

(SENATE AUTHORS: ROBLING and Sieben)

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| 04/18/2011 | 1388 | Introduction and first reading Referred to Local Government and Elections |
| 04/26/2011 | 1411 | Author added Sieben |
| 05/02/2011 | 1551 | Comm report: To pass and re-referred to Judiciary and Public Safety |
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1.1

A bill for an act

1.2

relating to campaign finance; changing certain procedures and requirements

1.3

of the Campaign Finance and Public Disclosure Board; amending Minnesota

1.4

Statutes 2010, sections 10A.01, by adding subdivisions; 10A.02, subdivisions

1.5

9, 10, 11, 12, 13, by adding a subdivision; 10A.105, subdivision 1; 10A.12,

1.6

subdivisions 1, 1a, 2; 10A.121, subdivision 1; 10A.14, subdivision 1, by adding a

1.7

subdivision; 10A.20, subdivisions 1, 2, 3, 4, 5, 6, 12, by adding a subdivision;

1.8

10A.24, by adding a subdivision; 10A.27, subdivisions 14, 15; 10A.31,

1.9

subdivision 7; 10A.315; repealing Minnesota Rules, parts 4501.0500, subpart

1.10

2, item A; 4503.0200, subpart 6; 4503.0500, subpart 8; 4503.1700; 4512.0100,

1.11

subparts 2, 4.

1.12

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

1.13

Section 1. Minnesota Statutes 2010, section 10A.01, is amended by adding a

1.14

subdivision to read:

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Subd. 7c. **Ballot question political committee.** "Ballot question political

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committee" means a political committee that makes only expenditures to promote or defeat

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a ballot question and disbursements permitted under section 10A.121, subdivision 1.

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Sec. 2. Minnesota Statutes 2010, section 10A.01, is amended by adding a subdivision

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to read:

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Subd. 7d. **Ballot question political fund.** "Ballot question political fund" means

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a political fund that makes only expenditures to promote or defeat a ballot question and

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disbursements permitted under section 10A.121, subdivision 1.

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Sec. 3. Minnesota Statutes 2010, section 10A.02, subdivision 9, is amended to read:

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Subd. 9. **Documents; information.** The executive director must inspect all material

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filed with the board as promptly as necessary to comply with this chapter ~~and~~, with

other provisions of law requiring the filing of a document with the board, and with other provisions of law under the board's jurisdiction pursuant to subdivision 11. The executive director must immediately notify ~~the~~ an individual ~~required to file a document with the board~~ if a written complaint is filed with the board alleging, or it otherwise appears, that a document filed with the board is inaccurate or does not comply with this chapter, or that the individual has failed to file a document required by this chapter or has failed to comply with this chapter or other provisions under the board's jurisdiction pursuant to subdivision 11. ~~The executive director may provide an individual required to file a document under this chapter with factual information concerning the limitations on corporate campaign contributions imposed by section 211B.15.~~

Sec. 4. Minnesota Statutes 2010, section 10A.02, subdivision 10, is amended to read:

Subd. 10. **Audits and investigations.** The board may make audits and investigations, impose statutory civil penalties, and issue orders for compliance with respect to statements and reports that are filed or that should have been filed under provisions of this chapter and provisions under the board's jurisdiction pursuant to subdivision 11. In all matters relating to its official duties, the board has the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the board may apply to the District Court of Ramsey County for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.

Sec. 5. Minnesota Statutes 2010, section 10A.02, subdivision 11, is amended to read:

Subd. 11. **Violations; enforcement.** (a) The board may investigate any alleged violation of this chapter. The board may also investigate an alleged violation of section 211B.04, 211B.12, or 211B.15 by or related to a candidate, treasurer, principal campaign committee, political committee, political fund, or party unit, as those terms are defined in this chapter. The board must investigate any violation that is alleged in a written complaint filed with the board and must within 30 days after the filing of the complaint make a public finding of whether there is probable cause to believe a violation has occurred, except that if the complaint alleges a violation of section 10A.25 or 10A.27, the board must either enter a conciliation agreement or make a public finding of whether there is probable cause, within 60 days after the filing of the complaint. The deadline for action on a written complaint may be extended by majority vote of the board.

(b) Within a reasonable time after beginning an investigation of an individual or association, the board must notify the individual or association of the fact of the

investigation. The board must not make a finding of whether there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations.

