

## CHAPTER 31--H.F.No. 1952

*An act relating to state government; making technical and policy changes to legislative coordinating commission, legislative auditor, state budget, operation and maintenance of state buildings, canine management, state central motor pool, and state historic preservation office; establishing the Capitol flag program; making information technology changes including changing the name of the Office of MN.IT Services; making technical and policy changes to various election and campaign finance provisions including provisions related to elections administration, voting, absentee voting, candidates, ballots, recounts, noncampaign disbursements, public officials, and economic interest statements; modifying provisions to the financing of campaigns for Hennepin County elections and for certain political subdivisions in Hennepin County; appropriating money for veterans homes in Preston, Montevideo, and Bemidji; amending Minnesota Statutes 2020, sections 3.302, subdivision 3; 3.303, subdivision 1; 3.971, subdivision 2, by adding a subdivision; 3.972, subdivisions 2, 2a; 3.978, subdivision 2; 3.979, subdivision 3; 10A.01, subdivisions 4, 7, 9, 11, 16a, 17c, 18, 20, 26, 27, 28, 35, by adding a subdivision; 10A.09, subdivisions 1, 2, 5, 6, by adding a subdivision; 10A.12, subdivisions 1, 2; 10A.121, subdivision 2; 10A.13, subdivision 1; 10A.14, by adding a subdivision; 10A.17, subdivision 4; 10A.20, subdivisions 3, 6a, 13, by adding a subdivision; 10A.27, subdivision 13; 10A.275, subdivision 1; 10A.323; 15.01; 16A.152, subdivision 2; 16B.24, subdivision 1; 16B.2975, by adding a subdivision; 16B.48, subdivision 2; 16B.54, subdivisions 1, 2; 16E.01; 16E.016; 16E.02; 16E.03, subdivisions 1, 2, 3, 6; 16E.036; 16E.04, subdivision 3; 16E.0465, subdivision 2; 16E.05, subdivision 1; 16E.07, subdivision 12; 16E.21, subdivision 2; 97A.057, subdivision 1; 138.081, subdivisions 1, 2; 138.31, by adding a subdivision; 138.34; 138.40; 138.666; 138.667; 138.763, subdivision 1; 203B.01, subdivision 3; 203B.04, subdivision 1; 203B.12, subdivision 7; 203B.121, subdivisions 2, 4; 203B.24, subdivision 1; 204B.09, subdivision 3; 204B.36, subdivision 2; 204C.05, subdivisions 1a, 1b; 204C.21, subdivision 1; 204C.27; 204C.36, subdivision 1; 204D.08, subdivision 4; 204D.13, subdivision 1; 204D.195; 204D.27, subdivision 5; 204D.28, subdivisions 9, 10; 206.805, subdivision 1; 206.89, subdivisions 4, 5; 206.90, subdivision 6; 207A.13; 207A.14, subdivision 3; 349.151, subdivision 2; 367.25, subdivision 1; 383B.041; 412.02, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 2020, sections 3.972, subdivisions 2c, 2d; 10A.15, subdivision 6; 16E.0466, subdivision 1; 16E.05, subdivision 3; 16E.071; 16E.145; 116O.03, subdivision 9; 116O.04, subdivision 3; 383B.042; 383B.043; 383B.044; 383B.045; 383B.046; 383B.047; 383B.048; 383B.049; 383B.05; 383B.051; 383B.052; 383B.053; 383B.054; 383B.055; 383B.056; 383B.057.*

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

### ARTICLE 1

#### STATE GOVERNMENT POLICY

Section 1. Minnesota Statutes 2020, section 3.302, subdivision 3, is amended to read:

Subd. 3. **State documents.** The library is a depository of all documents published by the state and shall receive them automatically without cost to the legislature or library. As used in this chapter, "document" includes any publication issued by the state, constitutional officers, departments, commissions, councils, bureaus, research centers, societies, task forces, including advisory task forces created under section 15.014 or 15.0593, or other agencies supported by state funds, or any publication prepared for the state by private

individuals or organizations considered to be of interest or value to the library. Intraoffice or interoffice memos and forms and information concerning only the internal operation of an agency are not included.

Sec. 2. Minnesota Statutes 2020, section 3.303, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The Legislative Coordinating Commission is created to coordinate the legislative activities of the senate and house of representatives and the joint legislative commissions, committees, offices, and task forces.

Sec. 3. Minnesota Statutes 2020, section 3.971, subdivision 2, is amended to read:

Subd. 2. **Staff; compensation.** (a) The legislative auditor shall establish a Financial Audits Division and a Program Evaluation Division to fulfill the duties prescribed in this section.

(b) Each division may be supervised by a deputy auditor, appointed by the legislative auditor, with the approval of the commission, for a term coterminous with the legislative auditor's term. The deputy auditors may be removed before the expiration of their terms only for cause. The legislative auditor and deputy auditors may each appoint ~~a confidential secretary~~ an administrative support specialist to serve at pleasure. The salaries and benefits of the legislative auditor, deputy auditors, ~~and confidential secretaries~~ administrative support specialists shall be determined by the compensation plan approved by the Legislative Coordinating Commission. The deputy auditors may perform and exercise the powers, duties and responsibilities imposed by law on the legislative auditor when authorized by the legislative auditor.

~~(c) The legislative auditor must appoint a fiscal oversight officer with duties that include performing the review under section 3.972, subdivision 4.~~

~~(d) (c) The legislative auditor, deputy auditors, and the confidential secretaries~~ administrative support specialists shall serve in the unclassified civil service, but the fiscal oversight officer and all other employees of the legislative auditor are shall serve in the classified civil service. Compensation for employees of the legislative auditor in the classified service shall be governed by a plan prepared by the legislative auditor and approved by the Legislative Coordinating Commission and the legislature under section 3.855, subdivision 3.

~~(e) (d) While in office, a person appointed deputy for the Financial Audit Division must hold an active license as a certified public accountant.~~

(e) Notwithstanding Minnesota Statutes, section 43A.32, subdivisions 2 and 3, or any other law to the contrary, an employee of the legislative auditor is prohibited from being a candidate for a partisan elected public office.

Sec. 4. Minnesota Statutes 2020, section 3.971, is amended by adding a subdivision to read:

Subd. 8a. **Special reviews.** The legislative auditor may conduct a special review to: (1) fulfill a legal requirement; (2) investigate allegations that an individual or organization subject to audit by the legislative auditor may not have complied with legal requirements related to the use of public money, other public resources, or government data classified as not public; (3) respond to a legislative request for a review of an organization or program subject to audit by the legislative auditor; or (4) investigate allegations that an individual may not have complied with section 43A.38 or 43A.39.

Sec. 5. Minnesota Statutes 2020, section 3.972, subdivision 2, is amended to read:

Subd. 2. **Audits of state and semistate agencies.** The legislative auditor shall ~~make a constant, as resources permit, audit of all the financial affairs activities of~~ (1) all departments ~~and~~ agencies ~~of~~, offices, and other organizations in the state; executive branch; (2) courts, offices, and other organizations in the state judicial branch; and ~~of the financial records and transactions of~~ (3) public boards, associations, and societies, and other public organizations created by state law or supported, wholly or in part, by state funds. ~~Once in each year, if funds and personnel permit, without previous notice, The legislative auditor shall visit each state department and agency, association or society and, so far as practicable,~~

~~(1) inspect;~~

~~(2) thoroughly examine its books and accounts, verifying the funds, securities, and other assets;~~

~~(3) check the items of receipts and disbursements with its voucher records;~~

~~(4) ascertain the character of the official bonds for its officers and the financial ability of the bonding institution;~~

~~(5) inspect its sources of revenue and the use and disposition of state appropriations and property;~~

~~(6) investigate the methods of purchase and sale and the character of contracts on public account;~~

~~(7) ascertain proper custody and depository for its funds and securities;~~

~~(8) verify the inventory of public property and other assets held in trust; and~~

~~(9) ascertain that all financial transactions and operations involving the public funds and property of the state comply with the spirit and purpose of the law, are sound by modern standards of financial management, and are for the best protection of the public interest funds and other public resources.~~

Sec. 6. Minnesota Statutes 2020, section 3.972, subdivision 2a, is amended to read:

Subd. 2a. **Audits of Department of Human Services.** ~~(a) To ensure continuous effective legislative oversight and accountability, the legislative auditor shall give high priority to auditing the programs, services, and benefits administered by the Department of Human Services. The audits shall determine whether~~ As resources permit, the legislative auditor shall track and assess expenditures throughout the human service delivery system, from the department offered to the point of service delivery, and determine whether human services programs and provided, services, and benefits are being provided cost-effectively and only to eligible persons individuals and organizations, and complied in compliance with applicable legal requirements.

~~(b) The legislative auditor shall, based on an assessment of risk and using professional standards to provide a statistically significant sample, no less than three times each year, test a representative sample of persons enrolled in a medical assistance program or MinnesotaCare to determine whether they are eligible to receive benefits under those programs. The legislative auditor shall report the results to the commissioner of human services and recommend corrective actions. The commissioner shall provide a response to the legislative auditor within 20 business days, including corrective actions to be taken to address any problems identified by the legislative auditor and anticipated completion dates. The legislative auditor shall monitor the commissioner's implementation of corrective actions and periodically report the results to the Legislative Audit Commission and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance. The legislative auditor's reports to the commission and~~

~~the chairs and ranking minority members must include recommendations for any legislative actions needed to ensure that medical assistance and MinnesotaCare benefits are provided only to eligible persons.~~

Sec. 7. Minnesota Statutes 2020, section 3.978, subdivision 2, is amended to read:

Subd. 2. **Inquiry and inspection power; duty to aid legislative auditor.** All public officials and their deputies and employees, and all corporations, firms, and individuals having business involving the receipt, disbursement, or custody of public funds shall at all times afford reasonable facilities for examinations by the legislative auditor, make returns and reports required by the legislative auditor, attend and answer under oath the legislative auditor's lawful inquiries, produce and exhibit all books, accounts, documents, data of any classification, and property that the legislative auditor ~~may need~~ requests to inspect, and in all things ~~aid~~ cooperate with the legislative auditor ~~in the performance of duties.~~

Sec. 8. Minnesota Statutes 2020, section 3.979, subdivision 3, is amended to read:

Subd. 3. **Audit data.** (a) "Audit" as used in this subdivision means a financial audit, ~~review~~, program evaluation, ~~best practices~~ special review, or investigation. Data relating to an audit are not public or with respect to data on individuals are confidential until the final report of the audit has been released by the legislative auditor or the audit is no longer being actively pursued. Upon release of a final audit report by the legislative auditor, data relating to an audit are public except data otherwise classified as not public.

(b) Data related to an audit but not published in the audit report and that the legislative auditor reasonably believes will be used in litigation are not public and with respect to data on individuals are confidential until the litigation has been completed or is no longer being actively pursued.

(c) ~~Data on individuals~~ that could reasonably be used to determine the identity of an individual supplying data for an audit are private if the data supplied by the individual were needed for an audit and the individual would not have provided the data to the legislative auditor without an assurance that the individual's identity would remain private, or the legislative auditor reasonably believes that the subject would not have provided the data.

(d) The definitions of terms provided in section 13.02 apply for purposes of this subdivision.

Sec. 9. Minnesota Statutes 2020, section 16A.152, subdivision 2, is amended to read:

Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund revenues and expenditures, the commissioner of management and budget determines that there will be a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of management and budget must allocate money to the following accounts and purposes in priority order:

(1) the cash flow account established in subdivision 1 until that account reaches \$350,000,000;

(2) the budget reserve account established in subdivision 1a until that account reaches \$1,596,522,000;

(3) the amount necessary to increase the aid payment schedule for school district aids and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest tenth of a percent without exceeding the amount available and with any remaining funds deposited in the budget reserve;

(4) the amount necessary to restore all or a portion of the net aid reductions under section 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75, subdivision 5, by the same amount; and

~~(5) the clean water fund established in section 114D.50 until \$22,000,000 has been transferred into the fund; and~~

~~(6)~~ (5) the amount necessary to increase the Minnesota 21st century fund by not more than the difference between \$5,000,000 and the sum of the amounts credited and canceled to it in the previous 12 months under Laws 2020, chapter 71, article 1, section 11, until the sum of all transfers under this section and all amounts credited or canceled under Laws 2020, chapter 71, article 1, section 11, equals \$20,000,000.

(b) The amounts necessary to meet the requirements of this section are appropriated from the general fund within two weeks after the forecast is released or, in the case of transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations schedules otherwise established in statute.

