

**CHAPTER 327—S.F.No. 80**

*An act relating to elections; campaign finance; removing certain unconstitutional provisions governing independent expenditures in political campaigns; changing certain campaign expenditure and contribution limits and provisions and certain reporting requirements; authorizing electronic filing of certain items with the Campaign Finance and Public Disclosure Board; providing contribution limits for judicial candidates; increasing certain contribution limits for candidates for secretary of state and state auditor; making certain reports filed with the Campaign Finance and Public Disclosure Board nonpublic data until certain conditions have been met; requiring certain reports; amending Minnesota Statutes 2008, sections 10A.01, subdivisions 9, 11, 18, 26; 10A.03; 10A.04, subdivision 5; 10A.071, subdivisions 1, 3; 10A.08; 10A.09, subdivision 7; 10A.14, subdivisions 2, 4, by adding a subdivision; 10A.20, subdivisions 1, 12, 13, by adding subdivisions; 10A.27, subdivision 1; 10A.31, by adding a subdivision; 10A.322, subdivision 1, as amended; 10A.323; 10A.35; 13.607, by adding a subdivision; 211A.02, subdivision 2; 211A.05, subdivision 2; 211B.12; repealing Minnesota Statutes 2008, section 10A.20, subdivision 6b.*

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

Section 1. Minnesota Statutes 2008, section 10A.01, subdivision 9, is amended to read:

Subd. 9. **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 (1), "expenditure" includes the dollar value of a donation in kind.

"Expenditure" does not include:

- (1) noncampaign disbursements as defined in subdivision 26;
- (2) services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; ~~or~~
- (3) the publishing or broadcasting of news items or editorial comments by the news media; or

(4) an individual's unreimbursed personal use of an automobile owned by the individual and used by the individual while volunteering personal time.

Sec. 2. Minnesota Statutes 2008, section 10A.01, subdivision 11, is amended to read:

Subd. 11. **Contribution.** (a) "Contribution" means 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 a loan or advance of credit to a political committee, political fund, principal campaign committee, or party unit, if the loan or advance of credit is: (1) forgiven; or (2) repaid by an individual or an association other than the political committee, political fund, principal campaign committee, or party unit to which the loan or advance of credit was made. If an advance of credit or a loan is forgiven or repaid as provided in this paragraph, it is a contribution in the year in which the loan or advance of credit was made.

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

Sec. 3. Minnesota Statutes 2008, section 10A.01, subdivision 18, is amended to read:

Subd. 18. **Independent expenditure.** "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, 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 in a race where the political party has a candidate on the ballot is not an independent expenditure.~~

Sec. 4. Minnesota Statutes 2008, section 10A.01, subdivision 26, is amended to read:

Subd. 26. **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 principal campaign committee for any of the following purposes:

- (1) payment for accounting and legal services;
- (2) return of a contribution to the source;
- (3) repayment of a loan made to the principal campaign committee by that committee;
- (4) return of a public subsidy;
- (5) payment for food, beverages, and necessary utensils and supplies, entertainment, and facility rental for a fund-raising event;
- (6) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, including the costs of preparing and distributing a suggestion or

idea solicitation to constituents, 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;

(7) payment for food and beverages consumed by a candidate or volunteers while they are engaged in campaign activities;

(8) payment for food or a beverage consumed while attending a reception or meeting directly related to legislative duties;

(9) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;

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

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

(12) fees paid to attend a campaign school;

(13) 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;

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

(15) filing fees;

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

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

(18) contributions to a party unit;

(19) payments for funeral gifts or memorials;

(20) the cost of a magnet less than six inches in diameter containing legislator contact information and distributed to constituents;

(21) costs associated with a candidate attending a political party state or national convention in this state; ~~and~~

(22) 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; and

(23) costs paid to a third party for processing contributions made by a credit card, debit card, or electronic check.

The board must 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.