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

(1) a member, employee, or agent of the board must not disclose to an individual information obtained by that member, employee, or agent concerning a complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter; and

(2) an individual who discloses information contrary to this subdivision is subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 6. Minnesota Statutes 2010, section 10A.02, is amended by adding a subdivision to read:

Subd. 11b. **Data privacy related to electronic reporting system.** The board may develop and maintain systems to enable treasurers to enter and store electronic records online for the purpose of complying with this chapter. Data entered into such systems by treasurers or their authorized agents is not government data under chapter 13 and may not be accessed or used by the board for any purpose without the treasurer's written consent. Data from such systems that has been submitted to the board by a treasurer as a filed report is government data under chapter 13.

Sec. 7. Minnesota Statutes 2010, section 10A.02, subdivision 12, is amended to read:

Subd. 12. **Advisory opinions.** (a) The board may issue and publish advisory opinions on the requirements of this chapter and of those sections listed in subdivision 11 based upon real or hypothetical situations. An application for an advisory opinion may be made only by an individual or association who is subject to chapter 10A and who wishes to use the opinion to guide the individual's or the association's own conduct. The board must issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the board agrees to extend the time limit.

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

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

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

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

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

Sec. 8. Minnesota Statutes 2010, section 10A.02, subdivision 13, is amended to read:

Subd. 13. **Rules.** Chapter 14 applies to the board. The board may adopt rules to carry out the purposes of this chapter and those sections listed in subdivision 11.

Sec. 9. Minnesota Statutes 2010, section 10A.105, subdivision 1, is amended to read:

Subdivision 1. **Single committee.** A candidate must not accept contributions from a source, other than self, in aggregate in excess of ~~\$100~~ \$250 or accept a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit.

Sec. 10. Minnesota Statutes 2010, 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 ~~\$100~~ \$250 in aggregate in any ~~one calendar~~ year to candidates, political committees, or party units or make ~~any approved or independent expenditure or expenditure to promote or defeat a ballot question~~ expenditures of more than \$250 in aggregate in any calendar year unless the contribution or expenditure is made ~~from~~ through a political fund.

Sec. 11. Minnesota Statutes 2010, section 10A.12, subdivision 1a, is amended to read:

Subd. 1a. **When required for independent expenditures or ballot questions.** An association other than a political committee that makes only independent expenditures ~~and disbursements permitted under section 10A.121, subdivision 1, or expenditures to promote or defeat a ballot question~~ must do so ~~by forming and registering through an independent expenditure or ballot question political fund if the independent expenditure is in excess of \$100~~ expenditures aggregate more than \$1,000 in a calendar year or if the expenditures to promote or defeat a ballot question aggregate more than \$1,000 in a calendar year, or by contributing to an existing independent expenditure or ballot question political committee or political fund.

Sec. 12. Minnesota Statutes 2010, section 10A.12, subdivision 2, is amended to read:

Subd. 2. **Commingling prohibited.** The contents of a political fund may not be commingled with other funds or with the personal funds of an officer or member of the fund. It is not commingling for an association using 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.

Sec. 13. Minnesota Statutes 2010, section 10A.121, subdivision 1, is amended to read:

Subdivision 1. **Permitted disbursements.** An independent expenditure political committee or ~~an independent expenditure political fund, in addition to making independent expenditures,~~ a ballot question political committee or fund may:

- (1) pay costs associated with its fund-raising and general operations;
- (2) pay for communications that do not constitute contributions or approved expenditures; ~~and~~
- (3) make contributions to ~~other independent expenditure political committees or independent expenditure political funds.~~ ballot question political committees or funds;
- (4) make independent expenditures;
- (5) make expenditures to promote or defeat ballot questions;
- (6) return a contribution to its source; and
- (7) record bookkeeping entries transferring an association's general treasury money allocated for political committee or fund purposes back to the general treasury of the association.

Sec. 14. Minnesota Statutes 2010, section 10A.14, subdivision 1, is amended to read:

Subdivision 1. **First registration.** The treasurer of a political committee, political fund, principal campaign committee, or party unit must register with the board by filing a

statement of organization no later than 14 days after the committee, fund, or party unit has made a contribution, received contributions, or made expenditures in excess of ~~\$100~~ \$250, or by the end of the next business day after it has received a loan or contribution that must be reported under section 10A.20, subdivision 5, whichever is earlier. This subdivision does not apply to ballot question or independent expenditure political committees or funds governed by subdivision 1a.