(c) The commissioner of management and budget shall certify the total dollar amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education. The commissioner of education shall increase the aid payment percentage and reduce the property tax shift percentage by these amounts and apply those reductions to the current fiscal year and thereafter.

~~(d) Paragraph (a), clause (5), expires after the entire amount of the transfer has been made.~~

Sec. 10. Minnesota Statutes 2020, section 16B.24, subdivision 1, is amended to read:

Subdivision 1. **Operation and maintenance of buildings.** The commissioner is authorized to maintain and operate the State Capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the Capitol Area Architectural and Planning Board and the commissioner under section 15B.15, subdivision 2, and all other buildings, cafeterias, and grounds in state-owned buildings in the Capitol Area under section 15B.02, the state Department of Public Safety, Bureau of Criminal Apprehension building in St. Paul, ~~the state Department of Health building in Minneapolis, 321 Grove Street building~~ 603 Pine Street building in St. Paul, Fleet and Surplus Services building in Arden Hills, Ely Revenue building, any other properties acquired by the Department of Administration, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the Capitol and state buildings to make an equitable division of available space among agencies. The commissioner shall regularly update the long-range strategic plan for locating agencies and shall follow the plan in assigning and reassigning space to agencies. The plan must include locational and urban design criteria, a cost-analysis method to be used in weighing state ownership against leasing of space in specific instances, and a transportation management plan. If the commissioner determines that a deviation from the plan is necessary or desirable in a specific instance, the commissioner shall provide the legislature with a timely written explanation of the reasons for the deviation. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.

Sec. 11. **[16B.276] CAPITOL FLAG PROGRAM.**

Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given them.

(b) "Active service" has the meaning given in section 190.05, subdivision 5.

(c) "Eligible family member" means a surviving spouse, parent or legal guardian, child, or sibling of (1) a public safety officer killed in the line of duty, or (2) a person who has died while serving honorably in active service in the United States armed forces. For purposes of this section, an eligibility relationship may be established by birth or adoption.

(d) "Killed in the line of duty" has the meaning given in section 299A.41, subdivision 3.

(e) "Public safety officer" has the meaning given in section 299A.41, subdivision 4.

Subd. 2. **Establishment.** A Capitol flag program is established. The purpose of the program is to make a Minnesota state flag and an American flag that were flown over the Minnesota State Capitol available to the family members of a public safety officer killed in the line of duty or a member of the United States armed forces who died while in active service. In addition to appropriations provided by law, the commissioner of management and budget may receive gifts to support the program as authorized in sections 16A.013 to 16A.016. The program established by this section is required only to the extent that sufficient funds are available through appropriations or gifts to support its operations.

Subd. 3. **Submission of request; presentation.** (a) A flag request may only be made by a legislator or state constitutional officer on behalf of an eligible family member after verification of the family member's eligibility under the procedures adopted under subdivision 4. The request must be made to the commissioner of administration, and must indicate the type of flag requested, a certification that the family member's eligibility has been verified, special requests for the date the flag is requested to be flown over the Capitol, and the method of presentment. The commissioner may adopt a form to be used for this purpose. With at least 30 days' notice, the commissioner must honor a request that a flag be flown on a specific commemorative date.

(b) Upon receipt of a request, the commissioner shall deliver the requested flags to the requesting legislator or constitutional officer for coordination of a later presentment ceremony. If relevant information is made available, the commissioner shall provide a certificate memorializing the details of the occasion and the date the flag was flown with each flag presented.

Subd. 4. **Verification of eligibility.** The house of representatives, the senate, and each constitutional officer must adopt procedures for the administration of flag requests received from eligible family members, including a procedure for verification of a family member's eligibility to receive a flag.

Subd. 5. **Eligibility; fees.** (a) For deaths that occur on or after August 1, 2021, the family of a public safety officer killed in the line of duty or service member of the United States armed forces who died in active service is entitled to receive one United States flag and one Minnesota state flag free of charge under this section. If multiple flags of the same type are requested to be flown in honor of the same decedent, the commissioner may charge a reasonable fee that does not exceed the actual cost of flying each flag and preparing a certificate memorializing the occasion.

(b) For deaths that occurred before August 1, 2021, the family of a public safety officer killed in the line of duty or service member of the United States armed forces who died in active service may receive a Minnesota state flag and a United States flag for a fee, unless there are donated, nonstate funds available to provide a flag without a fee. If payment of a fee is required under this paragraph, the commissioner may charge an eligible family an amount that does not exceed the actual cost of flying each flag and preparing a certificate memorializing the occasion.

**EFFECTIVE DATE.** This section is effective August 1, 2021.

Sec. 12. Minnesota Statutes 2020, section 16B.2975, is amended by adding a subdivision to read:

Subd. 8. **Canine management.** The commissioner may give and convey to a canine's handler the state's entirety of the right, title, interest, and estate in and to a canine who is retired from service, with whom the

handler trained and worked while the canine was in service to the state. The handler is solely responsible for all future expenses related to the retired canine.

Sec. 13. Minnesota Statutes 2020, section 16B.48, subdivision 2, is amended to read:

Subd. 2. **Purpose of funds.** Money in the state treasury credited to the general services revolving fund and money that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

(1) to operate the central mailing service, including purchasing postage and related items and refunding postage deposits;

(2) to operate a documents service as prescribed by section 16B.51;

(3) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;

~~(4) to operate a materials handling service, including interagency mail and product delivery, solid waste removal, courier service, equipment rental, and vehicle and equipment maintenance;~~

~~(5)~~ (4) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts; and

~~(6)~~ (5) to perform services for any other agency. Money may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services and other services for the maintenance, operation, and upkeep of buildings and offices of the state government; ~~and~~.

~~(7) to operate a state recycling center.~~

Sec. 14. Minnesota Statutes 2020, section 16B.54, subdivision 1, is amended to read:

Subdivision 1. **Motor pools.** The commissioner shall manage a central motor pool of passenger motor vehicles and trucks used by state agencies with principal offices in the city of St. Paul and may provide for branch central motor pools at other places within the state. For purposes of this section, (1) "agencies" includes the Minnesota State Colleges and Universities, ~~and~~ (2) "passenger motor vehicle" means on-road vehicle capable of transporting people, and (3) "truck" means a pickup or panel truck up to one ton carrying capacity.

Sec. 15. Minnesota Statutes 2020, section 16B.54, subdivision 2, is amended to read:

Subd. 2. **Vehicles.** (a) The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(b) To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all

motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the Department of Administration.

(c) On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide for the use of motor vehicles without marking by:

- (1) the governor;
- (2) the lieutenant governor;
- (3) the Division of Criminal Apprehension, the Division of Alcohol and Gambling Enforcement, and arson investigators of the Division of Fire Marshal in the Department of Public Safety;
- (4) the Financial Institutions Division and investigative staff of the Department of Commerce;
- (5) the Division of Disease Prevention and Control of the Department of Health;
- (6) the State Lottery;
- (7) criminal investigators of the Department of Revenue;
- (8) state-owned community service facilities in the Department of Human Services;
- (9) the Office of the Attorney General; ~~and~~
- (10) the investigative staff of the Gambling Control Board; and
- (11) the Department of Corrections inmate community work crew program under section 352.91, subdivision 3g.

Sec. 16. Minnesota Statutes 2020, section 138.081, subdivision 1, is amended to read:

Subdivision 1. **Department of Administration as agency to accept federal funds.** The Department of Administration is hereby designated the state agency with power to accept any and all money provided for or made available to this state by the United States of America or any department or agency thereof for surveys, restoration, construction, equipping, or other purposes relating to the State Historic sites Preservation Program in accordance with the provisions of federal law and any rules or regulations promulgated thereunder and are further authorized to do any and all things required of this state by such federal law and the rules and regulations promulgated thereunder in order to obtain such federal money.

Sec. 17. Minnesota Statutes 2020, section 138.081, subdivision 2, is amended to read:

Subd. 2. **Commissioner's responsibilities.** The commissioner as the state historic preservation officer shall be responsible for the preparation, implementation and administration of the State Historic Preservation Plan and shall administer the State Historic Preservation Program authorized by the National Historic Preservation Act (United States Code, title ~~46~~ 54, section ~~470~~ 300101 et seq. ~~as amended~~). The commissioner

shall review and approve in writing all grants-in-aid for architectural, archaeological and historic preservation made by state agencies and funded by the state or a combination of state and federal funds in accordance with the State Historic Preservation Program.

Sec. 18. Minnesota Statutes 2020, section 138.31, is amended by adding a subdivision to read:

Subd. 13a. **State Historic Preservation Office.** "State Historic Preservation Office" means the State Historic Preservation Office at the Department of Administration.

Sec. 19. Minnesota Statutes 2020, section 138.34, is amended to read:

#### **138.34 ADMINISTRATION OF THE ACT.**

The state archaeologist shall act as the agent of the state to administer and enforce the provisions of sections 138.31 to 138.42. Some enforcement provisions are shared with the society and the State Historic Preservation Office.

Sec. 20. Minnesota Statutes 2020, section 138.40, is amended to read:

#### **138.40 COOPERATION OF STATE AGENCIES; DEVELOPMENT PLANS.**

Subdivision 1. **Cooperation.** The Department of Natural Resources, the Department of Transportation, and all other state agencies whose activities may be affected, shall cooperate with the historical society, the State Historic Preservation Office, and the state archaeologist to carry out the provisions of sections 138.31 to 138.42 and the rules issued thereunder, but sections 138.31 to 138.42 are not meant to burden persons who wish to use state property for recreational and other lawful purposes or to unnecessarily restrict the use of state property.

Subd. 2. **Compliance, enforcement, preservation.** State and other governmental agencies shall comply with and aid in the enforcement of provisions of sections 138.31 to 138.42. Conservation officers and other enforcement officers of the Department of Natural Resources shall enforce the provisions of sections 138.31 to 138.42 and report violations to the ~~director of the society~~ state archeologist. When archaeological or historic sites are known or, based on scientific investigations are predicted to exist on public lands or waters, the agency or department controlling said lands or waters shall use the professional services of archaeologists from the University of Minnesota, Minnesota Historical Society, or other qualified professional archaeologists, to preserve these sites. In the event that archaeological excavation is required to protect or preserve these sites, state and other governmental agencies may use their funds for such activities.

Subd. 3. **Review of plans.** When significant archaeological or historic sites are known or, based on scientific investigations, are predicted to exist on public lands or waters, the agency or department controlling said lands or waters shall submit construction or development plans to the state archaeologist and the ~~director of the society~~ State Historic Preservation Office for review prior to the time bids are advertised. The state archaeologist and the ~~society~~ State Historic Preservation Office shall promptly review such plans and within 30 days of receiving the plans shall make recommendations for the preservation of archaeological or historic sites which may be endangered by construction or development activities. When archaeological or historic sites are related to Indian history or religion, the state archaeologist shall submit the plans to the Indian Affairs Council for the council's review and recommend action.

Sec. 21. Minnesota Statutes 2020, section 138.666, is amended to read:

**138.666 COOPERATION.**

The state, state departments and agencies, political subdivisions, and the Board of Regents of the University of Minnesota shall cooperate with the Minnesota Historical Society and the State Historic Preservation Office in safeguarding state historic sites and in the preservation of historic and archaeological properties.

Sec. 22. Minnesota Statutes 2020, section 138.667, is amended to read:

**138.667 HISTORIC PROPERTIES; CHANGES.**

Properties designated as historic properties by sections 138.661 to 138.664 may be changed from time to time, and the Minnesota Historical Society and the State Historic Preservation Office shall notify the legislature of the need for changes, and shall make recommendations to keep the state historic sites network and the state register of historic places current and complete. The significance of properties proposed for designation under section 138.663, subdivision 2, shall be documented under the documentation standards established by the Minnesota Historical Society. This State Historic Preservation Office. Documentation shall include the opinion of the Minnesota Historical Society for the historic sites network under section 138.661, subdivision 3, and the State Historic Preservation Office for the state register of historic places under section 138.663, subdivision 2, as to whether the property meets the selection criteria.

Sec. 23. Minnesota Statutes 2020, section 138.763, subdivision 1, is amended to read:

Subdivision 1. **Membership.** There is a St. Anthony Falls Heritage Board consisting of 22 members with the director of the Minnesota Historical Society as chair. The members include the mayor; the chair of the Hennepin County Board of Commissioners or the chair's designee; the president of the Minneapolis Park and Recreation Board or the president's designee; the superintendent of the park board; two members each from the house of representatives appointed by the speaker, the senate appointed by the Rules Committee, the city council, the Hennepin County Board, and the park board; one member each from the preservation commission, the State Historic Preservation Office, Hennepin County Historical Society, and the society; one person appointed by the park board; and two persons appointed by the chair of the board.