Sec. 5. Minnesota Statutes 2008, section 10A.03, is amended to read:

**10A.03 LOBBYIST REGISTRATION.**

Subdivision 1. **First registration.** A lobbyist must file a registration form with the board within five days after becoming a lobbyist or being engaged by a new individual, association, political subdivision, or public higher education system.

Subd. 2. **Form.** The board must prescribe a registration form, which must include:

- (1) the name ~~and~~, address, and e-mail address of the lobbyist;
- (2) the principal place of business of the lobbyist;
- (3) the name and address of each 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~~
- (4) the web site address of each association, political subdivision, or public higher education system identified under part 3 of this subdivision, if the entity maintains a web site; and

~~(4)~~ (5) 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 must include the name and address of the officers and directors of the association.

Subd. 3. **Failure to file.** The board must send a notice by certified mail to 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 ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, starting on the 11th day after the notice was sent. The board must send an additional notice by certified mail to a lobbyist who fails to file a form within 14 days after the first notice was sent by the board that the lobbyist may be subject to a civil penalty for failure to file the form. A lobbyist who fails to file a form within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Subd. 4. **Publication.** The restrictions of section 10.60 notwithstanding, the board may publish the information required in subdivision 2 on its web site.

Subd. 5. **Exemptions.** For good cause shown, the board must grant exemptions to the requirement that e-mail addresses be provided.

Sec. 6. Minnesota Statutes 2008, section 10A.04, subdivision 5, is amended to read:

Subd. 5. **Late filing.** ~~The board must send a notice by certified mail to any lobbyist or principal who fails after seven days after a filing date imposed by this section to file a report or statement or to pay a fee required by this section.~~ If a lobbyist or principal fails to file a report or pay a fee required by this section within ten business days after the ~~notice was sent~~ report was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the 11th day after the ~~notice was sent~~ report was due. The board must send ~~an additional~~ notice by certified mail to any lobbyist or principal who fails to file a report ~~or pay a fee~~ within ~~14 days after the first notice was sent by the board~~ ten business days after the report was due that the lobbyist or principal may be subject to a civil penalty for failure to file the report or pay the fee. A lobbyist or principal who fails to file a report

or statement or pay a fee within seven days after the ~~second certified mail~~ notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 7. Minnesota Statutes 2008, section 10A.071, subdivision 1, is amended to read:

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

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

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

Sec. 8. Minnesota Statutes 2008, section 10A.071, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The prohibitions in this section do not apply if the gift is:

- (1) a contribution as defined in section 10A.01, subdivision 11;
- (2) services to assist an official in the performance of official duties, including but not limited to providing advice, consultation, information, and communication in connection with legislation, and services to constituents;
- (3) services of insignificant monetary value;
- (4) a plaque with a resale value of \$5 or less;
- (5) a trinket or memento costing \$5 or less;
- (6) informational material ~~of unexceptional value~~ with a resale value of \$5 or less; or
- (7) food or a beverage given at a reception, meal, or meeting away from the recipient's place of work by an organization before whom the recipient appears to make a speech or answer questions as part of a program.

(b) The prohibitions in this section do not apply if the gift is given:

- (1) because of the recipient's membership in a group, a majority of whose members are not officials, and an equivalent gift is given to the other members of the group; or
- (2) by a lobbyist or principal who is a member of the family of the recipient, unless the gift is given on behalf of someone who is not a member of that family.

Sec. 9. Minnesota Statutes 2008, section 10A.08, is amended to read:

**10A.08 REPRESENTATION DISCLOSURE.**

A public official who represents a client for a fee before an individual, board, commission, or agency that has rulemaking authority in a hearing conducted under chapter 14, must disclose the official's participation in the action to the board within 14 days after the appearance. ~~The board must send a notice by certified mail to 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 ten business days after the ~~notice was sent~~ disclosure required by this section was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, starting on the 11th day after the ~~notice was sent~~ disclosure was due. The board must send ~~an additional~~ notice by certified mail to a public official

who fails to disclose the participation within ~~14~~ ten business days after the ~~first notice was sent by the board~~ disclosure was due that the public official may be subject to a civil penalty for failure to disclose the participation. A public official who fails to disclose the participation within seven days after the ~~second~~ certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 10. Minnesota Statutes 2008, section 10A.09, subdivision 7, is amended to read:

