years;

(d) (4) to a candidate for state senator, \$500 in an election year for the office sought and \$100 in other years; and

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

(e) (5) to a candidate for state representative, \$500 in an election year for the office sought and \$100 in the other year.

(b) 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.

Subd. 2. **CONTRIBUTIONS FROM POLITICAL PARTY UNITS LIMIT.** No A candidate shall not permit the candidate's principal campaign committee to accept contributions from any political party units in aggregate in excess of ten times the amount that may be contributed to that candidate as set forth in subdivision 1.

Subd. 4. **DEFINITION OF POLITICAL PARTY.** For the purposes of this section, a political party means 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.

Subd. 5. **INDEPENDENT EXPENDITURES.** Nothing in This section shall be construed as limiting independent expenditures on behalf of a candidate.

Subd. 7. **CONTRIBUTIONS AND EXPENDITURES BEFORE FEBRUARY 28, 1978.** Contributions and approved expenditures made prior to February 28, 1978 which are in excess of the limits imposed by this section shall not be in violation of this section but shall be disclosed as required by this chapter.

Subd. 8. **EXCESS LOANS PROHIBITED.** No A candidate shall not permit the candidate's principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. No A candidate shall not permit the candidate's principal campaign committee to accept any a loan from a financial institution for which that the financial institution may hold any an endorser of that the loan liable to pay any an amount in excess of the amount that the endorser may contribute to that candidate.

Subd. 9. **TRANSFERS AMONG COMMITTEES; CONTRIBUTIONS TO AND FROM CERTAIN OTHER CANDIDATES.** (a) A candidate or the treasurer of a candidate's principal campaign committee shall not accept 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 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.

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

(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 in any state, 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 in any state.

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

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 a large giver contributor, 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. For purposes of this subdivision, "large giver contributor" means an individual, other than the candidate, who contributes an amount that is more than \$100 and more than one-half the amount an individual may contribute.

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. 35. Minnesota Statutes 1998, section 10A.275, subdivision 1, is amended to read:

Subdivision 1. ~~EXCEPTIONS.~~ Notwithstanding any other provisions of this chapter, the following expenditures by a state political party, a party unit, or two or more party units acting together, with at least one party unit being either: the state party organization committee or the party organization within a congressional district, county, or legislative district, shall be not be considered contributions to or expenditures on behalf of any a candidate for the purposes of section 10A.25 or 10A.27, and shall must not be allocated to any candidates pursuant to under section 10A.22, subdivision 5 10A.20, subdivision 3, paragraph (g):

(a) (1) expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement a published, posted, or broadcast advertisement;

(b) (2) expenditures for the preparation, display, mailing, or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) (3) expenditures for any a telephone conversation including the names of three or more individuals whose names are to appear on the ballot;

(d) (4) expenditures for any a political party fundraising effort on behalf of three or more candidates; or

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

(e) (5) expenditures for party committee staff ~~member~~ services that benefit three or more candidates.

Sec. 36. Minnesota Statutes 1998, section 10A.28, is amended to read:

**10A.28 PENALTY FOR EXCEEDING LIMITS.**

Subdivision 1. **CANDIDATE EXCEEDING EXPENDITURE LIMITS.** A candidate subject to the expenditure limits in section 10A.25 who permits the candidate's principal campaign committee to make expenditures or permits approved expenditures to be made on the candidate's behalf in excess of the limits imposed by section 10A.25, as adjusted by section 10A.255, is subject to a civil fine up to four times the amount by which the expenditures exceeded the limit.

Subd. 2. **CIVIL FINE EXCEEDING CONTRIBUTION LIMITS.** 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 principal campaign committee, who permits the committee or fund to accept contributions in excess of the limits imposed by section 10A.27, shall be is~~ subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Subd. 3. **CONCILIATION AGREEMENT.** If the board finds that there is reason to believe that excess expenditures have been made or excess contributions accepted contrary to the ~~provisions of~~ subdivision 1 or 2, the board shall make every effort for a period of not less than at least 14 days after its finding to correct the matter by informal methods of ~~conference and~~ conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement ~~made pursuant to~~ under this subdivision shall ~~be is~~ a matter of public record. Unless violated, a conciliation agreement ~~shall be is~~ a bar to any civil proceeding under subdivision 4.