Sec. 24. Minnesota Statutes 2020, section 349.151, subdivision 2, is amended to read:

Subd. 2. **Membership.** (a) The board consists of seven members, as follows: (1) five members appointed by the governor; (2) one member appointed by the commissioner of public safety; and (3) one member appointed by the attorney general.

(b) All appointments under this subdivision are with the advice and consent of the senate.

(c) ~~After expiration of the initial terms,~~ Appointments are for four years. A member may continue holding office until a successor is appointed unless, prior to the expiration of the member's term, the appointing authority notifies the board that a member's appointment may not be extended.

(d) The board shall select one of its members to serve as chair. No more than three members appointed by the governor under this subdivision may belong to the same political party.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 25. **APPROPRIATION; VETERANS AFFAIRS.**

All federal funds received in fiscal years 2021 to 2023 to construct, equip, and furnish veterans homes in Preston, Montevideo, and Bemidji are appropriated to the commissioner of veterans affairs to be spent in accordance with the requirements of the federal award.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 26. **REVISOR INSTRUCTION.**

The revisor of statutes shall change "central motor pool" to "enterprise fleet" wherever the term appears in Minnesota Statutes.

Sec. 27. **REPEALER.**

Minnesota Statutes 2020, section 3.972, subdivisions 2c and 2d, are repealed.

## ARTICLE 2

### INFORMATION TECHNOLOGY

Section 1. Minnesota Statutes 2020, section 15.01, is amended to read:

#### **15.01 DEPARTMENTS OF THE STATE.**

The following agencies are designated as the departments of the state government: the Department of Administration; the Department of Agriculture; the Department of Commerce; the Department of Corrections; the Department of Education; the Department of Employment and Economic Development; the Department of Health; the Department of Human Rights; the Department of Information Technology Services; the Department of Iron Range Resources and Rehabilitation; the Department of Labor and Industry; the Department of Management and Budget; the Department of Military Affairs; the Department of Natural Resources; the Department of Public Safety; the Department of Human Services; the Department of Revenue; the Department of Transportation; the Department of Veterans Affairs; and their successor departments.

Sec. 2. Minnesota Statutes 2020, section 16E.01, is amended to read:

#### **16E.01 OFFICE OF MN.IT DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES.**

Subdivision 1. **Creation; chief information officer.** ~~The Office of MN.IT~~ Department of Information Technology Services, which may also be known as Minnesota Information Technology Services or Minnesota IT Services, referred to in this chapter as the "office," "department," is an agency in the executive branch headed by a commissioner, who also is the ~~state~~ chief information officer. The appointment of the commissioner is subject to the advice and consent of the senate under section 15.066.

Subd. 1a. **Responsibilities.** ~~The office department~~ shall provide oversight, leadership, and direction for information and telecommunications technology policy and the management, delivery, accessibility, and security of executive branch information and telecommunications technology systems and services in Minnesota. ~~The office department shall manage strategic investments in information and telecommunications technology systems and services to encourage the development of a technically literate society;~~ to ensure sufficient access to and efficient delivery of accessible government services; and to maximize benefits for the state government as an enterprise.

Subd. 2. **Discretionary powers.** The ~~office~~ department may:

(1) enter into contracts for goods or services with public or private organizations and charge fees for services it provides;

(2) apply for, receive, and expend money from public agencies;

(3) apply for, accept, and disburse grants and other aids from the federal government and other public or private sources;

(4) enter into contracts with agencies of the federal government, local governmental units, the University of Minnesota and other educational institutions, and private persons and other nongovernmental organizations as necessary to perform its statutory duties;

(5) sponsor and conduct conferences and studies, collect and disseminate information, and issue reports relating to information and communications technology issues;

(6) review the technology infrastructure of regions of the state and cooperate with and make recommendations to the governor, legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of information and communications technology infrastructure development potential;

(7) sponsor, support, and facilitate innovative and collaborative economic and community development and government services projects, including technology initiatives related to culture and the arts, with public and private organizations; and

(8) review and recommend alternative sourcing strategies for state information and communications systems.

Subd. 3. **Duties.** (a) The ~~office~~ department shall:

(1) manage the efficient and effective use of available federal, state, local, and public-private resources to develop statewide information and telecommunications technology systems and services and its infrastructure;

(2) approve state agency and intergovernmental information and telecommunications technology systems and services development efforts involving state or intergovernmental funding, including federal funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;

(3) ~~ensure~~ promote cooperation and collaboration among state and local governments in developing intergovernmental information and telecommunications technology systems and services, ~~and define the structure and responsibilities of a representative governance structure;~~

(4) cooperate and collaborate with the legislative and judicial branches in the development of information and communications systems in those branches, as requested;

(5) continue the development of North Star, the state's official comprehensive online service and information initiative;

(6) ~~promote and collaborate with the state's agencies in the state's transition to an effectively competitive telecommunications market;~~

~~(7) collaborate with entities carrying out education and lifelong learning initiatives to assist Minnesotans in developing technical literacy and obtaining access to ongoing learning resources;~~

~~(8)~~ (6) promote and coordinate public information access and network initiatives, consistent with chapter 13, to connect Minnesota's citizens and communities to each other, to their governments, and to the world;

~~(9) promote and coordinate electronic commerce initiatives to ensure that Minnesota businesses and citizens can successfully compete in the global economy;~~

~~(10)~~ (7) manage and promote the regular and periodic reinvestment in the information and telecommunications technology systems and services infrastructure so that state and local government agencies can effectively and efficiently serve their customers;

~~(11)~~ (8) facilitate the cooperative development of and ensure compliance with standards and policies for information and telecommunications technology systems and services; and electronic data practices and privacy; and ~~electronic commerce among international, national, state, and local public and private organizations within the executive branch;~~

~~(12)~~ (9) eliminate unnecessary duplication of existing information and telecommunications technology systems and services provided by state agencies;

~~(13)~~ (10) identify, sponsor, develop, and execute shared information and telecommunications technology projects and ongoing operations;

~~(14)~~ (11) ensure overall security of the state's information and technology systems and services; and

~~(15)~~ (12) manage and direct compliance with accessibility standards for informational technology, including hardware, software, websites, online forms, and online surveys.

(b) The chief information officer, in consultation with the commissioner of management and budget, must determine when it is cost-effective for agencies to develop and use shared information and telecommunications technology systems and services for the delivery of electronic government services. The chief information officer may require agencies to use shared information and telecommunications technology systems and services. The chief information officer shall establish reimbursement rates in cooperation with the commissioner of management and budget to be billed to agencies and other governmental entities sufficient to cover the actual development, operating, maintenance, and administrative costs of the shared systems. The methodology for billing may include the use of interagency agreements, or other means as allowed by law.

(c) A state agency that has an information and telecommunications technology project ~~with a total expected project cost of more than \$1,000,000~~, whether funded as part of the biennial budget or by any other means, shall register with the office department by submitting basic project startup documentation; as specified by the chief information officer in both format and content, ~~before any project funding is requested or committed and before the project commences~~. State agency project leaders must demonstrate that the project will be properly managed, provide updates to the project documentation as changes are proposed, and regularly report on the current status of the project on a schedule agreed to with the chief information officer. The chief information officer has the authority to define a project for the purposes of this chapter.

(d) The chief information officer shall monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project. The audit analysis and evaluation

of the projects subject to paragraph (c) must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record.

(e) For any active information and telecommunications technology project with a total expected project cost of more than \$10,000,000, the state agency must perform an annual independent audit that conforms to published project audit principles ~~promulgated~~ adopted by the ~~office~~ department.

(f) The chief information officer shall report by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the ~~office~~ department regarding projects the ~~office~~ department has reviewed under paragraph (a), clause ~~(13)~~ (10). The report must include the reasons for the determinations made in the review of each project and a description of its current status.

Sec. 3. Minnesota Statutes 2020, section 16E.016, is amended to read:

**16E.016 RESPONSIBILITY FOR INFORMATION TECHNOLOGY SERVICES AND EQUIPMENT.**

(a) The chief information officer is responsible for providing or entering into managed services contracts for the provision, improvement, and development of the following information technology systems and services to state agencies:

- (1) state data centers;
- (2) mainframes including system software;
- (3) servers including system software;
- (4) desktops including system software;
- (5) laptop computers including system software;
- (6) a data network including system software;
- (7) database, electronic mail, office systems, reporting, and other standard software tools;
- (8) business application software and related technical support services;
- (9) help desk for the components listed in clauses (1) to (8);
- (10) maintenance, problem resolution, and break-fix for the components listed in clauses (1) to (8);
- (11) regular upgrades and replacement for the components listed in clauses (1) to (8); and
- (12) network-connected output devices.

(b) All state agency employees whose work primarily involves functions specified in paragraph (a) are employees of the ~~Office of MN.IT Services~~ Department of Information Technology Services. This includes employees who directly perform the functions in paragraph (a), as well as employees whose work primarily involves managing, supervising, or providing administrative services or support services to employees who directly perform these functions. The chief information officer may assign employees of the ~~office~~ department to perform work exclusively for another state agency.

(c) Subject to sections 16C.08 and 16C.09, the chief information officer may allow a state agency to obtain services specified in paragraph (a) through a contract with an outside vendor when the chief information officer and the agency head agree that a contract would provide best value, as defined in section 16C.02,

under the service-level agreement. The chief information officer must require that agency contracts with outside vendors ensure that systems and services are compatible with standards established by the ~~Office of MN.IT~~ Department of Information Technology Services.

(d) The Minnesota State Retirement System, the Public Employees Retirement Association, the Teachers Retirement Association, the State Board of Investment, the Campaign Finance and Public Disclosure Board, the State Lottery, and the Statewide Radio Board are not state agencies for purposes of this section.

Sec. 4. Minnesota Statutes 2020, section 16E.02, is amended to read:

**16E.02 OFFICE OF MN.IT DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES; STRUCTURE AND PERSONNEL.**

Subdivision 1. **Office Department management and structure.** (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology ~~advisor~~ advisor to the governor.

(b) The chief information officer may appoint other employees of the ~~office department~~. The Staff of the ~~office department~~ must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.

~~(c) The chief information officer may appoint a webmaster responsible for the supervision and development of state websites under the control of the office. The webmaster, if appointed, shall ensure that these websites are maintained in an easily accessible format that is consistent throughout state government and are consistent with the accessibility standards developed under section 16E.03, subdivision 9. The webmaster, if appointed, shall provide assistance and guidance consistent with the requirements of this paragraph to other state agencies for the maintenance of other websites not under the direct control of the office.~~

Subd. 1a. **Accountability.** The chief information officer reports to the governor. The chief information officer must consult regularly with ~~the executive branch agency commissioners of administration, management and budget, human services, revenue, and other commissioners as designated by the governor,~~ on technology projects, standards, and services as well as management of resources and staff utilization.

Sec. 5. Minnesota Statutes 2020, section 16E.03, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this chapter, the following terms have the meanings given them.

(b) "Information and telecommunications technology systems and services" means all computing and telecommunications hardware and software, the activities undertaken to secure that hardware and software, and the activities undertaken to acquire, transport, process, analyze, store, and disseminate information electronically. "Information and telecommunications technology systems and services" includes all proposed expenditures for computing and telecommunications hardware and software, security for that hardware and software, and related consulting or other professional services.

~~(c) "Information and telecommunications technology project" means an effort to acquire or produce information and telecommunications technology systems and services.~~

~~(d)~~ (c) "Telecommunications" means voice, video, and data electronic transmissions transported by wire, wireless, fiber-optic, radio, or other available transport technology.

~~(e)~~ (d) "Cyber security" means the protection of data and systems in networks connected to the Internet.

~~(f)~~ (e) "State agency" means an agency in the executive branch of state government and includes the Minnesota Office of Higher Education, but does not include the Minnesota State Colleges and Universities unless specifically provided elsewhere in this chapter.

~~(g)~~ (f) "Total expected project cost" includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase. Breaking a project into several phases does not affect the cost threshold, which must be computed based on the full cost of all phases.

~~(h)~~ (g) "Cloud computing" has the meaning described by the National Institute of Standards and Technology of the United States Department of Commerce in special publication 800-145, September 2011.