Subd. 7. **Late filing.** ~~The board must send a notice by certified mail to any individual who fails within the prescribed time to file a statement of economic interest required by this section.~~ If an individual fails to file a statement of economic interest required by this section within ten business days after the ~~notice was sent~~ statement was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the 11th day after the ~~notice was sent~~ statement was due. The board must send ~~an additional~~ notice by certified mail to any individual who fails to file a statement within ~~14~~ ten business days after the ~~first notice was sent by the board~~ statement was due that the individual may be subject to a civil penalty for failure to file a statement. An individual who fails to file a statement within seven days after the ~~second~~ certified mail notice was sent by the board is subject to a civil penalty imposed by the board up to \$1,000.

Sec. 11. Minnesota Statutes 2008, section 10A.14, subdivision 2, is amended to read:

Subd. 2. **Form.** The statement of organization must include:

- (1) the name ~~and~~ address, and web site address if the registrant maintains a web site, of the committee, fund, or party unit;
- (2) the name ~~and~~ address, and e-mail address of the chair of a political committee, principal campaign committee, or party unit;
- (3) the name and address of any supporting association of a political fund;
- (4) the name ~~and~~ address, and e-mail address of the treasurer and any deputy treasurers;
- (5) the name, address, and e-mail address of the candidate of a principal campaign committee;
- ~~(6)~~ (7) a listing of all depositories or safety deposit boxes used; and
- ~~(6)~~ (7) for the state committee of a political party only, a list of its party units.

Sec. 12. Minnesota Statutes 2008, section 10A.14, subdivision 4, is amended to read:

Subd. 4. **Failure to file; penalty.** ~~The board must send a notice by certified mail to any individual who fails to file a statement required by this section.~~ If ~~the~~ an individual fails to file a statement required by this section within ten business days after the ~~notice was sent~~ statement was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the 11th day after the ~~notice was sent~~ statement was due.

The board must send ~~an additional~~ notice by certified mail to any individual who fails to file a statement within ~~14~~ ten business days after the ~~first notice was sent by the board~~ statement was due that the individual may be subject to a civil penalty for failure to file the report statement. An individual who fails to file the statement within seven days after the ~~second~~ certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 13. Minnesota Statutes 2008, section 10A.14, is amended by adding a subdivision to read:

Subd. 5. **Exemptions.** For good cause shown, the board must grant exemptions to the requirement that e-mail addresses be provided.

Sec. 14. Minnesota Statutes 2008, section 10A.20, subdivision 1, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2012, and applies to reports for election years on or after that date.

Sec. 15. Minnesota Statutes 2008, section 10A.20, is amended by adding a subdivision to read:

Subd. 1b. **Release of reports.** Except as provided in subdivision 1c, a report filed under this section is nonpublic data until 8:00 a.m. on the day following the day the report was due.

Sec. 16. Minnesota Statutes 2008, section 10A.20, is amended by adding a subdivision to read:

Subd. 1c. **Reports of certain political party units.** (a) This subdivision applies to the following party units:

(1) the two state party units of major political parties that received the highest level of contributions in the last election year;

(2) the two party units established by members of a major party in the house of representatives that received the highest level of contributions in the last election year; and

(3) the two party units established by members of a major party in the senate that received the highest level of contributions in the last election year.

(b) A report filed under this section by a member of one of the party units listed in paragraph (a) is nonpublic data until the reports of each of the party units in that group have been filed.

(c) A report filed electronically under this section by a member of one of the party units listed in paragraph (a) is nonpublic data unless the reports of each of the party units in that group are filed electronically or until the board has created electronic data from the nonelectronic report so that data from each report are available in the same electronic form. The board may produce a viewable image of an electronic report after the requirements of paragraph (b) have been met.

(d) A party unit may waive the restrictions on publication of data established in this section through a written statement signed by the treasurer.