Subd. 4. **CIVIL ACTION.** If the board is unable after a reasonable time to correct by informal methods ~~any a matter which that~~ constitutes probable cause to believe that excess expenditures have been made or excess contributions accepted contrary to subdivision 1 or 2, the board shall make a public finding of probable cause in the matter. After making a public finding, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county or, in the case of a legislative candidate, the district court of a county within the legislative district, to ~~impose collect a civil fine as prescribed imposed by the board pursuant to~~ under subdivision 1 or 2. All money recovered ~~pursuant to~~ under this section shall must be deposited in the general fund of the state.

Sec. 37. Minnesota Statutes 1998, section 10A.29, is amended to read:

**10A.29 CIRCUMVENTION PROHIBITED.**

Any attempt by an individual or association to circumvent ~~the provisions of~~ this chapter by redirecting funds a contribution through, or contributing funds making a contribution on behalf of, another individual or association is a gross misdemeanor.

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

Sec. 38. Minnesota Statutes 1998, section 10A.30, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** ~~There is hereby established~~ An account with- in is established in the special revenue fund of the state to be known as the "state elections campaign fund."

Sec. 39. Minnesota Statutes 1998, section 10A.31, is amended to read:

**10A.31 DESIGNATION OF INCOME TAX PAYMENTS.**

Subdivision 1. ~~AMOUNT ALLOWED DESIGNATION.~~ Every An individual resident of Minnesota this state who files an income tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate on their original return that \$5 shall be paid from the general fund of the state into the state elections campaign fund. If a husband and wife file a joint return, each spouse may designate that \$5 shall be paid. No individual shall be is allowed to designate \$5 more than once in any year. The taxpayer may designate that the amount be paid into the account of a political party or into the general account.

~~Subd. 2. DESIGNATION OF ACCOUNT. The taxpayer may designate that the amount designated be paid into the account of a political party or into the general account.~~

Subd. 3. **FORM.** The commissioner of the department of revenue shall provide on the first page of the income tax form and the renter and homeowner property tax refund return a space for the individual to indicate a wish to allocate pay \$5 (\$10 if filing a joint return) from the general fund of the state to finance election campaigns. The form shall must also contain language prepared by the commissioner which that permits the individual to direct the state to allocate pay the \$5 (or \$10 if filing a joint return) to: (i) (1) one of the major political parties; (ii) (2) any minor political party as defined in section 10A.01, subdivision 13, which that qualifies under the provisions of subdivision 3a; or (iii) (3) all qualifying candidates as provided by subdivision 7. The renter and homeowner property tax refund return shall must include instructions that the individual filing the return may designate \$5 on the return only if the individual has not designated \$5 on the income tax return.

Subd. 3a. **QUALIFICATION OF POLITICAL PARTIES.** (a) A major political party as defined in section 10A.01, subdivision 12, qualifies for inclusion on the income tax form and property tax refund return as provided in subdivision 3, provided that if it qualifies as a major political party by July 1 of the taxable year.

(b) A minor political party as defined in section 10A.01, subdivision 13 qualifies for inclusion on the income tax form and property tax refund return as provided in subdivision 3, provided that

(1)(a) if a petition is filed, it is filed by June 1 of the taxable year; or

(b) if the party ran a candidate for statewide office, that office must have been the office of governor and lieutenant governor, secretary of state, state auditor, state treasurer, or attorney general; and

(2) if the secretary of state certifies to the commissioner of revenue by July 1, 1984, and by July 1 of every odd-numbered the taxable year thereafter the parties which qualify as minor political parties under this subdivision.

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

A minor party shall be certified only if the secretary of state determines that the party satisfies the following conditions:

(a) (1) the party meets the requirements of section 10A.01, subdivision 13, and in the last applicable general election, the party ran a candidate for the statewide offices listed in clause (1)(b) of this subdivision: office of governor and lieutenant governor, secretary of state, state auditor, or attorney general, who received votes in each county that in the aggregate total at least one percent of the total number of individuals who voted in the election;

(b) (2) it is a political party, not a principal campaign committee; and

(c) (3) it has held a state convention in the last two years, adopted a state constitution, and elected state officers; and

(d) an officer of the party has filed with the secretary of state a certification that the party held a state convention in the last two years, adopted a state constitution, and elected state officers to that effect.

Subd. 4. **APPROPRIATION.** (a) The amounts designated by individuals for the state elections campaign fund, less three percent, are appropriated from the general fund and shall must be transferred and credited to the appropriate account in the state elections campaign fund, and are annually appropriated for distribution as set forth in subdivisions 5, 5a, 6, and 7. An amount equal to The remaining three percent shall must be retained kept in the general fund for administrative costs.