Sec. 6. Minnesota Statutes 2020, section 16E.03, subdivision 2, is amended to read:

Subd. 2. **Chief information officer's responsibility.** The chief information officer shall:

(1) design a master plan for information and telecommunications technology systems and services in the state ~~and its political subdivisions~~ and shall report on the plan to the governor and legislature at the beginning of each regular session;

(2) coordinate, review, and approve all information and telecommunications technology projects and oversee the state's information and telecommunications technology systems and services;

(3) establish and enforce compliance with standards for information and telecommunications technology systems and services that are cost-effective and support open systems environments and that are compatible with state, national, and international standards, including accessibility standards;

(4) maintain a library of systems and programs developed by the state ~~and its political subdivisions~~ for use by agencies of government;

(5) direct and manage the shared operations of the state's information and telecommunications technology systems and services; and

(6) establish and enforce standards and ensure acquisition of hardware and software necessary to protect data and systems in state agency networks connected to the Internet.

Sec. 7. Minnesota Statutes 2020, section 16E.03, subdivision 3, is amended to read:

Subd. 3. **Evaluation and approval.** A state agency may not undertake an information and telecommunications technology project until it has been evaluated according to the procedures developed under subdivision 4. The chief information officer or delegate shall give written approval of the proposed project. ~~When notified by the chief information officer that a project has not been approved, the commissioner of management and budget shall cancel the unencumbered balance of any appropriation allotted for the project.~~

Sec. 8. Minnesota Statutes 2020, section 16E.03, subdivision 6, is amended to read:

Subd. 6. **System development methods.** The chief information officer shall establish and, as necessary, update and modify methods for developing information and communications systems appropriate to the specific needs of individual state agencies. The development methods shall be used to define the design, programming, and implementation of systems. ~~The development methods must also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.~~

Sec. 9. Minnesota Statutes 2020, section 16E.036, is amended to read:

**16E.036 ADVISORY COMMITTEE COUNCIL.**

(a) ~~The Technology Advisory Committee Council is created to advise the governor, executive branch, and the state chief information officer. The committee consists of council shall consist of 15 voting members. The governor shall appoint six members appointed by the governor who are individuals actively involved in business planning for state executive branch agencies, one county member designated by the Association of Minnesota Counties, one member appointed by the governor as a representative of a union that represents state information technology employees, and one member appointed by the governor to represent private businesses. The governor shall also select six additional members with private-sector or public-sector IT experience or experience in academia pertaining to IT. The council shall have the following four ex-officio nonvoting members:~~

- (1) a member of the house of representatives selected by the speaker of the house;
- (2) a member of the house of representatives selected by the minority leader of the house of representatives;
- (3) a member of the senate selected by the majority leader of the senate; and
- (4) a member of the senate selected by the minority leader of the senate.

The governor shall designate one of the 15 voting members to serve as the council's chair.

(b) Membership terms, removal of members, and filling of vacancies are as provided in section 15.059. Members do not receive compensation or reimbursement for expenses.

~~(c) The committee shall select a chair from its members. The chief information officer shall provide administrative support to the committee council.~~

- (d) ~~The committee council shall advise the chief information officer on:~~
- (1) development and implementation of the state information technology strategic plan;
  - (2) critical information technology initiatives for the state;
  - (3) standards for state information architecture;
  - (4) identification of business and technical needs of state agencies;
  - (5) strategic information technology portfolio management, project prioritization, and investment decisions;

(6) the ~~office's~~ department's performance measures and fees for service agreements with executive branch agencies;

(7) management of the state MN.IT services revolving fund; and

(8) the efficient and effective operation of the ~~office~~ department.

Sec. 10. Minnesota Statutes 2020, section 16E.04, subdivision 3, is amended to read:

Subd. 3. **Risk assessment and mitigation.** (a) A risk assessment and risk mitigation plan are required for all information systems development projects undertaken by a state agency in the executive or judicial branch or by a constitutional officer. The chief information officer must contract with an entity outside of state government to conduct the initial assessment and prepare the mitigation plan for a project estimated to cost more than \$5,000,000. The outside entity conducting the risk assessment and preparing the mitigation plan must not have any other direct or indirect financial interest in the project. The risk assessment and risk mitigation plan must provide for periodic monitoring by the commissioner until the project is completed.

(b) The risk assessment and risk mitigation plan must be paid for with money appropriated for the information and telecommunications technology project. ~~The chief information officer must notify the commissioner of management and budget when work has begun on a project and must identify the proposed budget for the project. The commissioner of management and budget shall ensure that no more than ten percent of the proposed budget be spent on the project, other than the money spent on the risk assessment and risk mitigation plan, is spent until the risk assessment and mitigation plan are reported to the chief information officer and the chief information officer has approved the risk mitigation plan.~~

Sec. 11. Minnesota Statutes 2020, section 16E.0465, subdivision 2, is amended to read:

Subd. 2. **Required review and approval.** (a) A state agency receiving an appropriation for an information and telecommunications technology project subject to this section must divide the project into phases.

(b) ~~The commissioner of management and budget may not authorize the~~ An encumbrance or expenditure of an appropriation of state funds to a state agency may not be made for any phase of a state agency information and telecommunications technology project, device, or system subject to this section unless the Office of MN.IT Department of Information Technology Services has reviewed each phase of the project; ~~device, or system~~; and based on this review, the chief information officer has determined for each phase that:

(1) the project is compatible with the state information architecture and other policies and standards established by the chief information officer;

(2) the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and

(3) the project supports the enterprise information technology strategy.

Sec. 12. Minnesota Statutes 2020, section 16E.05, subdivision 1, is amended to read:

Subdivision 1. **Duties.** The ~~office~~ department, in consultation with interested persons, shall:

(1) ~~coordinate statewide efforts by units of state and local government to plan for and develop a system for providing access to government services; and~~

(2) explore ways and means to improve citizen and business access to public services, including implementation of technological improvements.

Sec. 13. Minnesota Statutes 2020, section 16E.07, subdivision 12, is amended to read:

Subd. 12. **Private entity services; fee authority.** (a) The ~~office~~ department may enter into a contract with a private entity to manage, maintain, support, and expand North Star and online government information services to citizens and businesses.

(b) A contract established under paragraph (a) may provide for compensation of the private entity through a fee established under paragraph (c).

(c) The ~~office~~ department, subject to the approval of the agency or ~~office~~ department responsible for the data or services involved in the transaction, may charge and may authorize a private entity that enters into a contract under paragraph (a) to charge a convenience fee for users of North Star and online government information services up to a total of \$2 per transaction, provided that no fee shall be charged for viewing or inspecting data. ~~The office shall consider the recommendation of the E-Government Advisory Council under section 16E.071 in setting the convenience fee.~~ A fee established under this paragraph is in addition to any fees or surcharges authorized under other law.

(d) Receipts from the convenience fee shall be deposited in the North Star account established in subdivision 7. Notwithstanding section 16A.1285, subdivision 2, receipts credited to the account are appropriated to the ~~office~~ department for payment to the contracted private entity under paragraph (a). In lieu of depositing the receipts in the North Star account, the ~~office~~ department can directly transfer the receipts to the private entity or allow the private entity to retain the receipts pursuant to a contract established under this subdivision.

(e) The ~~office~~ department shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over state government finance by January 15 of each odd-numbered year regarding the convenience fee receipts and the status of North Star projects and online government information services developed and supported by convenience fee receipts.

Sec. 14. Minnesota Statutes 2020, section 16E.21, subdivision 2, is amended to read:

Subd. 2. **Charges.** (a) Upon agreement of the participating agency, the ~~Office of MN-IT~~ Department of Information Technology Services may collect a charge or receive a fund transfer under section 16E.0466 for purchases of information and telecommunications technology systems and services by state agencies and other governmental entities through state contracts for purposes described in subdivision 1. Charges collected under this section must be credited to the information and telecommunications technology systems and services account.

(b) Notwithstanding section 16A.28, subdivision 3, any unexpended operating balance appropriated to a state agency may be transferred to the information and telecommunications technology systems and services account for the information technology cost of a specific project, subject to the review of the Legislative Advisory Commission under subdivision 3.

Sec. 15. Minnesota Statutes 2020, section 97A.057, subdivision 1, is amended to read:

Subdivision 1. **Compliance with federal law.** The commissioner shall take any action necessary to comply with the Federal Aid in Wildlife Restoration Act, United States Code, title 16, sections 669 to 669i, and the Federal Aid in Fish Restoration Act, United States Code, title 16, sections 777 to 777k.

Notwithstanding ~~section 16E.145~~ or any other law to the contrary, an appropriation for an information or telecommunications technology project from the game and fish fund, as established in section 97A.055, must be made to the commissioner. Any assets acquired with or expenditures made from the game and fish fund must remain under control of the commissioner.

Sec. 16. **REVISOR INSTRUCTION.**

The revisor of statutes shall change "Office of MN.IT Services" or similar terms to "Department of Information Technology Services" wherever it appears in Minnesota Statutes.

Sec. 17. **REPEALER.**

Minnesota Statutes 2020, sections 16E.0466, subdivision 1; 16E.05, subdivision 3; 16E.071; and 16E.145, are repealed.

### ARTICLE 3

### ELECTIONS

Section 1. Minnesota Statutes 2020, section 203B.01, subdivision 3, is amended to read:

Subd. 3. **Military.** "Military" means the Army, Navy, Air Force, Marine Corps, Coast Guard or Merchant Marine of the United States, all other uniformed services as defined in United States Code, title 52, section 20310, and military forces as defined by section 190.05, subdivision 3, or any eligible citizen of Minnesota enrolled as a student at the United States Naval Academy, the United States Coast Guard Academy, the United States Merchant Marine Academy, the United States Air Force Academy, or the United States Military Academy.

Sec. 2. Minnesota Statutes 2020, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. **Application procedures.** (a) Except as otherwise allowed by subdivision 2 or by section 203B.11, subdivision 4, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided by the secretary of state and shall furnish them to any person on request. By January 1 of each even-numbered year, the secretary of state shall make the forms to be used available to auditors through electronic means. An application submitted pursuant to this subdivision shall be in writing. An application may be submitted in person, by electronic facsimile device, by electronic mail, or by mail to:

(1) the county auditor of the county where the applicant maintains residence; or

(2) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

For a federal, state, or county election, an absentee ballot application may alternatively be submitted electronically through a secure website that shall be maintained by the secretary of state for this purpose. Notwithstanding paragraph (b), the secretary of state must require applicants using the website to submit the applicant's e-mail address and verifiable Minnesota driver's license number, Minnesota state identification card number, or the last four digits of the applicant's Social Security number.

An application submitted electronically under this paragraph may only be transmitted to the county auditor for processing if the secretary of state has verified the application information matches the information in a government database associated with the applicant's driver's license number, state identification card number, or Social Security number. The secretary of state must review all unverifiable applications for evidence of suspicious activity and must forward any such application to an appropriate law enforcement agency for investigation.

(b) An application shall be approved if it is timely received, signed and dated by the applicant, contains the applicant's name and residence and mailing addresses, date of birth, and at least one of the following:

- (1) the applicant's Minnesota driver's license number;
- (2) Minnesota state identification card number;
- (3) the last four digits of the applicant's Social Security number; or
- (4) a statement that the applicant does not have any of these numbers.

(c) To be approved, the application must contain an oath that the information contained on the form is accurate, that the applicant is applying on the applicant's own behalf, and that the applicant is signing the form under penalty of perjury.

(d) An applicant's full date of birth, Minnesota driver's license or state identification number, and the last four digits of the applicant's Social Security number must not be made available for public inspection. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device. An application mailed or returned in person to the county auditor or municipal clerk on behalf of a voter by a person other than the voter must be deposited in the mail or returned in person to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election. The absentee ballot applications or a list of persons applying for an absentee ballot may not be made available for public inspection until the close of voting on election day, except as authorized in section 203B.12, and must be available to the public in the same manner as public information lists in section 201.091, subdivisions 4, 5, and 9.

(e) An application under this subdivision may contain an application under subdivision 5 to automatically receive an absentee ballot application.

Sec. 3. Minnesota Statutes 2020, section 203B.12, subdivision 7, is amended to read:

Subd. 7. **Names of persons; rejected absentee ballots.** (a) The names of voters who have submitted an absentee ballot to the county auditor or municipal clerk that has not been accepted may not be made available for public inspection until the close of voting on election day.

(b) After the close of voting on election day, the lists must be available to the public in the same manner as public information lists in section 201.091, subdivisions 4, 5, and 9.

