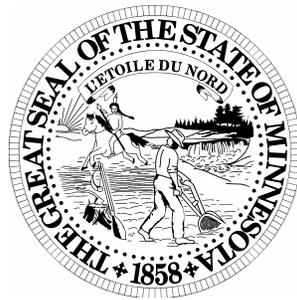


CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD

MINNESOTA STATUTES CHAPTER 10A

MINNESOTA RULES CHAPTERS 4501 - 4525

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TABLE OF CONTENTS

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Minnesota Statutes Chapter 10A

10A.01	Definitions	1
10A.02	Board of Campaign Finance and Public Disclosure	9
10A.025	Filing requirements	12
10A.027	Information on website	13
10A.03	Lobbyist registration	14
10A.04	Lobbyist reports	14
10A.05	Lobbyist report	16
10A.06	Contingent fees prohibited	16
10A.07	Conflicts of interest	17
10A.071	Certain gifts by lobbyists and principals prohibited	18
10A.08	Representation disclosure	19
10A.09	Statements of economic interest	19
10A.105	Principal campaign committee	21
10A.11	Organization of committees and party units	21
10A.12	Political funds	22
10A.13	Accounts that must be kept	22
10A.14	Registration	23
10A.15	Contributions	24
10A.16	Earmarking contributions prohibited	25
10A.17	Expenditures	25
10A.18	Time for rendering bills, charges, or claims; penalty	26
10A.20	Campaign reports	26
10A.24	Dissolution or termination	31
10A.241	Transfer of debts	31
10A.242	Dissolution of inactive committees and funds	32
10A.25	Spending Limits	32
10A.255	Adjustment by Consumer Price Index	34
10A.257	Carryforward	35
10A.27	Contribution limits	35
10A.273	Contributions and solicitations during legislative session	38
10A.275	Multicandidate political party expenditures	38
10A.28	Penalty for exceeding limits	39
10A.29	Circumvention prohibited	40
10A.30	State elections campaign fund	40
10A.31	Designation of income tax payments	40
10A.315	Special election subsidy	45
10A.321	Estimates of minimum amounts to be received	46
10A.322	Spending limit agreements	46
10A.323	Affidavit of contributions	47
10A.324	Return of public subsidy	48
10A.34	Remedies	49

10A.35	Commercial use of information prohibited	49
10A.36	Reprisals prohibited; penalty	49
10A.37	Freedom to associate and communicate	50
10A.38	Captioning of campaign advertisements	50

Administrative Rules

Chapter 4501 – General Provisions

4501.0010	Scope and authority	51
4501.0100	Definitions	51
4501.0200	Securities	52
4501.0300	Certification, signatures, and notarization	53
4501.0400	Determination of Local or Public official Status	53
4501.0500	Filings, submissions, and disclosures	53
4501.0700	Assessment of late filing fees	55

Chapter 4503 – Campaign Finance Provisions

4503.0010	Scope	56
4503.0100	Definitions	56
4503.0200	Organization of political committees and political funds	56
4503.0300	Termination of political committee or political fund	57
4503.0400	District court judicial candidates	58
4503.0500	Contributions	58
4503.0600	Use of credit cards	59
4503.0700	Contribution limits	59
4503.0800	Donations in-kind and approved expenditures	60
4503.0900	Noncampaign disbursements	60
4503.0950	Costs of constituent services and services to residents of candidate's district which do not require reporting	61
4503.1000	Campaign materials including other candidates	61
4503.1100	Carryforward of campaign funds, unpaid advances of credit	61
4503.1200	Joint fundraising events by principal campaign committees	62
4503.1300	Governor and lieutenant governor	62
4503.1400	Public subsidy agreements	63
4503.1450	Distribution of general account public subsidy funds	64
4503.1500	Loans	64
4503.1600	Contributions and solicitations during legislative session	65
4503.1700	Filing of 48-hour notice	65
4503.1800	Reporting requirements	65

Chapter 4505 – Economic Interest Provisions

4505.0010	Scope	66
4505.0100	Definitions	66
4505.0700	Real property	66
4505.0900	Filing	67

Chapter 4511 – Lobbyist Provisions

4511.0010 Scope	68
4511.0100 Definitions	68
4511.0200 Registration	69
4511.0300 Principals	69
4511.0400 Termination	69
4511.0500 Reporting requirements	70
4511.0600 Reporting disbursements	71
4511.0700 Reporting compensation paid to lobbyist	72
4511.0800 Administrative action	73