(b) In addition to the amounts in paragraph (a), \$1,500,000 for each general election is appropriated from the general fund for transfer to the general account of the state elections campaign fund.

Subd. 5. **ALLOCATION TO CANDIDATES.** (a) **GENERAL ACCOUNT.** In each calendar year the money in the general account shall must be allocated to candidates as follows:

(1) 21 percent for the offices of governor and lieutenant governor together;

(2) ~~3-6~~ 4.2 percent for the office of attorney general;

(3) ~~1-8~~ 2.4 percent each for the offices of secretary of state, and state auditor, and state treasurer;

(4) in each calendar year during the period in which state senators serve a four-year term, 23- $\frac{1}{3}$  percent for the office of state senator, and 46- $\frac{2}{3}$  percent for the office of state representative; and

(5) in each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative.

(b) **PARTY ACCOUNT.** In each calendar year the money in each party account shall must be allocated as follows:

(1) 14 percent for the offices of governor and lieutenant governor together;

(2) ~~2-4~~ 2.8 percent for the office of attorney general;

(3) ~~1-2~~ 1.6 percent each for the offices of secretary of state, and state auditor, and state treasurer;

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

(4) in each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative;

(5) in each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative; and

(6) ten percent for the state committee of a political party;

Money allocated to each state committee under ~~this clause~~ (6) must be deposited in a separate account and must be spent for only those items enumerated in section 10A.275. Money allocated to a state committee under ~~this clause~~ (6) must be paid to the committee by the state treasurer as notified by the state campaign finance and public disclosure board as it is received in the account on a monthly basis, with payment on the 15th day of the calendar month following the month in which the returns were processed by the department of revenue, provided that these distributions would be equal to 90 percent of the amount of money indicated in the department of revenue's weekly unedited reports of income tax returns and property tax refund returns processed in the month, as notified by the department of revenue to the state campaign finance and public disclosure board. The amounts paid to each state committee are subject to biennial adjustment and settlement at the time of each certification required of the commissioner of revenue under subdivisions 7 and 10. If the total amount of payments received by a state committee for the period reflected on a certification by the department of revenue is different from the amount that should have been received during the period according to the certification, each subsequent monthly payment must be increased or decreased to the fullest extent possible until the amount of the overpayment is recovered or the underpayment is distributed.

Subd. 5a. PARTY ACCOUNT FOR LEGISLATIVE CANDIDATES. To assure ensure that moneys money will be returned to the counties from which they were it was collected, and to assure ensure that the distribution of those moneys money rationally relates to the support for particular parties or for particular candidates within legislative districts, money from the party accounts for legislative candidates shall must be distributed as follows: provided in this subdivision.

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive money from the candidate's party account ~~set aside for~~ allocated to candidates ~~of~~ for the state senate or state house of representatives, whichever applies, according to the following formula:

For each county within the candidate's district, the candidate's share of the dollars ~~allocated designated by~~ taxpayers who resided in that county and credited to the candidate's party account and set aside for allocated to that office shall must be:

(a) (1) the sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) statewide and for the state senate and state house of representatives, divided by

(b) (2) the sum of the votes cast in ~~that the entire~~ the entire county in the last general election for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) statewide and for the state senate and state house of representatives, multiplied by

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

~~(e) (3) the amount in the candidate's party account allocated~~ designated by taxpayers who resided in that county and set aside for the candidates for the allocated to that office for which the candidate is running.

The sum of all the county shares calculated in the formula above is the candidate's share of the candidate's party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

~~For any a party under whose name no candidate's name appeared on the ballot in each voting precinct in the state statewide in the last general election, amounts in the party's account shall must be allocated based on (a) (1) the number of people voting in the last general election in that part of the county in the candidate's district, divided by (b) (2) the number of the people voting in that the entire county in the last general election, multiplied by (e) (3) the amount in the candidate's party account allocated designated by taxpayers who resided in that county and set aside for the candidates for the allocated to that office for which the candidate is running.~~

In a year in which the first general election after a legislative reapportionment is held the legislature is redistricted, "the candidate's district" means the newly drawn district, and voting data from the last general election will must be applied to the area encompassing the newly drawn district, notwithstanding that the area was in a different district in the last general election.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be is the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) (1) and (b) (2). The average vote shall must be added to the sums in clauses (a) (1) and (b) (2) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) in the following year. Money from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

**Subd. 6. DISTRIBUTION OF PARTY ACCOUNTS.** 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 distribute the available funds money in each party account, as certified by the commissioner of revenue on September 1, to the candidates of that party who have signed the a spending limit agreement as provided in under section 10A.322 and filed the affidavit of contributions required by section 10A.323, who were opposed in either the primary election or the general election, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision subdivisions 5 and 5a. The public subsidy from the party account may not be paid in an amount

New language is indicated by underline, deletions by strikeout.

greater than the expenditure limit of the candidate or the expenditure limit that would have applied to the candidate if the candidate had not been freed from expenditure limits under section 10A.25, subdivision 10. 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.