Sec. 4. Minnesota Statutes 2020, section 203B.121, subdivision 2, is amended to read:

Subd. 2. **Duties of ballot board; absentee ballots.** (a) The members of the ballot board shall take possession of all ~~return~~ signature envelopes delivered to them in accordance with section 203B.08. Upon receipt from the county auditor, municipal clerk, or school district clerk, two or more members of the ballot board shall examine each ~~return~~ signature envelope and shall mark it accepted or rejected in the manner provided in this subdivision. Election judges performing the duties in this section must be of different major

political parties, unless they are exempt from that requirement under section 205.075, subdivision 4, or section 205A.10, subdivision 2.

(b) The members of the ballot board shall mark the return signature envelope "Accepted" and initial or sign the return signature envelope below the word "Accepted" if a majority of the members of the ballot board examining the envelope are satisfied that:

(1) the voter's name and address on the return signature envelope are the same as the information provided on the absentee ballot application;

(2) the voter signed the certification on the envelope;

(3) the voter's Minnesota driver's license, state identification number, or the last four digits of the voter's Social Security number are the same as a number on the voter's absentee ballot application or voter record. If the number does not match, the election judges must compare the signature provided by the applicant to determine whether the ballots were returned by the same person to whom they were transmitted;

(4) the voter is registered and eligible to vote in the precinct or has included a properly completed voter registration application in the return signature envelope;

(5) the certificate has been completed as prescribed in the directions for casting an absentee ballot; and

(6) the voter has not already voted at that election, either in person or, if it is after the close of business on the seventh day before the election, by absentee ballot.

The return signature envelope from accepted ballots must be preserved and returned to the county auditor.

(c)(1) If a majority of the members of the ballot board examining a return signature envelope find that an absentee voter has failed to meet one of the requirements provided in paragraph (b), they shall mark the return signature envelope "Rejected," initial or sign it below the word "Rejected," list the reason for the rejection on the envelope, and return it to the county auditor. There is no other reason for rejecting an absentee ballot beyond those permitted by this section. Failure to place the ballot within the security secrecy envelope before placing it in the outer white envelope is not a reason to reject an absentee ballot.

(2) If an envelope has been rejected at least five days before the election, the envelope must remain sealed and the official in charge of the ballot board shall provide the voter with a replacement absentee ballot and return signature envelope in place of the rejected ballot.

(3) If an envelope is rejected within five days of the election, the envelope must remain sealed and the official in charge of the ballot board must attempt to contact the voter by telephone or e-mail to notify the voter that the voter's ballot has been rejected. The official must document the attempts made to contact the voter.

(d) The official in charge of the absentee ballot board must mail the voter a written notice of absentee ballot rejection between six and ten weeks following the election. If the official determines that the voter has otherwise cast a ballot in the election, no notice is required. If an absentee ballot arrives after the deadline for submission provided by this chapter, the notice must be provided between six to ten weeks after receipt of the ballot. A notice of absentee ballot rejection must contain the following information:

(1) the date on which the absentee ballot was rejected or, if the ballot was received after the required deadline for submission, the date on which the ballot was received;

(2) the reason for rejection; and

(3) the name of the appropriate election official to whom the voter may direct further questions, along with appropriate contact information.

(e) An absentee ballot ~~return~~ signature envelope marked "Rejected" may not be opened or subject to further review except in an election contest filed pursuant to chapter 209.

Sec. 5. Minnesota Statutes 2020, section 203B.121, subdivision 4, is amended to read:

Subd. 4. **Opening of envelopes.** After the close of business on the seventh day before the election, the ballots from ~~return~~ secrecy envelopes within the signature envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided in section 206.86, subdivision 5, initialed by the members of the ballot board, and deposited in the appropriate ballot box. If more than one voted ballot is enclosed in the ballot envelope, the ballots must be returned in the manner provided by section 204C.25 for return of spoiled ballots, and may not be counted.

Sec. 6. Minnesota Statutes 2020, section 203B.24, subdivision 1, is amended to read:

Subdivision 1. **Check of voter eligibility; proper execution of certificate.** Upon receipt of an absentee ballot returned as provided in sections 203B.16 to 203B.27, the election judges shall compare the voter's name with the names recorded under section 203B.19 in the statewide registration system to insure that the ballot is from a voter eligible to cast an absentee ballot under sections 203B.16 to 203B.27. The election judges shall mark the ~~return~~ signature envelope "Accepted" and initial or sign the ~~return~~ signature envelope below the word "Accepted" if the election judges are satisfied that:

(1) the voter's name and address on the ~~return~~ signature envelope appears in substantially the same form as on the application records provided to the election judges by the county auditor;

(2) the voter has signed the federal oath prescribed pursuant to section 705(b)(2) of the Help America Vote Act, Public Law 107-252;

(3) the voter has set forth the same voter's passport number, or Minnesota driver's license or state identification card number, or the last four digits of the voter's Social Security number as submitted on the application, if the voter has one of these documents;

(4) the voter is not known to have died; and

(5) the voter has not already voted at that election, either in person or by absentee ballot.

If the identification number described in clause (3) does not match the number as submitted on the application, the election judges must make a reasonable effort to satisfy themselves through other information provided by the applicant, or by an individual authorized to apply on behalf of the voter, that the ballots were returned by the same person to whom the ballots were transmitted.

An absentee ballot cast pursuant to sections 203B.16 to 203B.27 may only be rejected for the lack of one of clauses (1) to (5). In particular, failure to place the ballot within the ~~security~~ secrecy envelope before placing it in the outer white envelope is not a reason to reject an absentee ballot.

Election judges must note the reason for rejection on the back of the envelope in the space provided for that purpose.

Failure to return unused ballots shall not invalidate a marked ballot, but a ballot shall not be counted if the certificate on the return envelope is not properly executed. In all other respects the provisions of the

Minnesota Election Law governing deposit and counting of ballots shall apply. Notwithstanding other provisions of this section, the counting of the absentee ballot of a deceased voter does not invalidate the election.

Sec. 7. Minnesota Statutes 2020, section 204B.09, subdivision 3, is amended to read:

Subd. 3. **Write-in candidates.** (a) A candidate for county, state, or federal office who wants write-in votes for the candidate to be counted must file a written request with the filing office for the office sought not more than 84 days before the primary and no later than the seventh day before the general election. The filing officer shall provide copies of the form to make the request. No The filing officer shall not accept a written request shall be accepted later than 5:00 p.m. on the last day for filing a written request.

(b) A candidate for president of the United States who files a request under this subdivision must ~~include the name of a candidate for vice president of the United States.~~ file jointly with another individual seeking nomination as a candidate for vice president of the United States. A candidate for vice president of the United States who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for president of the United States. The request must also include the name of at least one candidate for presidential elector. The total number of names of candidates for presidential elector on the request may not exceed the total number of electoral votes to be cast by Minnesota in the presidential election.

(c) A candidate for governor who files a request under this subdivision must ~~include the name of a candidate for lieutenant governor.~~ file jointly with another individual seeking nomination as a candidate for lieutenant governor. A candidate for lieutenant governor who files a request under this subdivision must file jointly with another individual seeking nomination as a candidate for governor.

Sec. 8. Minnesota Statutes 2020, section 204B.36, subdivision 2, is amended to read:

Subd. 2. **Candidates and offices.** The name of each candidate shall be printed at a right angle to the length of the ballot. At a general election the name of the political party or the political principle of each candidate for partisan office shall be printed above or below the name of the candidate. The name of a political party or a political principle shall be printed in capital and lowercase letters of the same type, with the capital letters at least one-half the height of the capital letters used for names of the candidates. At a general or special election, blank lines containing the words "write-in, if any" shall be printed below the name of the last candidate for each office, or below the title of the office if no candidate has filed for that office, so that a voter may write in the names of individuals whose names are not on the ballot. One blank line shall be printed for each officer of that kind to be elected. At a primary election, no blank lines shall be provided for writing in the names of individuals whose names do not appear on the primary ballot.

On the left side of the ballot at the same level with the name of each candidate and each blank line shall be printed an oval or similar target shape in which the voter may designate a vote by filling in the oval or similar mark if a different target shape is used. Each oval or target shape shall be the same size. Above the first name on each ballot shall be instructions for voting. Directly underneath the official title of each office shall be printed the words "Vote for one" or "Vote for up to ..." (any greater number to be elected).

Sec. 9. Minnesota Statutes 2020, section 204C.05, subdivision 1a, is amended to read:

Subd. 1a. **Elections; organized town.** The governing body of a town with less than 500 inhabitants according to the most recent federal decennial census, which is located outside the metropolitan area as defined in section 200.02, subdivision 24, may fix a later time for voting to begin at state primary, special, or general elections, if approved by a vote of the town electors at the annual town meeting. The question of

shorter voting hours must be included in the notice of the annual town meeting before the question may be submitted to the electors at the meeting. The later time may not be later than 10:00 a.m. for special, primary, or general elections. The town clerk shall either post or publish notice of the changed hours and notify the county auditor and the secretary of state of the change 30 days before the election.

Sec. 10. Minnesota Statutes 2020, section 204C.05, subdivision 1b, is amended to read:

Subd. 1b. **Elections; unorganized territory.** An unorganized territory or unorganized territories which constitute a voting district may have shorter voting hours if at least 20 percent of the registered voters residing in the voting district sign a petition for shorter hours and present it to the county auditor and secretary of state at least 30 days before the election. The later time may not be later than 10:00 a.m. for special, primary, or general elections. The county auditor shall either post or publish notice of the changed hours, within the voting district, 30 days before the election.

Sec. 11. Minnesota Statutes 2020, section 204C.21, subdivision 1, is amended to read:

Subdivision 1. **Method.** The election judges shall take all the ballots of the same kind and count the votes cast for each office or question, beginning with the first office or question on the ballot. They shall make one pile of the ballots for each candidate who received votes for that office, or one pile for the "Yes" votes and one pile for the "No" votes on a question. They shall make a pile of totally defective ballots and a pile of totally blank ballots. They shall make a pile of ballots that are not totally defective but are defective with respect to the office or question being counted and a pile of ballots that are not totally blank but are blank with respect to the office or question being counted. After the separation into piles, the election judges shall examine each pile and remove and place in the proper pile any ballots that are found in the wrong pile. The election judges shall count the totally blank and totally defective ballots and set them aside until the counting is over for that ballot. In conducting the count of blank ballots, election judges may presume that the total count provided for sealed prepackaged ballots is correct. The election judges may pile ballots crosswise in groups of 25 in the same pile to facilitate counting. When their counts agree, the election judges shall announce the number of ballots in each pile, and shall write the number in the proper place on the summary statements.

The election judges shall then return all the counted ballots, and all the partially defective or partially blank ballots, to the original pile to be separated and counted in the same manner for the next office or question.

Sec. 12. Minnesota Statutes 2020, section 204C.27, is amended to read:

#### **204C.27 DELIVERY OF RETURNS TO COUNTY AUDITORS.**

One or more of the election judges in each precinct shall deliver ~~two sets~~ one set of summary statements; all spoiled ballots; and the envelopes containing the ballots either directly to the municipal clerk for transmittal to the county auditor's office or directly to the county auditor's office as soon as possible after the vote counting is completed but no later than 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal and school district ballots, the envelopes containing municipal and school district ballots, and all other things furnished by the municipal or school district clerk, to the municipal or school district clerk's office within 24 hours after the end of the hours for voting. The municipal or school district clerk shall return all polling place rosters and completed voter registration cards to the county auditor within 48 hours after the end of the hours for voting.

Sec. 13. Minnesota Statutes 2020, section 204C.36, subdivision 1, is amended to read:

Subdivision 1. **Publicly funded recounts.** (a) Except as provided in paragraphs (b) and (c), a losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for the nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is less than one-quarter of one percent of the total votes counted for that office. In case of offices where two or more seats are being filled from among all the candidates for the office, the one-quarter of one percent difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(b) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for nomination or election to that office if the difference between the votes cast for that candidate and for a winning candidate for nomination or election is less than one-half of one percent, and the total number of votes cast for the nomination or election of all candidates is more than 400 but less than 50,000. In cases of offices where two or more seats are being filled from among all the candidates for the office, the one-half of one percent difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(c) A losing candidate for nomination or election to a county, municipal, or school district office may request a recount of the votes cast for nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is ten votes or less, and the total number of votes cast for the nomination or election of all candidates is no more than 400. In cases of offices where two or more seats are being filled from among all the candidates for the office, the ten vote difference is between the elected candidate with the fewest votes and the candidate with the most votes from among the candidates who were not elected.