Chapter 4512 – Gift Ban Provisions

4512.0010 Scope	74
4512.0100 Definitions	74
4512.0200 Gifts which may not be accepted	74
4512.0300 Gifts paid for by third parties	75
4512.0400 Gifts partially paid for by lobbyist or lobbyist principal	75
4512.0500 When a gift is requested by lobbyist or lobbyist principal	75
4512.0600 Specific exclusions from gift definition	75

Chapter 4515 – Conflict of Interest Provisions

4515.0010 Scope	76
4515.0100 Definitions	76
4515.0500 Abstention	76

Chapter 4520 – Representation Disclosure Provisions

4520.0010 Scope	77
4520.0100 Definitions	77
4520.0400 Obligation to disclose representation	77
4520.0500 Required reporting information	77

Chapter 4525 – Hearings, Audits, and Investigation Provisions

4525.0010 Scope	78
4525.0100 Definitions	78
4525.0200 Complaints of violations	78
4525.0500 Investigations and audits	79
4525.0900 Initiating a contested case	80
4525.1000 Initiating anonymous proceedings	80

Minnesota Statutes Section 290.06(23)

Subd. 23. Refund of contributions to political parties and candidates	81
Revenue Notice #1991-16 – Revised definition of contribution for purposes of issuing an official receipt (EP-3)	82

Minnesota Statutes Chapter 211B

211B.01 Definitions	84
211B.02 False claim of support	84
211B.03 Use of the term reelect	84
211B.04 Campaign literature must include disclaimer	84
211B.045 Noncommercial signs exemption	85
211B.05 Paid advertisements in news	85
211B.06 False political and campaign material; penalty; exceptions	86
211B.07 Undue influence on voters prohibited	86
211B.08 Solicitation of contributions prohibited	86
211B.09 Prohibited public employee activities	87
211B.10 Inducing or refraining candidacy; time off for public office meetings	87
211B.11 Election day prohibitions	87
211B.12 Legal expenditures	88
211B.13 Bribery, treating, and solicitation	88
211B.15 Corporate political contributions	88
211B.16 Prosecution	91
211B.17 Forfeiture of nomination or office; circumstances where not forfeited	91
211B.18 Disqualified candidate not to hold various positions	91
211B.19 Penalties for violation	92
211B.20 Denial of access by political candidates to multiple unit dwellings	92
211B.205 Participation in public parades	92
211B.21 Applicability	92
211B.31 Definition	92
211B.32 Complaints of unfair campaign practices	93
211B.33 Prima facie review	93
211B.34 Probable cause hearing	94
211B.35 Evidentiary hearing by panel	95
211B.36 Procedures	96
211B.37 Costs assessed	96

Minnesota Statutes 2006

Chapter 10A

Campaign Finance and Public Disclosure

10A.01 DEFINITIONS.

Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.

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

Subd. 3. **Advance of credit.** "Advance of credit" means any money owed for goods provided or services rendered. "Advance of credit" does not mean a loan as defined in subdivision 21.

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

Subd. 5. **Associated business.** "Associated business" means an association, corporation, partnership, limited liability company, limited liability partnership, or other organized legal entity from which the individual receives compensation in excess of \$50, except for actual and reasonable expenses, in any month as a director, officer, owner, member, partner, employer or employee, or whose securities the individual holds worth \$2,500 or more at fair market value.

Subd. 6. **Association.** "Association" means a group of two or more persons, who are not all members of an immediate family, acting in concert.

Subd. 7. **Ballot question.** "Ballot question" means a question or proposition that is placed on the ballot and that may be voted on by all voters of the state. "Promoting or defeating a ballot question" includes activities, other than lobbying activities, related to qualifying the question for placement on the ballot.

Subd. 7a. [Repealed by amendment, 1999 c 220 s 1]

Subd. 7b. [Renumbered subd 13]

Subd. 8. **Board.** "Board" means the state Campaign Finance and Public Disclosure Board.

Subd. 9. **Campaign expenditure.** "Campaign expenditure" or "expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question.