**Subd. 6a. PARTY ACCOUNT MONEY NOT DISTRIBUTED.** Money from a party account not distributed to candidates for state senator or representative in any election year must be returned to the general fund of the state, except that the subsidy from the party account an unopposed candidate would otherwise have been eligible to receive must be paid to the state committee of the candidate's political party to be deposited in a special account under subdivision 5, paragraph (b), clause (6), and used for only those items permitted under section 10A.275. Money from a party account not distributed to candidates for other offices in an election year must be returned to the party account for reallocation to candidates as provided in subdivision 5, paragraph (b), in the following year.

**Subd. 7. DISTRIBUTION OF GENERAL ACCOUNT.** (a) Within two weeks after certification by the state canvassing board of the results of the general election, the board shall distribute the available funds money in the general account, as certified by the commissioner of revenue on November 1 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who:

- (1) have signed a spending limit agreement under section 10A.322;
- (2) have filed the affidavit of contributions required by section 10A.323;
- (3) were opposed in either the primary election or the general election; and

(4) are either a candidate for statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates or a candidate 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, provided that seat.

(b) The public subsidy under this subdivision may not be paid in an amount that would cause the sum of the public subsidy paid from the party account plus the public subsidy paid from the general account and the public subsidy paid to match independent expenditures to exceed 50 percent of the expenditure limit for the candidate. If a candidate is entitled to receive an opponent's share of the general account public subsidy under section 10A.25, subdivision 10, the opponent's share must be excluded in calculating the 50 percent limit or 50 percent of the expenditure limit that would have applied to the candidate if the candidate had not been freed from expenditure limits under section 10A.25, subdivision 10. Money from the general account not paid to a candidate because of the 50 percent limit must be distributed equally among all other qualifying candidates for the same office until all have reached the 50 percent limit or the balance in the general account is exhausted. 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.

**Subd. 10. DECEMBER DISTRIBUTION.** In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions subdivision 6

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

and ~~or~~ 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board by December 1 the amount accumulated in each account since the previous certification. By December 15, the board shall distribute to each candidate according to the allocations as provided in ~~subdivision~~ subdivisions 5 and 5a the amounts to which the candidates are entitled.

Subd. 10a. **FORM OF DISTRIBUTION.** A distribution to a candidate must be in the form of ~~checks~~ a check made "payable to the campaign fund of .....(name of candidate)....."

Subd. 10b. **REMAINDER.** ~~Any~~ Money accumulated after the final certification ~~shall must be maintained kept~~ in the respective accounts for distribution in the next general election year.

Subd. 11. **WRITE-IN CANDIDATE.** For the purposes of this section, a write-in candidate is a candidate only upon complying with the provisions of section sections 10A.322, subdivision 4 and 10A.323.

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. 40. Minnesota Statutes 1998, 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~~ a candidate 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. The candidate and must meet the matching contribution requirements of section 10A.323. 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.~~

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

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

Sec. 41. Minnesota Statutes 1998, section 10A.321, is amended to read:

**10A.321 ESTIMATES OF MINIMUM AMOUNTS TO BE RECEIVED.**

**Subdivision 1. CALCULATION AND CERTIFICATION OF ESTIMATES.**

The commissioner of revenue shall calculate and certify to the board before July 1 in an each election year an estimate of the total amount in the state general account of the state elections campaign fund and the amount of money each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, may receive from the candidate's party account in the state elections campaign fund. This estimate must be based upon the allocations and formulas in section 10A.31, ~~subdivision~~ subdivisions 5 and 5a, any necessary vote totals provided by the secretary of state to apply the formulas in section 10A.31, ~~subdivision~~ subdivisions 5 and 5a, and the amount of money expected to be available after 100 percent of the tax returns have been processed.