(e) Nothing in this subdivision prevents the board from publicly disclosing that an entity subject to this section has filed a report and the date the report was filed.

(f) Each group listed in paragraph (a) is exempt from the electronic filing requirement unless both members of the group have approved the filing format specified by the board.

Sec. 17. Minnesota Statutes 2008, section 10A.20, subdivision 12, is amended to read:

Subd. 12. **Failure to file; penalty.** ~~The board must send a notice by certified mail to any individual who fails to file a statement required by this section.~~ If an individual fails to file a statement report required by this section that is due January 31 within ten business days after the ~~notice was sent~~ report was due, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the 11th day after the ~~notice was sent~~ report was due.

If an individual fails to file a statement report required by this section that is due before a primary or election within three days 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 must send ~~an additional~~ notice by certified mail to an individual who fails to file a statement report within ~~14~~ ten business days after the ~~first notice was sent by the board~~ report was due that the individual may be subject to a civil penalty for failure to file ~~a statement~~ the report. An individual who fails to file the statement report within seven days after the second certified mail notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 18. Minnesota Statutes 2008, section 10A.20, subdivision 13, is amended to read:

Subd. 13. **Third-party reimbursement.** An individual or association filing a report disclosing an expenditure or noncampaign disbursement that must be reported and itemized under subdivision 3, paragraph (g) or (l), that is a reimbursement to a third party must report the purpose of each expenditure or disbursement for which the third party is being reimbursed. In the alternative, the reporting individual or association may report individually each of the underlying expenditures 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.

Sec. 19. Minnesota Statutes 2008, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. **Contribution limits.** (a) Except as provided in subdivision 2, a candidate must 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:

(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;

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

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



~~(4)~~ (3) to a candidate for state senator, \$500 in an election year for the office sought and \$100 in other years; and

~~(5)~~ (4) to a candidate for state representative, \$500 in an election year for the office sought and \$100 in the other year; and

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

(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.

(c) A lobbyist, political committee, political party unit, or political fund must not make a contribution a candidate is prohibited from accepting.

**EFFECTIVE DATE; APPLICABILITY.** This section is effective the day following final enactment. The limits on contributions received by a candidate for judicial office apply to contributions received on or after that date. A judicial candidate who has accepted a contribution from an individual, political committee, or political fund between January 1, 2010, and the effective date of this act may only accept an additional contribution from that individual, political committee, or political fund during calendar year 2010 to the extent that the additional contribution does not cause the aggregate amount received from that contributor to exceed the limit contained in this section.

Sec. 20. Minnesota Statutes 2008, section 10A.31, is amended by adding a subdivision to read:

Subd. 7a. **Withholding of public subsidy.** If a candidate who is eligible for payment of public subsidy under this section has not filed the report of receipts and expenditures required under section 10A.20 before a primary election, any public subsidy for which that candidate is eligible must be withheld by the board until the candidate complies with the filing requirements of section 10A.20 and the board has sufficient time to review or audit the report. If a candidate who is eligible for public subsidy does not file the report due before the primary election under section 10A.20 by the date that the report of receipts and expenditures filed before the general election is due, that candidate shall not be paid public subsidy for that election.

Sec. 21. Minnesota Statutes 2008, section 10A.322, subdivision 1, as amended by Laws 2010, chapter 184, section 3, is amended to read:

Subdivision 1. **Agreement by candidate.** (a) As a condition of receiving a public subsidy, a candidate must 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; 10A.31, subdivision 7, paragraph (c); 10A.324; and 10A.38.

(b) Before the first day of filing for office, the board must forward agreement forms to all filing officers. The board must also provide agreement forms to candidates on request at any time. The candidate must file the agreement with the board at least three

weeks before the candidate's state primary. An agreement may not be filed after that date. An agreement once filed may not be rescinded.

(c) The board must notify the commissioner of revenue of any agreement signed under this subdivision.