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

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

Except as provided in clause (1), "expenditure" includes the dollar value of a donation in-kind. "Expenditure" does not include:

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

Subd. 9a. [Renumbered subd 16]

Subd. 10. **Candidate.** "Candidate" means an individual who seeks nomination or election as a state constitutional officer, legislator, or judge. An individual is deemed to seek nomination or election if the individual has taken the action necessary under the law of this state to qualify for nomination or election, has received contributions or made expenditures in excess of \$100, or has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100, for the purpose of bringing about the individual's nomination or election. A candidate remains a candidate until the candidate's principal campaign committee is dissolved as provided in section 10A.24.

Subd. 10a. [Renumbered subd 4]

Subd. 10b. [Renumbered subd 18]

Subd. 10c. [Renumbered subd 26]

Subd. 11. **Contribution.** (a) "Contribution" means money, a negotiable instrument, or a donation in-kind that is given to a political committee, political fund, principal campaign committee, or party unit.

(b) "Contribution" includes a loan or advance of credit to a political committee, political fund, principal campaign committee, or party unit, if the loan or advance of credit is:

- (1) forgiven; or
- (2) repaid by an individual or an association other than the political committee, political fund, principal campaign committee, or party unit to which the loan or advance of credit was made.

If an advance of credit or a loan is forgiven or repaid as provided in this paragraph, it is a contribution in the year in which the loan or advance of credit was made.

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

Subd. 12. **Depository.** "Depository" means a bank, savings association, or credit union organized under federal or state law and transacting business within this state.

Subd. 13. **Donation in-kind.** "Donation in-kind" means anything of value that is given, other than money or negotiable instruments. An approved expenditure is a donation in-kind.

Subd. 14. [Repealed, 1976 c 307 s 35]

Subd. 15. **Election.** "Election" means a primary, special primary, general, or special election.

Subd. 16. **Election cycle.** "Election cycle" means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that "election cycle" for a special election means the period from the date the special election writ is issued to 60 days after the special election is held.

Subd. 17. **Financial institution.** "Financial institution" means a lending institution chartered by an agency of the federal government or regulated by the commissioner of commerce.

Subd. 17a. [Renumbered subd 30]

Subd. 17b. [Renumbered subd 34]

Subd. 18. **Independent expenditure.** "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, if the expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution to that candidate.

[Editor's Note: The following sentence was held to be unconstitutional in Republican Party of Minnesota, et. al. vs. Pauly (U.S. District Court, District of Minnesota, Civil No. 98-1698, 63 F. Supp. 1008) on September 17, 1999. The Board is enjoined from enforcing this provision.]

An expenditure by a political party or political party unit in a race where the political party has a candidate on the ballot is not an independent expenditure.

Subd. 19. [Repealed by amendment, 1999 c 220 s 1]

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

Subd. 21. **Lobbyist.** (a) "Lobbyist" means an individual:

(1) engaged for pay or other consideration of more than \$3,000 from all sources in any year for the purpose of attempting to influence legislative or administrative action, or the

official action of a metropolitan governmental unit, by communicating or urging others to communicate with public or local officials; or

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

(b) "Lobbyist" does not include:

(1) a public official;

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

(3) an elected local official;

(4) a nonelected local official or an employee of a political subdivision acting in an official capacity, unless the nonelected official or employee of a political subdivision spends more than 50 hours in any month attempting to influence legislative or administrative action, or the official action of a metropolitan governmental unit other than the political subdivision employing the official or employee, by communicating or urging others to communicate with public or local officials, including time spent monitoring legislative or administrative action, or the official action of a metropolitan governmental unit, and related research, analysis, and compilation and dissemination of information relating to legislative or administrative policy in this state, or to the policies of metropolitan governmental units;

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

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

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

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

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

(c) An individual who volunteers personal time to work without pay or other consideration on a lobbying campaign, and who does not spend more than the limit in paragraph (a), clause (2), need not register as a lobbyist.

(d) An individual who provides administrative support to a lobbyist and whose salary and administrative expenses attributable to lobbying activities are reported as lobbying expenses by the lobbyist, but who does not communicate or urge others to communicate with public or local officials, need not register as a lobbyist.

Subd. 22. **Local official.** "Local official" means a person who holds elective office in a political subdivision or who is appointed to or employed in a public position in a political subdivision in which the person has authority to make, to recommend, or to vote on as a member of the governing body, major decisions regarding the expenditure or investment of public money.