Sec. 15. Minnesota Statutes 2010, section 10A.14, is amended by adding a subdivision to read:

Subd. 1a. Independent expenditure or ballot question political committees and funds; first registration; reporting. (a) The treasurer of an independent expenditure or ballot question political committee or fund must register with the board by filing a statement of organization:

(1) no later than 14 days after the committee or the association registering the political fund has:

(i) received aggregate contributions for independent expenditures of more than \$1,000 in a calendar year;

(ii) made aggregate independent expenditures of more than \$1,000 in a calendar year;

(iii) received aggregate contributions for expenditures to promote or defeat a ballot question of more than \$1,000 in a calendar year; or

(iv) made aggregate expenditures to promote or defeat a ballot question of more than \$1,000 in a calendar year; or

(2) by the end of the next business day after it has received a loan or contribution that must be reported under section 10A.20, subdivision 5, whichever is earlier.

(b) The treasurer of an independent expenditure or ballot question political committee or fund must disclose in reports required by section 10A.20, subdivisions 2 and 5, those expenditures or contributions that required its registration under paragraph (a).

Sec. 16. Minnesota Statutes 2010, section 10A.20, subdivision 1, is amended to read:

Subdivision 1. First filing; duration. The treasurer of a political committee, political fund, principal campaign committee, or party unit must begin to file the reports required by this section ~~in~~ for the first year it receives contributions or makes expenditures ~~in excess of \$100~~ that require it to register under section 10A.14 and must continue to file until the committee, fund, or party unit is terminated. The reports must be filed electronically in a standards-based open format specified by the board. For

7.1 good cause shown, the board must grant exemptions to the requirement that reports be
7.2 filed electronically.

7.3 Sec. 17. Minnesota Statutes 2010, section 10A.20, subdivision 2, is amended to read:

7.4 Subd. 2. **Time for filing.** (a) The reports must be filed with the board on or before
7.5 January 31 of each year and additional reports must be filed as required and in accordance
7.6 with paragraphs (b) to (d).

7.7 (b) In each year in which the name of the candidate is on the ballot, the report of the
7.8 principal campaign committee must be filed 15 days before a primary and ten days before
7.9 a general election, seven days before a special primary and a special election, and ten days
7.10 after a special election cycle. The requirement that a principal campaign committee file a
7.11 report ten days before a general election applies only to principal campaign committees of
7.12 candidates whose names will be on the general election ballot.

7.13 (c) In each general election year, a political committee or political fund must file
7.14 reports 28 and 15 days before a primary and 42 and ten days before a general election.
7.15 Beginning in 2012, reports required under this paragraph must also be filed 56 days before
7.16 a primary.

7.17 (d) In each general election year, a party unit must file reports 15 days before a
7.18 primary and ten days before a general election.

7.19 Sec. 18. Minnesota Statutes 2010, section 10A.20, subdivision 3, is amended to read:

7.20 Subd. 3. **Contents of report.** The report required by this section must include each
7.21 of the items and categories listed in paragraphs (a) to (n) that is applicable to the filer. The
7.22 board shall prescribe forms based on filer type indicating which of those items must
7.23 be included on the filer's report.

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

7.26 (b) The report must disclose the name, address, and employer, or occupation if
7.27 self-employed, of each individual or association that has made one or more contributions
7.28 to the reporting entity, including the purchase of tickets for a fund-raising effort, that in
7.29 aggregate within the year exceed \$100 for legislative or statewide candidates or ballot
7.30 questions, together with the amount and date of each contribution, and the aggregate
7.31 amount of contributions within the year from each source so disclosed. A donation in kind
7.32 must be disclosed at its fair market value. An approved expenditure must be listed as a
7.33 donation in kind. A donation in kind is considered consumed in the reporting period
7.34 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.

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

(d) The report must disclose each loan made or received by the reporting entity within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation, and principal place of business, if any, 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.

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

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

(g) The report must disclose the name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the reporting entity within the year in excess of \$100, together with the amount, date, and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure was intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the candidate's name, address, and office sought. A reporting entity making an expenditure on behalf of more than one candidate for state or legislative office must allocate the expenditure among the candidates on a reasonable cost basis and report the allocation for each candidate.

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

(i) 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.

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

(k) The report must disclose the sum of all contributions made by the reporting entity during the reporting period.

(l) The report must disclose the name and address of each individual or association to whom noncampaign disbursements have been made that aggregate in excess of \$100 within the year by or on behalf of the reporting entity and the amount, date, and purpose of each noncampaign disbursement.

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

(n) The report must disclose the name and address of a nonprofit corporation that provides administrative assistance to a political committee or political fund as authorized by section 211B.15, subdivision 17, 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.

Sec. 19. Minnesota Statutes 2010, section 10A.20, subdivision 4, is amended to read:

Subd. 4. **Period of report.** A report must cover the period from January 1 of the reporting year to seven days before the filing date, except that the report due on January 31 must cover the period from ~~the last day covered by the previous report~~ January 1 to December 31 of the reporting year.