**Subd. 2. PUBLICATION, CERTIFICATION, AND NOTIFICATION PROCEDURES.** Before the first day of filing for office, the board shall publish and forward to all filing officers the estimates calculated and certified under subdivision 1 along with a copy of section 10A.25, subdivision 10. Within seven days after the last day for filing for office, the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office an affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county an affidavit of candidacy or petition to appear on the ballot. ~~Within seven days afterward, the board shall estimate the minimum amount to be received by each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7. By August 15 the board shall notify all candidates of their estimated minimum amount. The board shall include with the notice a form for the agreement provided in section 10A.322 along with a copy of section 10A.25, subdivision 10.~~

Sec. 42. Minnesota Statutes 1998, section 10A.322, is amended to read:

**10A.322 PUBLIC SUBSIDY SPENDING LIMIT AGREEMENTS.**

**Subdivision 1. AGREEMENT BY CANDIDATE.** (a) As a condition of receiving a public subsidy, 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; 10A.27, subdivision 10; 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 shall file the agreement directly to with the board at any time before by September 1 preceding the candidate's general election or a special election held at the general election. An agreement may not be filed after that date. An agreement once filed may not be rescinded.~~

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

(d) ~~Notwithstanding any provisions of this section paragraph (b), when if a vacancy occurs that will be filled by means of a special election and the filing period does not coin-~~

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

cide 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 not later than the day after the candidate files the affidavit of candidacy or nominating petition for the office.

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, and the contribution limit in section 10A.27, subdivision 10, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or the end of the first election cycle completed after the agreement was filed, whichever occurs first.

Subd. 3. **ESTIMATE; ACTUAL AMOUNT.** For the purposes of subdivisions 1 to 3 only, the total amount to be distributed to each candidate is calculated to be the candidate's share of the total estimated funds in the candidate's party account as provided in section 10A.321, subdivision 1, plus the total amount estimated as provided in section 10A.321, subdivision 1, to be in the general account of the state elections campaign fund and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If for any reason the amount actually received by the candidate is greater than the candidate's share of the estimate, and the contributions thereby exceed the difference, the agreement must not be considered violated.

Subd. 4. **REFUND RECEIPT FORMS; PENALTY.** The board shall make available to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that (1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23, and (2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section. The forms must provide duplicate copies of the receipt to be attached to the contributor's claim. A candidate who does not sign an agreement under this section and who willfully issues an official refund receipt form or a facsimile of one to any of the candidate's contributors is guilty of a misdemeanor.

Sec. 43. Minnesota Statutes 1998, section 10A.323, is amended to read:

**10A.323 ~~MATCHING REQUIREMENTS~~ AFFIDAVIT OF CONTRIBUTIONS.**

In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy under section 10A.31 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 from persons eligible to vote in this state in at least 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

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

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

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 section to the board in writing by September 1 of the general election year to receive the payment based on the results of made following the primary election, by September 15 to receive the payment made October 1, by October 1 to receive the payment made October 15, and by November 1 to receive the payment made November 15, and by December 1 to receive the payment made December 15 following the general election.

A candidate for a vacancy to be filled at a special election for which the filing period does not coincide with the filing period for the general election shall submit the affidavit required by this section to the board within five days after filing the affidavit of candidacy.

Sec. 44. Minnesota Statutes 1998, 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 this section or 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.~~

~~(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. 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. Expenditures in excess of the candidate's spending limit do not count in determining aggregate expenditures under this paragraph.~~

Sec. 45. Minnesota Statutes 1998, 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 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 a principal campaign committee 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 ~~An~~ amount required to be returned must be submitted in the form of a check or money order and must accompany the

New language is indicated by underline, deletions by strikeout.

report filed with the board. The board shall forward deposit the check or money order to in the state treasurer for deposit in treasury for credit to the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate.

Sec. 46. Minnesota Statutes 1998, section 10A.34, is amended to read:

**10A.34 REMEDIES.**

Subdivision 1. **PERSONAL LIABILITY.** A person charged with a duty under ~~sections 10A.02 to 10A.34~~ shall be this chapter is personally liable for the penalty for failing to discharge it.

Subd. 1a. **RECOVERING LATE FILING FEES.** The board may bring an action in the district court in Ramsey county to recover ~~any a~~ late filing fee imposed pursuant to ~~any provision of~~ under this chapter. All Money recovered shall must be deposited in the general fund of the state.

Subd. 2. **INJUNCTION.** The board or a county attorney may seek an injunction in the district court to enforce the provisions of ~~sections 10A.02 to 10A.34~~ this chapter.

Subd. 3. **NOT A CRIME.** Unless otherwise provided, a violation of ~~sections 10A.02 to 10A.34~~ this chapter is not a crime.