Subd. 23. **Major political party.** "Major political party" means a major political party as defined in section 200.02, subdivision 7.

Subd. 24. **Metropolitan governmental unit.** "Metropolitan governmental unit" means

any of the seven counties in the metropolitan area as defined in section 473.121, subdivision 2,

a regional railroad authority established by one or more of those counties under section 398A.03,

a city with a population of over 50,000 located in the seven-county metropolitan area, the Metropolitan Council, or

a metropolitan agency as defined in section 473.121, subdivision 5a.

Subd. 25. **Minor political party.** "Minor political party" means a minor political party as defined in section 200.02, subdivision 23.

Subd. 26. **Noncampaign disbursement.** "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, or a donation in-kind received, by a principal campaign committee for any of the following purposes:

(1) payment for accounting and legal services;

(2) return of a contribution to the source;

(3) repayment of a loan made to the principal campaign committee by that committee;

(4) return of a public subsidy;

(5) payment for food, beverages, entertainment, and facility rental for a fund-raising event;

(6) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, including the costs of preparing and distributing a suggestion or idea solicitation to constituents, performed from the beginning of the term of office to adjournment sine die of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional

officer in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;

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

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

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

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

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

(12) fees paid to attend a campaign school;

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

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

(15) filing fees;

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

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

(18) contributions to a party unit;

(19) payments for funeral gifts or memorials;

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

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

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

The board must determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.

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

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

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 a candidate or to promote or defeat a ballot question.

Subd. 29. **Political party.** "Political party" means a major political party or a minor political party. A political party is the aggregate of all its political party units in this state.

Subd. 30. **Political party unit or party unit.** "Political party unit" or "party unit" means the state committee or the party organization within a house of the legislature, congressional district, county, legislative district, municipality, or precinct.

Subd. 31. **Political subdivision.** "Political subdivision" means

the Metropolitan Council,

a metropolitan agency as defined in section 473.121, subdivision 5a, or

a municipality as defined in section 471.345, subdivision 1.

Subd. 32. **Population.** "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the Metropolitan Council, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.

Subd. 33. **Principal.** "Principal" means an individual or association that:

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

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

Subd. 34. **Principal campaign committee.** "Principal campaign committee" means a principal campaign committee formed under section 10A.105.

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, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, or attorney in the Office of Senate Counsel and Research or House Research;

(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; or

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

Subd. 36. State committee. "State committee" means the organization that, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the political party at the state level.

History: 1974 c 470 s 1; 1975 c 271 s 6; 1976 c 307 s 1-4; 1978 c 463 s 1-18; 1979 c 59 s 1-3; 1980 c 509 s 1; 1980 c 587 art 2 s 1-7; 1980 c 607 art 14 s 45 subd 1; art 17 s 1-8; 1980 c 614 s 40; 1980 c 615 s 60; 1981 c 29 art 7 s 1; 1981 c 346 s 1; 1981 c 356 s 248; 1982 c 424 s 130; 1983 c 247 s 5,6; 1983 c 258 s 10; 1983 c 289 s 114 subd 1; 1984 c 619 s 11; 1984 c 640 s 32; 1984 c 654 art 3 s 13; 1984 c 655 art 1 s 92; 1Sp1985 c 14 art 9 s 75; 1986 c 444; 1Sp1986 c 3 art 1 s 2; 1987 c 186 s 15; 1988 c 686 art 1 s 40; 1989 c 209 art 1 s 1,2; 1989 c 334 art 6 s 1; 1990 c 562 art 8 s 2; 1990 c 608 art 1 s 1-5; art 3 s 1-3; 1991 c 233 s 109; 1991 c 322 s 19; 1991 c 349 s 1,2; 1993 c 13 art 1 s 1; 1993 c 318 art 2 s 1-4; 1994 c 483 s 1; 1994 c 628 art 3 s 2; 1995 c 189 s 8; 1995 c 202 art 1 s 25; 1996 c 277 s 1; 1997 c 129 art 2 s 15; 1997 c 202 art 2 s 63; 1998 c 254 art 2 s 3; 1999 c 220 s 1,50; 2000 c 260 s 2,3; 2002 c 363 s 1; 1Sp2003 c 1 art 2 s 18; 2004 c 206 s 52; 2005 c 156 art 5 s 1; art 6 s 1,2; 2006 c 242 s 11; 2006 c 243 s 1; 2006 c 257 s 1; 2007 c 57 art 1 s 10; 2008 c 290 s 2; 2008 c 295 s 1,2; 2008 c 300 s 1,51; 2008 c 368 art 2 s 1

10A.02 CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD.