(d) Candidates for county offices shall file a written request for the recount with the county auditor. Candidates for municipal or school district offices shall file a written request with the municipal or school district clerk as appropriate. All requests under this paragraph shall be filed by between the close of the canvass of a primary or special primary and 5:00 p.m. on the fifth day after the canvass of a primary or special primary or by between the close of the canvass of a special or general election and 5:00 p.m. on the seventh day of the canvass of a special or general election for which a recount is sought.

(e) Upon receipt of a request made pursuant to this section, the county auditor shall recount the votes for a county office at the expense of the county, the governing body of the municipality shall recount the votes for a municipal office at the expense of the municipality, and the school board of the school district shall recount the votes for a school district office at the expense of the school district.

Sec. 14. Minnesota Statutes 2020, section 204D.08, subdivision 4, is amended to read:

Subd. 4. **State partisan primary ballot; party columns.** The state partisan primary ballot shall be headed by the words "State Partisan Primary Ballot." The ballot shall be printed on white paper. There must be at least three vertical columns on the ballot and each major political party shall have a separate column headed by the words "..... Party," giving the party name. Above the party names, the following statement shall be printed.

"Minnesota Election Law permits you to vote for the candidates of only one political party in a state partisan primary election."

If there are only two major political parties to be listed on the ballot, one party must occupy the left-hand column, the other party must occupy the right-hand column, and the center column must contain the following statement:

"Do not vote for candidates of more than one party."

The names of the candidates seeking the nomination of each major political party shall be listed in that party's column. If only one individual files an affidavit of candidacy seeking the nomination of a major political party for an office, the name of that individual shall be placed on the state partisan primary ballot at the appropriate location in that party's column.

In each column, the candidates for senator in Congress shall be listed first, candidates for representative in Congress second, candidates for state senator third, candidates for state representative fourth and then candidates for state office in the order specified by the secretary of state. Vacant offices being filled by special election must be listed with other offices of that type, but after any office of that type for which a candidate will be elected for a full term.

The party columns shall be substantially the same in width, type, and appearance. The columns shall be separated by a 12-point solid line.

Sec. 15. Minnesota Statutes 2020, section 204D.13, subdivision 1, is amended to read:

Subdivision 1. **Order of offices.** The candidates for partisan offices shall be placed on the state general election ballot in the following order: senator in Congress shall be first; representative in Congress, second; state senator, third; and state representative, fourth. The candidates for state offices shall follow in the order specified by the secretary of state. Candidates for governor and lieutenant governor shall appear so that a single vote may be cast for both offices. Vacant offices being filled by special election must be listed with other offices of that type, but after any office of that type for which a candidate will be elected for a full term.

Sec. 16. Minnesota Statutes 2020, section 204D.195, is amended to read:

**204D.195 DATE OF SPECIAL ELECTION; CERTAIN TIMES PROHIBITED.**

Notwithstanding any other provision of law, a special primary and special general election may not be held:

(1) for a period beginning the day following the date of the state primary election and ending the day prior to the date of the state general election; or

(2) on a holiday, or during the four days before or after a holiday, as defined in section 645.44, subdivision 5.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to special elections occurring on or after that date.

Sec. 17. Minnesota Statutes 2020, section 204D.27, subdivision 5, is amended to read:

Subd. 5. **Canvass; special primary; state canvassing board; contest.** Not later than four days after the returns of the county canvassing boards are certified to the secretary of state, the State Canvassing Board shall complete its canvass of the special primary. The secretary of state shall then promptly certify to the county auditors the names of the nominated individuals, prepare notices of nomination, and notify each

nominee of the nomination. In case of a contest of a special primary for state senator or state representative, the notice of contest must be filed within two days, excluding Sundays and legal holidays, after the canvass is completed, and the contest shall otherwise proceed in the manner provided by law for contesting elections.

Sec. 18. Minnesota Statutes 2020, section 204D.28, subdivision 9, is amended to read:

Subd. 9. **Filing by candidates.** The time for filing of affidavits and nominating petitions for candidates to fill a vacancy at a special election shall open 12 weeks before the special primary or on the day the secretary of state issues notice of the special election, whichever occurs later. Filings shall close ten weeks before the special primary. A candidate filing for the office of United States senator to fill a vacancy at a special election when both offices of United States senator are required to be placed on the same ballot must specify on the affidavit of candidacy the expiration date of the term of the office that the candidate is seeking.

Sec. 19. Minnesota Statutes 2020, section 204D.28, subdivision 10, is amended to read:

Subd. 10. **United States senator; candidates; designation of term.** When the names of candidates for both offices of United States senator are required to be placed on the same ballot, the expiration date of the term of each office shall be printed on the ballot in the office heading opposite the name of each candidate for nomination or election to that office.

Sec. 20. Minnesota Statutes 2020, section 206.805, subdivision 1, is amended to read:

Subdivision 1. **Contracts required.** (a) The secretary of state, with the assistance of the commissioner of administration, must establish one or more state voting systems contracts. The contracts should, if practical, include provisions for maintenance of the equipment purchased. The voting systems contracts must address precinct-based optical scan voting equipment, assistive voting technology, automatic tabulating equipment, and electronic roster equipment. The contracts must give the state a perpetual license to use and modify the software. The contracts must include provisions to escrow the software source code, ~~as provided in subdivision 2.~~ Bids for voting systems and related election services must be solicited from each vendor selling or leasing voting systems that have been certified for use by the secretary of state. Bids for electronic roster equipment, software, and related services must be solicited from each vendor selling or leasing electronic roster equipment that meets the requirements of section 201.225, subdivision 2. The contracts must be renewed from time to time.

(b) Counties and municipalities may purchase or lease voting systems and obtain related election services from the state contracts. All counties and municipalities are members of the cooperative purchasing venture of the Department of Administration for the purpose of this section. For the purpose of township elections, counties must aggregate orders under contracts negotiated under this section for products and services and may apportion the costs of those products and services proportionally among the townships receiving the products and services. The county is not liable for the timely or accurate delivery of those products or services.

Sec. 21. Minnesota Statutes 2020, section 206.89, subdivision 4, is amended to read:

Subd. 4. **Standard of acceptable performance by voting system.** A comparison of the results compiled by the voting system with the postelection review described in this section must show that the results of the electronic voting system differed ~~by no more than one-half of one percent~~ from the manual count of the offices reviewed by no more than two votes in a precinct where fewer than 1,200 voters cast ballots, three votes in a precinct where between 1,200 and 1,599 voters cast ballots, four votes in a precinct where between

1,600 and 1,999 voters cast ballots, or five votes in a precinct where 2,000 or more voters cast ballots. Valid votes that have been marked by the voter outside the vote targets or using a manual marking device that cannot be read by the voting system must not be included in making the determination whether the voting system has met the standard of acceptable performance for any precinct.

Sec. 22. Minnesota Statutes 2020, section 206.89, subdivision 5, is amended to read:

Subd. 5. **Additional review.** (a) If the postelection review in one of the reviewed precincts reveals a difference greater than ~~one-half of one percent, or greater than two votes in a precinct where 400 or fewer voters cast ballots,~~ the thresholds specified in subdivision 4, the postelection review official must, within two days, conduct an additional review of the races indicated in subdivision 3 in at least three precincts in the same jurisdiction where the discrepancy was discovered. If all precincts in that jurisdiction have been reviewed, the county auditor must immediately publicly select by lot at least three additional precincts for review. The postelection review official must complete the additional review within two days after the precincts are selected and report the results immediately to the county auditor. If the second review in any of the reviewed precincts also indicates a difference in the vote totals compiled by the voting system that is greater than ~~one-half of one percent from the result indicated by the postelection review, or greater than two votes in a precinct where 400 or fewer voters cast ballots,~~ the thresholds specified in subdivision 4, the county auditor must conduct a review of the ballots from all the remaining precincts in the county for the races indicated in subdivision 3. This review must be completed and the results must be reported to the secretary of state within one week after the second review was completed.

(b) If the results from the countywide reviews from one or more counties comprising in the aggregate more than ten percent of the total number of persons voting in the election clearly indicate that an error in vote counting has occurred, the secretary of state must notify the postelection review official of each county in the district that they must conduct manual recounts of all the ballots in the district for the affected office using the procedure outlined in section 204C.35. The recount must be completed and the results reported to the appropriate canvassing board within two weeks after the postelection review official received notice from the secretary of state.

Sec. 23. Minnesota Statutes 2020, section 206.90, subdivision 6, is amended to read:

Subd. 6. **Ballots.** In precincts using optical scan voting systems, a single ballot card on which all ballot information is included must be printed in black ink on white colored material except that marks not to be read by the automatic tabulating equipment may be printed in another color ink. In state elections, a single ballot title must be used, as provided in sections 204D.08, subdivision 6, and 204D.11, subdivision 1. ~~In odd-numbered years~~ When both municipal and school district offices or questions appear on the ballot, the single ballot title "City (or Town) and School District Ballot" must be used.

On the front of the ballot must be printed the words "Official Ballot" and the date of the election and lines for the initials of at least two election judges.

When optical scan ballots are used, the offices to be elected must appear in the following order: federal offices; state legislative offices; constitutional offices; proposed constitutional amendments; county offices and questions; municipal offices and questions; school district offices and questions; special district offices and questions; and judicial offices.

On optical scan ballots, the names of candidates and the words "yes" and "no" for ballot questions must be printed as close to their corresponding vote targets as possible.

The line on an optical scan ballot for write-in votes must contain the words "write-in, if any."

If a primary ballot contains both a partisan ballot and a nonpartisan ballot, the instructions to voters must include a statement that reads substantially as follows: "This ballot card contains a partisan ballot and a nonpartisan ballot. On the partisan ballot you are permitted to vote for candidates of one political party only." If a primary ballot contains political party columns on both sides of the ballot, the instructions to voters must include a statement that reads substantially as follows: "Additional political parties are printed on the other side of this ballot. Vote for one political party only." At the bottom of each political party column on the primary ballot, the ballot must contain a statement that reads substantially as follows: "Continue voting on the nonpartisan ballot." The instructions in section 204D.08, subdivision 4, do not apply to optical scan partisan primary ballots. Electronic ballot displays and audio ballot readers must follow the order of offices and questions on the optical scan or paper ballot used in the same precinct, or the sample ballot posted for that precinct.

Sec. 24. Minnesota Statutes 2020, section 207A.13, is amended to read:

**207A.13 FORM OF BALLOTS; CANDIDATES ON BALLOT.**

Subdivision 1. **Form.** (a) Except as provided by law, presidential nomination primary ballots shall be printed in the same manner as state primary ballots as far as practicable. A sufficient number of each ballot shall be printed for each precinct and ward in the state.

(b) There must be separate ballots for the names of the candidates of each participating political party. Each ballot must be headed by the words "Presidential Nomination Primary Ballot." The heading must also indicate the party that appears on the ballot.

(c) If requested by a party chair, the ballot for that participating party must contain a place for a voter to indicate a preference for having delegates to the party's national convention remain uncommitted. If requested by a party chair, the ballot for that participating party must contain a blank line printed below the other choices on the ballot so that a voter may write in the name of a person who is not listed on the ballot. A request under this paragraph must be submitted to the secretary of state no later than 63 days before the presidential nomination primary.

Subd. 2. **Candidates on the ballot.** (a) Each party participating in the presidential nomination primary must determine which candidates are to be placed on the presidential nomination primary ballot for that party. The chair of each participating party must submit to the secretary of state the names of the candidates to appear on the ballot for that party no later than 63 days before the presidential nomination primary. Once submitted, changes must not be made to the candidates that will appear on the ballot.

(b) No later than the seventh day before the presidential nomination primary, the chair of each participating party must submit to the secretary of state the names of write-in candidates, if any, to be counted for that party.

Sec. 25. Minnesota Statutes 2020, section 207A.14, subdivision 3, is amended to read:

Subd. 3. **Notice of primary to public.** At least 15 days before the date of the presidential nomination primary, each municipal clerk shall post a public notice stating the date of the presidential nomination primary, the location of each polling place in the municipality, the hours during which the polling places in the municipality will be open, and information about the requirements of section 207A.12, paragraph (b); ~~including a notice that the voter's choice of a political party's ballot will be recorded and is public information.~~ The county auditor shall post a similar notice in the auditor's office with information for any polling places

in unorganized territory in the county. The governing body of a municipality or county may publish the notice in addition to posting it. Failure to give notice does not invalidate the election.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 26. Minnesota Statutes 2020, section 367.25, subdivision 1, is amended to read:

Subdivision 1. **Requirement, fee.** Every person elected at a March election, elected at a special election, or appointed to a town office, within ten days after receiving a certificate or notice of election or appointment, shall take and subscribe the oath required by law. Persons elected at a November election shall take their oath before assuming office. If taken before the town clerk, the oath shall be administered and certified without fee.