(d) Notwithstanding paragraph (b), if a vacancy occurs that will be filled by means of a special election and the filing period does not coincide with the filing period for the general election, a candidate may sign and submit a spending limit agreement not later than the day after the ~~candidate files the affidavit of candidacy or nominating petition for the office~~ close of the filing period for the special election for which the candidate filed.

Sec. 22. Minnesota Statutes 2008, section 10A.323, is amended to read:

#### **10A.323 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 must 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 and state auditor, separately, \$6,000;
- (4) candidates for the senate, \$3,000; and
- (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, disregarding the portion of any contribution in excess of \$50.

The candidate or the candidate's treasurer must submit the affidavit required by this section to the board in writing by the cutoff date for reporting of receipts and expenditures before a primary under section 10A.20, subdivision 4.

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 must submit the affidavit required by this section to the board within five days after ~~filing the affidavit of candidacy~~ the close of the filing period for the special election for which the candidate filed.

Sec. 23. Minnesota Statutes 2008, section 10A.35, is amended to read:

#### **10A.35 COMMERCIAL USE OF INFORMATION PROHIBITED.**

Information copied from reports and statements filed with the board, other than reports and statements filed by lobbyists and lobbyist principals, 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. 24. Minnesota Statutes 2008, section 13.607, is amended by adding a subdivision to read:

Subd. 5a. **Campaign reports.** Certain reports filed with the Campaign Finance and Public Disclosure Board are classified under section 10A.20.

Sec. 25. Minnesota Statutes 2008, section 211A.02, subdivision 2, is amended to read:

Subd. 2. **Information required.** The report to be filed by a candidate or committee must include:

- (1) the name of the candidate or ballot question;
- (2) the printed name, address, telephone number, signature, and e-mail address, if available, of the person responsible for filing the report;
- (3) the total cash on hand;
- (4) the total amount of receipts and expenditures for the period from the last previous report to five days before the current report is due;
- ~~(4)~~ (5) the amount, date, and purpose for each expenditure; and
- ~~(5)~~ (6) the name, address, and employer, or occupation if self-employed, of any individual or committee that during the year has made one or more contributions that in the aggregate exceed \$100, and the amount and date of each contribution. The filing officer must restrict public access to the address of any individual who has made a contribution that exceeds \$100 and who has filed with the filing officer a written statement signed by the individual that withholding the individual's address from the financial report is required for the safety of the individual or the individual's family.

**EFFECTIVE DATE.** This section is effective June 1, 2012.

Sec. 26. Minnesota Statutes 2008, section 211A.05, subdivision 2, is amended to read:

Subd. 2. **Notice of failure to file.** If a candidate or committee has filed an initial report, but fails to file a subsequent report on the date it is due, the filing officer shall immediately notify the candidate or committee of the failure to file. If a report is not filed within ten days after the notification is mailed, the filing officer shall file a complaint under section 211B.32.

Sec. 27. Minnesota Statutes 2008, section 211B.12, is amended to read:

**211B.12 LEGAL EXPENDITURES.**

Use of money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, or is a noncampaign disbursement as defined in section 10A.01, subdivision 26. The following are permitted expenditures when made for political purposes:

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;

(5) office and other space and necessary equipment, furnishings, and incidental supplies;

(6) charitable contributions of not more than \$100 to any charity organized under section 501(c)(3) of the Internal Revenue Code annually, except that the amount contributed by a principal campaign committee or from the campaign fund of a candidate for political subdivision office that dissolves within one year after the contribution is made is not limited by this clause; and

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

Sec. 28. **CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD; FUNDING OPTION.**

The Campaign Finance and Public Disclosure Board shall analyze the potential use of funds collected under Minnesota Statutes, section 10A.31, as the exclusive source of funding for the operations of the board.

The board must submit a report describing the board's findings and recommendations under this section to the chairs and ranking minority members of the legislative committees with jurisdiction over elections policy and finance no later than January 15, 2011.

Sec. 29. **REPEALER.**

Minnesota Statutes 2008, section 10A.20, subdivision 6b, is repealed.

Presented to the governor May 10, 2010

Signed by the governor May 13, 2010, 9:41 a.m.