**Sec. 47. [10A.35] COMMERCIAL USE OF INFORMATION PROHIBITED.**

Information copied from reports and statements filed with the board may not be sold or used by an individual or association for a commercial purpose. Purposes related to elections, political activities, or law enforcement are not commercial purposes. An individual or association who violates this section is subject to a civil penalty of up to \$1,000. An individual who knowingly violates this section is guilty of a misdemeanor.

Sec. 48. Minnesota Statutes 1998, section 200.02, is amended by adding a subdivision to read:

Subd. 23. **MINOR POLITICAL PARTY.** (a) "Minor political party" means a political party that is not a major political party as defined by subdivision 7 and that has adopted a state constitution, designated a state party chair, and met the requirements of paragraph (b) or (c), as applicable.

(b) To be considered a minor party in all elections statewide, the political party must have presented at least one candidate for a partisan office voted on statewide at the preceding state general election who received votes in each county that in the aggregate equal at least one percent of the total number of individuals who voted in the election, or its members must have presented to the secretary of state a nominating petition in a form prescribed by the secretary of state containing the signatures of party members in a number equal to at least one percent of the total number of individuals who voted in the preceding state general election.

(c) To be considered a minor party in an election in a legislative district, the political party must have presented at least one candidate for a legislative office in that district who received votes from at least ten percent of the total number of individuals who voted for that office, or its members must have presented to the secretary of state a nominating petition in a form prescribed by the secretary of state containing the signatures of party members in a number equal to at least ten percent of the total number of individuals who voted in the preceding state general election for that legislative office.

New language is indicated by underline, deletions by strikeout.

Sec. 49. Minnesota Statutes 1998, section 290.06, subdivision 23, is amended to read:

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 campaign finance and public disclosure board upon its request. A claim must be filed with the commissioner ~~not~~ no sooner than January 1 of the calendar year in which the contribution ~~is~~ was made and no later than April 15 of the calendar year following the calendar year in which the contribution ~~is~~ was 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~~ was 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~~ expenditures 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 party" or "minor party" includes the aggregate of the party ~~that~~ party's 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 candi-

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

dates to whom those individuals have made contributions, and the amount of each contribution.

(f) The commissioner shall report to the campaign finance and public disclosure board by each 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. 50. INSTRUCTION TO REVISOR.

Subdivision 1. The revisor of statutes shall renumber the definition subdivisions of Minnesota Statutes, section 10A.01, in alphabetical order and make necessary cross-reference changes consistent with the renumbering.

Subd. 2. The revisor of statutes shall renumber each section or subdivision of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<u>Column A</u>	<u>Column B</u>
<u>10A.10</u>	<u>10A.025, subd. 2</u>
<u>10A.22, subd. 6</u>	<u>10A.025, subd. 3</u>
<u>10A.23</u>	<u>10A.025, subd. 4</u>
<u>10A.19</u>	<u>10A.105</u>
<u>10A.25, subd. 11</u>	<u>10A.257, subd. 1</u>
<u>10A.25, subd. 12</u>	<u>10A.257, subd. 2</u>
<u>10A.22, subd. 7</u>	<u>10A.27, subd. 13</u>
<u>10A.065, subd. 1</u>	<u>10A.273, subd. 1</u>
<u>10A.065, subd. 1a</u>	<u>10A.273, subd. 2</u>
<u>10A.065, subd. 2</u>	<u>10A.273, subd. 3</u>
<u>10A.065, subd. 3</u>	<u>10A.273, subd. 4</u>
<u>10A.065, subd. 4</u>	<u>10A.273, subd. 5</u>
<u>10A.20, subd. 11</u>	<u>10A.36</u>
<u>10A.265</u>	<u>10A.37</u>

Subd. 3. In chapter 10A, the revisor of statutes must change "shall" wherever it appears so that the use of words of authority in that chapter conforms to the instructions in the Minnesota Rules Drafting Manual. In following the manual's instructions, the revisor must not use "shall" to impose duties.

#### Sec. 51. REPEALER.

Minnesota Statutes 1998, sections 10A.065, subdivision 5; 10A.22, subdivisions 1, 4, and 5; 10A.255, subdivision 2; 10A.275, subdivisions 2 and 3; 10A.324, subdivisions 2 and 4; 10A.325; 10A.335; 10A.40; 10A.41; 10A.42; 10A.43; 10A.44; 10A.45; 10A.46; 10A.47; 10A.48; 10A.49; 10A.50; and 10A.51, are repealed.

Presented to the governor May 21, 1999

Signed by the governor May 24, 1999, 10:40 a.m.

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