Sec. 27. Minnesota Statutes 2020, section 412.02, subdivision 2a, is amended to read:

Subd. 2a. **Vacancy.** Except as otherwise provided in subdivision 2b, a vacancy in an office shall be filled by council appointment until an election is held as provided in this subdivision. In case of a tie vote in the council, the mayor shall make the appointment. If the vacancy occurs before the first day to file affidavits of candidacy for the next regular city election and more than two years remain in the unexpired term, a special election shall be held at or before the next regular city election and the appointed person shall serve until the qualification of a successor elected at a special election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the regular city election or when less than two years remain in the unexpired term, there need not be a special election to fill the vacancy and the appointed person shall serve until the qualification of a successor. The council must specify by ordinance under what circumstances it will hold a special election to fill a vacancy other than a special election held at the same time as the regular city election.

All of the provisions of the Minnesota Election Law are applicable to special elections as far as practicable.

## ARTICLE 4

### CAMPAIGN FINANCE

Section 1. Minnesota Statutes 2020, section 10A.01, subdivision 4, is amended to read:

Subd. 4. **Approved expenditure.** "Approved expenditure" means an expenditure made on behalf of a candidate or a local candidate by an entity other than the candidate's principal campaign committee of the candidate or the local candidate, 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 the candidate or local candidate, the candidate's principal campaign committee, or the candidate's or local candidate's agent. An approved expenditure is a contribution to that candidate or local candidate.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 2. Minnesota Statutes 2020, section 10A.01, subdivision 7, is amended to read:

Subd. 7. **Ballot question.** "Ballot question" means a question or proposition that is placed on the ballot and that may be voted on by:

(1) all voters of the state;

(2) all voters of Hennepin County;

(3) all voters of any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(4) all voters of Special School District No. 1.

"Promoting or defeating a ballot question" includes activities, other than lobbying activities, related to qualifying the question for placement on the ballot.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 3. Minnesota Statutes 2020, 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 a local 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 or a local candidate is considered made for the purpose of influencing the nomination or election of that candidate or local candidate or any opponent of that candidate or local 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 or a local candidate, ballot question, political committee, political fund, principal campaign committee, or party unit;

(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.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 4. Minnesota Statutes 2020, section 10A.01, is amended by adding a subdivision to read:

Subd. 10d. **Local candidate.** "Local candidate" means an individual who seeks nomination or election to:

(1) any county office in Hennepin County;

(2) any city office in any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(3) the school board in Special School District No. 1.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 5. Minnesota Statutes 2020, 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, local candidate, or party unit. An allocation by an association of general treasury money to be used for activities that must be or are reported through the association's political fund is considered to be a contribution for the purposes of disclosure required by this chapter.

(b) "Contribution" includes a loan or advance of credit to a political committee, political fund, principal campaign committee, local candidate, 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, local candidate, 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, local candidate, ballot question, political committee, political fund, principal campaign committee, or party unit; 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.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 6. Minnesota Statutes 2020, section 10A.01, subdivision 16a, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 7. Minnesota Statutes 2020, section 10A.01, subdivision 17c, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 8. Minnesota Statutes 2020, 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 or local 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 or any local candidate or local candidate's agent. An independent expenditure is not a contribution to that candidate or local candidate. An independent expenditure does not include the act of announcing a formal public endorsement of a candidate or local candidate for public office, unless the act is simultaneously accompanied by an expenditure that would otherwise qualify as an independent expenditure under this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 9. Minnesota Statutes 2020, section 10A.01, subdivision 20, is amended to read:

Subd. 20. **Loan.** "Loan" means an advance of money or anything of value made to a political committee, political fund, principal campaign committee, local candidate, or party unit.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 10. Minnesota Statutes 2020, section 10A.01, subdivision 26, is amended to read:

Subd. 26. **Noncampaign disbursement.** (a) "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 as provided in section 10A.173, subdivision 1;
- (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 holiday or seasonal cards, thank-you notes, or advertisements in the news media mailed or published prior to the end of the election cycle;
  - (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;
  - (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;
  - (23) costs paid to a third party for processing contributions made by a credit card, debit card, or electronic check;
  - (24) a contribution to a fund established to support a candidate's participation in a recount of ballots affecting that candidate's election;
  - (25) costs paid by a candidate's principal campaign committee for a single reception given in honor of the candidate's retirement from public office after the filing period for affidavits of candidacy for that office has closed;
  - (26) a donation from a terminating principal campaign committee to the state general fund; ~~and~~
  - (27) a donation from a terminating principal campaign committee to a county obligated to incur special election expenses due to that candidate's resignation from state office; and
  - (28) during a period starting January 1 in the year following a general election and ending on December 31 of the year of general election, total payments of up to \$3,000 for security expenses for a candidate, including home security hardware, maintenance of home security hardware, identity theft monitoring services, and credit monitoring services.
- (b) The board must determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.
- (c) 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.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to payments made on or after January 1, 2021.

Sec. 11. Minnesota Statutes 2020, section 10A.01, subdivision 27, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 12. Minnesota Statutes 2020, section 10A.01, subdivision 28, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 13. Minnesota Statutes 2020, section 10A.01, subdivision 35, is amended to read:

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

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, director of the Legislative Budget Office, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (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 under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;

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

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

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

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

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

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

(17) member of the board of directors or executive director of the Minnesota State High School League;

(18) member of the Minnesota Ballpark Authority established in section 473.755;

(19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;

(20) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;

(21) supervisor of a soil and water conservation district;

(22) director of Explore Minnesota Tourism;

(23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056;

(24) citizen member of the Clean Water Council established in section 114D.30;

(25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;

(26) district court judge, appeals court judge, or supreme court justice;

(27) county commissioner;

(28) member of the Greater Minnesota Regional Parks and Trails Commission; ~~or~~

(29) member of the Destination Medical Center Corporation established in section 469.41; or

(30) chancellor or member of the Board of Trustees of the Minnesota State Colleges and Universities.

Sec. 14. Minnesota Statutes 2020, section 10A.09, subdivision 1, is amended to read:

Subdivision 1. **Time for filing.** An individual must 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 60 days of assuming office as a district court judge, appeals court judge, supreme court justice, or county commissioner;

(3) within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective state constitutional or legislative office or an elective local office in a metropolitan governmental unit other than county commissioner;

(4) 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

(5) 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.

Sec. 15. Minnesota Statutes 2020, section 10A.09, subdivision 2, is amended to read:

Subd. 2. **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 this section to file a statement of economic interest, must notify the board of the name of the individual required to file a statement and the date of the affidavit, petition, or nomination.

Sec. 16. Minnesota Statutes 2020, section 10A.09, subdivision 5, is amended to read:

Subd. 5. **Form; general requirements.** (a) A statement of economic interest required by this section must be on a form prescribed by the board. The individual filing must provide the following information:

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

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

(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, if the interest is valued in excess of \$2,500; or (ii) an option to buy, if the property has a fair market value of more than \$50,000;

(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, if the property has a fair market value of more than \$50,000. A listing under this clause or clause (3) must indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county in which the property is located;

(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 racehorse, in which the individual directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest;

(6) a listing of the principal business or professional activity category of each business from which the individual receives more than \$250 in any month during the reporting period as an employee, if the individual has an ownership interest of 25 percent or more in the business;

(7) a listing of each principal business or professional activity category from which the individual received compensation of more than \$2,500 in the past 12 months as an independent contractor; and

(8) a listing of the full name of each security with a value of more than \$10,000 owned in part or in full by the individual, at any time during the reporting period.

(b) The business or professional categories for purposes of paragraph (a), clauses (6) and (7), must be the general topic headings used by the federal Internal Revenue Service for purposes of reporting self-employment income on Schedule C. This paragraph does not require an individual to report any specific code number from that schedule. Any additional principal business or professional activity category may only be adopted if the category is enacted by law.

~~(e) For the purpose of an original statement of economic interest, "compensation in any month" includes only compensation received in the calendar month immediately preceding the date of appointment as a public official or filing as a candidate.~~

~~(d)~~ (c) For the purpose of calculating the amount of compensation received from any single source in a single month, the amount shall include the total amount received from the source during the month, whether or not the amount covers compensation for more than one month.

~~(e)~~ (d) For the purpose of determining the value of an individual's interest in real property, the value of the property is the market value shown on the property tax statement.

~~(f) For the purpose of an original statement of economic interest, the individual shall disclose only those real properties owned on the date of appointment as a public official or filing as a candidate.~~

~~(g)~~ (e) For the purpose of this section, "date of appointment" means the effective date of appointment to a position.

~~(h)~~ (f) For the purpose of this section, "accepting employment as a public official" means the effective date of the appointment to the position, as stated in the appointing authority's notice to the board.

Sec. 17. Minnesota Statutes 2020, section 10A.09, is amended by adding a subdivision to read:

Subd. 5a. **Original statement; reporting period.** (a) An original statement of economic interest required under subdivision 1, clause (1), must cover the calendar month before the month in which the individual accepted employment as a public official or a local official in a metropolitan governmental unit.

(b) An original statement of economic interest required under subdivision 1, clauses (2), (4), and (5), must cover the calendar month before the month in which the individual assumed or undertook the duties of office.

(c) An original statement of economic interest required under subdivision 1, clause (3), must cover the calendar month before the month in which the candidate filed the affidavit of candidacy.

Sec. 18. Minnesota Statutes 2020, section 10A.09, subdivision 6, is amended to read:

Subd. 6. **Annual statement.** (a) Each individual who is required to file a statement of economic interest must also file an annual statement by the last Monday in January of each year that the individual remains in office. The annual statement must cover the period through December 31 of the year prior to the year when the statement is due. The annual statement must include the amount of each honorarium in excess of ~~\$50~~ \$250 received since the previous statement and the name and address of the source of the honorarium. The board must maintain each annual statement of economic interest submitted by an officeholder in the same file with the statement submitted as a candidate.

~~(b) For the purpose of annual statements of economic interest to be filed, "compensation in any month" includes compensation and honoraria received in any month between the end of the period covered in the preceding statement of economic interest and the end of the current period.~~

~~(e) (b)~~ An individual must file the annual statement of economic interest required by this subdivision to cover the period for which the individual served as a public official even though at the time the statement was filed, the individual is no longer holding that office as a public official.

~~(d) For the purpose of an annual statement of economic interest, the individual shall disclose any real property owned at any time between the end of the period covered by the preceding statement of economic interest and through the last day of the month preceding the current filing or the last day of employment, if the individual is no longer a public official.~~

Sec. 19. Minnesota Statutes 2020, section 10A.12, subdivision 1, is amended to read:

Subdivision 1. **When required for contributions and approved expenditures.** An association other than a political committee or party unit may not contribute more than \$750 in aggregate in any calendar year to candidates, local candidates, political committees, or party units or make approved expenditures of more than \$750 in aggregate in any calendar year unless the contribution or expenditure is made through a political fund.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 20. Minnesota Statutes 2020, section 10A.12, subdivision 2, is amended to read:

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 21. Minnesota Statutes 2020, section 10A.121, subdivision 2, is amended to read:

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

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

(2) makes an approved expenditure.

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

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 22. Minnesota Statutes 2020, section 10A.13, subdivision 1, is amended to read:

Subdivision 1. **Accounts; penalty.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must keep an account of:

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

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

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

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

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

Any individual who knowingly violates this subdivision is subject to a civil penalty imposed by the board of up to \$1,000.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 23. Minnesota Statutes 2020, section 10A.14, is amended by adding a subdivision to read:

Subd. 2a. **Alternate contact information; form.** (a) A candidate; treasurer of a political committee, political fund, principal campaign committee, or party unit; or chair of a political committee, principal campaign committee, or party unit may file a form with the board that includes alternate contact information. If a form is filed, the form must include the following information for the filer:

(1) name;

(2) political committee, political fund, principal campaign committee, or party unit; and

(3) alternate contact information.

(b) The board must only use the alternate contact information to contact the filer for the purposes of administering chapter 10A. Information collected pursuant to this subdivision is private data on individuals.