Sec. 20. Minnesota Statutes 2010, section 10A.20, subdivision 5, is amended to read:

Subd. 5. **Preelection reports.** Any loan, contribution, or contributions to a political committee or political fund from any one source totaling more than \$1,000 ~~or more~~, or in a statewide election for judicial office, any loan, contribution, or contributions from any one source totaling more than \$2,000 ~~or more~~, or in any ~~judicial~~ district court judge election any loan, contribution, or contributions from any one source totaling more than \$400 ~~or more~~, and any loan, contribution, or contributions to a candidate for constitutional office or for the legislature from any one source totaling more than 80 percent ~~or more~~ of the contribution limit for the office, received between the last day covered in the last report before an election and the election must be reported to the board in one of the following ways:

(1) in person by the end of the next business day after its receipt; or

(2) by electronic means sent within 24 hours after its receipt.

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

This notice requirement does not apply with respect to a primary in which the statewide or legislative candidate is unopposed or to a general election in which the candidate's name is not on the general election ballot.

The board must post the report on its Web site by the end of the next business day after it is received.

Sec. 21. Minnesota Statutes 2010, section 10A.20, subdivision 6, is amended to read:

Subd. 6. **Report by candidate when no committee.** A candidate who does not designate and cause to be formed a principal campaign committee ~~and an individual who makes independent expenditures or campaign expenditures expressly advocating the approval or defeat of a ballot question~~ in aggregate in excess of ~~\$100~~ \$250 in a year must file with the board a report containing the information required by subdivision 3. Reports required by this subdivision must be filed ~~on~~ by the dates on which reports by committees, funds, and party units ~~are~~ must be filed.

Sec. 22. Minnesota Statutes 2010, section 10A.20, is amended by adding a subdivision to read:

Subd. 6c. **Report by individual making independent expenditures or expenditures to promote or defeat a ballot question.** An individual who makes independent expenditures that aggregate more than \$1,000 in a calendar year or expenditures to promote or defeat a ballot question that aggregate more than \$1,000 in a calendar year must file with the board a report containing the information required by subdivision 3. A report required by this subdivision must be filed by the date on which the next report by political committees and political funds must be filed.

Sec. 23. Minnesota Statutes 2010, section 10A.20, subdivision 12, is amended to read:

Subd. 12. **Failure to file; penalty.** If an individual fails to file a report required by this section that is due January 31 ~~within ten business days after the report was due~~, the board may impose a late filing fee of \$25 per day, not to exceed \$1,000, commencing the day after the report was due.

If an individual fails to file a report required by this section that is due before a primary or general election ~~within three days after the date due, regardless of whether the individual has received any notice~~, the board may impose a late filing fee of \$50 per day, not to exceed \$1,000, commencing on the day after the date the statement was due.

11.1 The board must send notice by certified mail to an individual who fails to file a
11.2 report within ten business days after the report was due that the individual may be subject
11.3 to a civil penalty for failure to file the report. An individual who fails to file the report
11.4 within seven days after the certified mail notice was sent by the board is subject to a civil
11.5 penalty imposed by the board of up to \$1,000.

11.6 Sec. 24. Minnesota Statutes 2010, section 10A.24, is amended by adding a subdivision
11.7 to read:

11.8 Subd. 1a. **Termination of registration of a political fund.** Notwithstanding
11.9 subdivision 1, an association that uses only its general treasury money for independent
11.10 expenditures or expenditures to promote or defeat a ballot question may terminate the
11.11 registration of its political fund by written notice to the board any time after the association
11.12 has complied with its reporting requirements under section 10A.20.

11.13 Sec. 25. Minnesota Statutes 2010, section 10A.27, subdivision 14, is amended to read:

11.14 Subd. 14. **Contributions of business revenue.** An association may, if not prohibited
11.15 by other law, contribute revenue from the operation of a business to an independent
11.16 expenditure or ballot question political committee or ~~an independent expenditure political~~
11.17 fund without complying with subdivision 13.

11.18 Sec. 26. Minnesota Statutes 2010, section 10A.27, subdivision 15, is amended to read:

11.19 Subd. 15. **Contributions of dues or contribution revenue.** (a) An association may,
11.20 if not prohibited by other law, contribute revenue from membership dues or fees, or from
11.21 contributions received by the association to an independent expenditure or ballot question
11.22 political committee or ~~an independent expenditure political~~ fund without complying with
11.23 subdivision 13. Before the day when the recipient committee or fund's next report must
11.24 be filed with the board under section 10A.20, subdivision 2 or 5, an association that has
11.25 contributed more than \$5,000 ~~or more~~ in aggregate to independent expenditure political
11.26 committees or funds during the calendar year or has contributed more than \$5,000 in
11.27 aggregate to ballot question political committees or funds during the calendar year must
11.28 provide in writing to the recipient's treasurer a statement that includes the name, address,
11.29 and amount attributable to each individual or association that paid the association dues or
11.30 fees, or made contributions to the association that, in total, aggregate more than \$1,000
11.31 ~~or more~~ of the contribution from the association to the independent expenditure or ballot
11.32 question political committee or fund. The statement must also include the total amount
11.33 of the contribution from individuals or associations not subject to itemization under this

12.1 section. The statement must be certified as true and correct by an officer of the donor
12.2 association.

12.3 (b) To determine the membership dues or fees, or contributions made by an individual
12.4 or association that exceed \$1,000 of the contribution made by the donor association to the
12.5 independent expenditure political committee or fund, the donor association must:

12.6 (1) apply a pro rata calculation to all unrestricted dues, fees, and contributions
12.7 received by the donor association in the calendar year; or

12.8 (2) as provided in paragraph (c), identify the specific individuals or associations
12.9 whose dues, fees, or contributions are included in the contribution to the independent
12.10 expenditure political committee or fund.

12.11 (c) Dues, fees, or contributions from an individual or association must be identified
12.12 in a contribution to an independent expenditure political committee or fund under
12.13 paragraph (b), clause (2), if:

12.14 (1) the individual or association has specifically authorized the donor association to
12.15 use the individual's or association's dues, fees, or contributions for this purpose; or

12.16 (2) the individual's or association's dues, fees, or contributions to the donor
12.17 association are unrestricted and the donor association designates them as the source of the
12.18 subject contribution to the independent expenditure political committee or fund. After
12.19 a portion of an individual's or association's dues, fees, or contributions to the donor
12.20 association have been designated as the source of a contribution to an independent
12.21 expenditure political committee or fund, that portion of the individual's or association's
12.22 dues, fees, or contributions to the donor association may not be designated as the source of
12.23 any other contribution to an independent expenditure political committee or fund.

12.24 (d) For the purposes of this section, "donor association" means the association
12.25 contributing to an independent expenditure political committee or fund that is required to
12.26 provide a statement under paragraph (a).

12.27 Sec. 27. Minnesota Statutes 2010, section 10A.31, subdivision 7, is amended to read:

12.28 Subd. 7. **Distribution of general account.** (a) As soon as the board has obtained
12.29 the results of the primary election from the secretary of state, but no later than one week
12.30 after certification of the primary results by the State Canvassing Board, the board must
12.31 distribute the available money in the general account, as certified by the commissioner of
12.32 revenue ~~on September 1~~ one week before the state primary and according to allocations set
12.33 forth in subdivision 5, in equal amounts to all candidates of a major political party whose
12.34 names are to appear on the ballot in the general election and who:

12.35 (1) have signed a spending limit agreement under section 10A.322;

(2) have filed the affidavit of contributions required by section 10A.323; and

(3) were opposed in either the primary election or the general election.

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

~~(c) A candidate must expend or become obligated to expend at least an amount equal to 50 percent of the money distributed by the board under this subdivision no later than the end of the final reporting period preceding the general election. Otherwise, the candidate must repay to the board the difference between the amount the candidate spent or became obligated to spend by the deadline and the amount distributed to the candidate under this subdivision. The candidate must make the repayment no later than six months following the general election. The candidate must reimburse the board for all reasonable costs, including litigation costs, incurred in collecting any amount due.~~

~~If the board determines that a candidate has failed to repay money as required by this paragraph, the board may not distribute any additional money to the candidate until the entirety of the repayment has been made.~~

Sec. 28. Minnesota Statutes 2010, section 10A.315, is amended to read:

10A.315 SPECIAL ELECTION SUBSIDY.

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

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

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

(b) A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board and must meet the contribution requirements of section 10A.323. The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.

S.F. No. 1225, as introduced - 87th Legislative Session (2011-2012) [11-3052]

14.1 (c) The amount necessary to make the payments required by this section is
14.2 appropriated from the general fund for transfer to the ~~board~~ special elections account,
14.3 which must be established as an account in the state elections campaign fund.

14.4 Sec. 29. **REPEALER.**

14.5 Minnesota Rules, parts 4501.0500, subpart 2, item A; 4503.0200, subpart 6;
14.6 4503.0500, subpart 8; 4503.1700; and 4512.0100, subparts 2 and 4, are repealed.