(c) For purposes of this subdivision, "alternate contact information" means an address, phone number, or e-mail address that is different from the information provided on the form required by subdivision 2.

**EFFECTIVE DATE.** This section is effective August 1, 2021.

Sec. 24. Minnesota Statutes 2020, section 10A.17, subdivision 4, is amended to read:

Subd. 4. **Independent expenditures.** An individual, political committee, political fund, principal campaign committee, or party unit that independently solicits or accepts contributions or makes independent expenditures on behalf of a candidate or local candidate must publicly disclose that the expenditure is an independent expenditure. All written and broadcast communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate or local candidate must contain a statement in substantially the form provided in section 211B.04, subdivision 2. The statement must be on the front page of all written communications and at the end of all broadcast communications made by that individual, political committee, political fund, principal campaign committee, or party unit on the candidate's or local candidate's behalf.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 25. Minnesota Statutes 2020, section 10A.20, is amended by adding a subdivision to read:

Subd. 2a. **Local election reports.** (a) This subdivision applies to a political committee, political fund, or political party unit that during a non-general election year:

(1) spends in aggregate more than \$200 to influence the nomination or election of local candidates;

(2) spends in aggregate more than \$200 to make independent expenditures on behalf of local candidates;

or

(3) spends in aggregate more than \$200 to promote or defeat ballot questions defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

(b) In addition to the reports required by subdivision 2, the entities listed in paragraph (a) must file the following reports in each non-general election year:

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

(2) a report covering the calendar year through May 31, which is due June 14;

(3) a pre-primary-election report due 15 days before the local primary election date specified in section 205.065;

(4) a pre-general-election report due 42 days before the local general election; and

(5) a pre-general-election report due ten days before a local general election.

The reporting obligations in this paragraph begin with the first report due after the reporting period in which the entity reaches the spending threshold specified in paragraph (a).

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 26. Minnesota Statutes 2020, section 10A.20, subdivision 3, is amended to read:

Subd. 3. **Contents of report.** (a) The report required by this section must include each of the items listed in paragraphs (b) to (q) that are applicable to the filer. The board shall prescribe forms based on filer type indicating which of those items must be included on the filer's report.

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

(c) The report must disclose the name, address, employer, or occupation if self-employed, and registration number if registered with the board, of each individual or association that has made one or more contributions to the reporting entity, including the purchase of tickets for a fund-raising effort, that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions, together with the amount and date of each contribution, and the aggregate amount of contributions within the year from each source so disclosed. A donation in kind must be disclosed at its fair market value. An approved expenditure 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 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.

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

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

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

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

(h) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom aggregate expenditures, approved expenditures, independent expenditures, and ballot question expenditures have been made by or on behalf of the reporting entity within the year in excess of \$200, together with the amount, date, and purpose of each expenditure, including an explanation of how the expenditure was used, and the name and address of, and office sought by, each candidate or local candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat and an indication of whether the expenditure was to promote or to defeat the ballot question, and in the case of independent expenditures made in opposition to a candidate or local candidate, the candidate's or local candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate ~~for state or legislative office~~ or local candidate must allocate the expenditure among the candidates and local candidates on a reasonable cost basis and report the allocation for each candidate or local candidate. The report must list on separate schedules any independent expenditures made on behalf of local candidates and any expenditures made for ballot questions as defined in section 10A.01, subdivision 7, clause (2), (3), or (4).

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

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

(k) The report must disclose the name, address, and registration number if registered with the board of each political committee, political fund, principal campaign committee, local candidate, or party unit to which contributions have been made that aggregate in excess of \$200 within the year and the amount and date of each contribution. The report must list on separate schedules any contributions made to state candidates' principal campaign committees and any contributions made to local candidates.

(l) The report must disclose the sum of all contributions made by the reporting entity during the reporting period and must separately disclose the sum of all contributions made to local candidates by the reporting entity during the reporting period.

(m) The report must disclose the name, address, and registration number if registered with the board of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$200 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement, including an explanation of how the expenditure was used.

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

(o) 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, 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.

(p) Legislative, statewide, and judicial candidates, party units, and political committees and funds must itemize contributions that in aggregate within the year exceed \$200 for legislative or statewide candidates or more than \$500 for ballot questions on reports submitted to the board. The itemization must include the date on which the contribution was received, the individual or association that provided the contribution, and the address of the contributor. Additionally, the itemization for a donation in kind must provide a description of the item or service received. Contributions that are less than the itemization amount must be reported as an aggregate total.

(q) Legislative, statewide, and judicial candidates, party units, political committees and funds, and committees to promote or defeat a ballot question must itemize expenditures and noncampaign disbursements that in aggregate exceed \$200 in a calendar year on reports submitted to the board. The itemization must include the date on which the committee made or became obligated to make the expenditure or disbursement, the name and address of the vendor that provided the service or item purchased, and a description of the service or item purchased, including an explanation of how the expenditure was used. Expenditures and noncampaign disbursements must be listed on the report alphabetically by vendor.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 27. Minnesota Statutes 2020, section 10A.20, subdivision 6a, is amended to read:

Subd. 6a. **Statement of independence.** An individual, political committee, political fund, or party unit filing a report or statement disclosing an independent expenditure under subdivision 3 or 6 must file with the report a sworn statement that the disclosed expenditures 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;~~ any local candidate, or any local candidate's agent.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 28. Minnesota Statutes 2020, 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)~~ (h) or ~~(l)~~ (m), 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. 29. Minnesota Statutes 2020, section 10A.27, subdivision 13, is amended to read:

Subd. 13. **Unregistered association limit; statement; penalty.** (a) The treasurer of a political committee, political fund, principal campaign committee, or party unit must not accept a contribution of more than \$200 from an association not registered under this chapter unless the contribution is accompanied by a ~~written~~ statement that meets the disclosure and reporting period requirements imposed by section 10A.20. The statement may be a written statement or a government website where the disclosure report for the unregistered association may be viewed. This statement must be certified as true and correct by an officer of the contributing association. The committee, fund, or party unit that accepts the contribution must include a copy of the written statement or website with the report that discloses the contribution to the board.

(b) An unregistered association may provide the ~~written~~ statement required by this subdivision to no more than three committees, funds, or party units in 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 imposed by the board of 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 committees, funds, or party units in a calendar year.

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

(d) This subdivision does not apply:

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

(2) when a federal committee of a major or minor political party registered with the board gives an in-kind contribution to the federal committee's state central committee or a party organization within a house of the state legislature; or

~~(2)~~ (3) to purchases by candidates for federal office of tickets to events or space rental at events held by party units in this state (i) if the geographical area represented by the party unit includes any part of the

geographical area of the office that the federal candidate is seeking and (ii) the purchase price is not more than that paid by other attendees or renters of similar spaces.

Sec. 30. Minnesota Statutes 2020, section 10A.275, subdivision 1, is amended to read:

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

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

(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;

(3) expenditures for a telephone ~~conversation including~~ call, voice mail, text message, multimedia message, internet chat message, or e-mail when the communication includes the names of three or more individuals whose names are to appear on the ballot;

(4) expenditures for a political party fund-raising effort on behalf of three or more candidates; or

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

Sec. 31. Minnesota Statutes 2020, section 10A.323, is amended to read:

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

(a) 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:

(1) between January 1 of the previous year and the cutoff date for transactions included in the report of receipts and expenditures due before the primary election, accumulate contributions from individuals 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, excluding in-kind contributions:

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

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

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

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

(v) candidates for the house of representatives, \$1,500;

(2) file an affidavit with the board stating that the principal campaign committee has complied with this paragraph. The affidavit must state the total amount of contributions that have been received from individuals eligible to vote in this state, excluding:

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

(ii) any in-kind contribution; and

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

(3) submit the affidavit required by this section to the board in writing by the deadline for reporting of receipts and expenditures before a primary under section 10A.20, subdivision 4 2.

(b) 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 accumulate the contributions specified in paragraph (a) and must submit the affidavit required by this section to the board within five days after the close of the filing period for the special election for which the candidate filed.

(c) Notwithstanding paragraphs (a) and (b), a candidate for a vacancy to be filled at a special election called under section 204B.13, subdivision 2, paragraph (c), must accumulate the contributions specified in paragraph (a) and must submit the affidavit required by this section to the board within 12 calendar days after the general election.

(d) A candidate or the candidate's treasurer must be able to electronically file the affidavit required under this section in the same manner as other reports required by this chapter. The board must not require the candidate or candidate's treasurer to notarize the affidavit of contribution.

Sec. 32. Minnesota Statutes 2020, section 383B.041, is amended to read:

**383B.041 CAMPAIGN FINANCING, DISCLOSURE OF ECONOMIC INTERESTS.**

Subdivision 1. **Hennepin County candidates.** Sections 383B.041 to 383B.058 apply to the financing of campaigns for county elections in Hennepin County and for city elections in home rule charter cities and statutory cities located wholly within Hennepin County, having a population of 75,000 or more, and for school board elections in the Special School District No. 1, Minneapolis, and to disclosure of economic interests by candidates and elected public officials of those jurisdictions. The provisions of sections 211A.02 to 211A.07 do not apply to the financing of campaigns for elections subject to the provisions of sections 383B.041 to 383B.058. Candidates for county commissioner, county attorney, and sheriff of Hennepin County must file campaign disclosure forms with the filing officer for Hennepin County. These candidates are subject to the provisions of chapter 211A.

Subd. 2. **Political subdivision candidates.** Candidates for elected city, school board, park commissioner, and other political subdivision offices within Hennepin County shall file campaign disclosure forms with the filing officer for the political subdivision for which the candidate is seeking office. These candidates are subject to the provisions of chapter 211A.

Subd. 3. **Political committees, political funds, and independent expenditures.** (a) The provisions of chapter 10A apply to political committees as defined in section 10A.01, subdivision 27; political funds as defined in section 10A.01, subdivision 28; and independent expenditures as defined in section 10A.01, subdivision 18, related to:

(1) a campaign for the nomination or election of a candidate for:

(i) a county office in Hennepin County;

(ii) a city office in a home rule charter or statutory city located wholly within Hennepin County with a population of 75,000 or more; or

(iii) the school board in Special School District No. 1; and

(2) a ballot question or proposition that may be voted on by:

(i) all voters in Hennepin County;

(ii) all voters of a home rule charter or statutory city located wholly within Hennepin County and having a population of 75,000 or more; or

(iii) all voters in Special School District No. 1.

(b) The provisions of chapter 211A apply to a campaign for nomination or election for an office in the following political subdivisions:

(1) a home rule or statutory city located wholly within Hennepin County and having a population of less than 75,000; and

(2) a school district located wholly within Hennepin County other than Special School District No. 1.

(c) The provisions of chapter 211A apply to a ballot question or proposition that may be voted on by:

(1) all voters of a home rule or statutory city located wholly within Hennepin County and having a population of less than 75,000; and

(2) all voters of a school district located wholly within Hennepin County other than Special School District No. 1.

Subd. 4. **Local ordinances and charters superseded.** This section supersedes the provisions of any ordinance or resolution of a political subdivision within Hennepin County, or any existing special law or home rule charter provision of a political subdivision within Hennepin County requiring disclosure of information related to the financing of election campaigns.

Subd. 5. **Economic interest disclosure; Special School District No. 1.** Every candidate for school board in Special School District No. 1, Minneapolis, must file an original statement of economic interest with the school district within 14 days of the filing of an affidavit or petition to appear on the ballot. An elected official in Special School District No. 1, Minneapolis, must file the annual statement required in section 10A.09, subdivision 6, with the school district for every year that the individual serves in office. An original and annual statement must contain the information listed in section 10A.09, subdivision 5. The provisions of section 10A.09, subdivisions 6a, 7, and 9, apply to statements required under this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Sec. 33. **REPEALER.**

Subdivision 1. **Enterprise Minnesota, Inc.** Minnesota Statutes 2020, sections 116O.03, subdivision 9; and 116O.04, subdivision 3, are repealed.

Subd. 2. **Hennepin County.** Minnesota Statutes 2020, sections 10A.15, subdivision 6; 383B.042; 383B.043; 383B.044; 383B.045; 383B.046; 383B.047; 383B.048; 383B.049; 383B.05; 383B.051; 383B.052; 383B.053; 383B.054; 383B.055; 383B.056; and 383B.057, are repealed.

**EFFECTIVE DATE.** Subdivision 2 is effective January 1, 2022, and applies to reports and disclosures required to be filed on or after that date.

Presented to the governor May 21, 2021

Signed by the governor May 25, 2021, 8:21 a.m.