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

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

Subd. 3. Vote required. The concurring vote of four members of the board is required to decide any matter before the board.

Subd. 4. Officers. The board must elect from among its members a chair and a vice-chair. Meetings of the board are at the call of the chair or at the call of any four members of the board acting together.

Subd. 5. Executive director; staff. The board must appoint an executive director. The executive director is in the unclassified service. The executive director serves as secretary of the board and must keep a record of all proceedings and actions by the board. The board may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer this chapter, subject to appropriation.

The executive director and all other employees serve at the pleasure of the board. Expenses of the board must be approved by the chair or another member as the rules of the board may provide and the expenses must then be paid in the same manner as other state expenses are paid.

Subd. 6. [Repealed, 1976 c 134 s 79]

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

Subd. 8. **Duties.** (a) The board must report at the close of each fiscal year to the legislature, the governor, and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ, and the money it has disbursed. The board must include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations.

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

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

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

(e) The board must make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. An individual may copy a report or statement by hand or by duplicating machine and the board must provide duplicating services at cost for this purpose.

(f) Notwithstanding section 138.163, the board must preserve reports and statements for a period of five years from the date of receipt.

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

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

Subd. 9. **Documents; information.** The executive director must inspect all material filed with the board as promptly as necessary to comply with this chapter and other provisions of law requiring the filing of a document with the board. The executive director must immediately notify the 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. 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.

Subd. 10. **Audits and investigations.** The board may make audits and investigations with respect to statements and reports that are filed or that should have been filed under this chapter. 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.

Subd. 11. **Violations; enforcement.** (a) The board may investigate any alleged violation of 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.

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

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

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

Subd. 12. **Advisory opinions.** (a) The board may issue and publish advisory opinions on the requirements of this chapter based upon real or hypothetical situations. An application for an advisory opinion may be made only by an individual or association who wishes to use the opinion to guide the individual's or the association's own conduct. The board 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.

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

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

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

Subd. 15. **Disposition of fees.** The board must deposit all fees collected under this chapter into the general fund in the state treasury.

History: 1974 c 470 s 2; 1975 c 271 s 6; 1976 c 134 s 5; 1976 c 307 s 5-8; 1978 c 463 s 19-27; 1978 c 793 s 36; 1981 c 311 s 39; 1982 c 424 s 130; 1982 c 545 s 24; 1986 c 444; 1987 c 214 s 1; 1989 c 291 art 1 s 1; 1990 c 608 art 1 s 6; 1991 c 233 s 36; 1991 c 349 s 3-8; 1994 c 377 s 1; 1994 c 629 s 5; 1997 c 202 art 2 s 63; 1999 c 1 s 1; 1999 c 220 s 2,50; 2002 c 363 s 2; 1Sp2003 c 1 art 2 s 19

10A.025 FILING REQUIREMENTS.

Subdivision 1. **Filing date.** If a scheduled filing date under this chapter falls on a Saturday, Sunday, or legal holiday, the filing date is the next regular business day.

Subd. 1a. **Electronic filing.** A report or statement required to be filed under this chapter may be filed electronically. The board shall adopt rules to regulate electronic filing and to ensure that the electronic filing process is secure.

Subd. 2. **Penalty for false statements.** A report or statement required to be filed under this chapter must be signed and certified as true by the individual required to file the report. The signature may be an electronic signature consisting of a password assigned by the board. An individual who signs and certifies to be true a report or statement knowing it contains false information or who knowingly omits required information is guilty of a gross misdemeanor and subject to a civil penalty imposed by the board of up to \$3,000.

Subd. 3. **Record keeping; penalty.** A person required to file a report or statement must maintain records on the matters required to be reported, including vouchers, canceled checks, bills, invoices, worksheets, and receipts, that will provide in sufficient detail the necessary information from which the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness. The person must keep the records available for audit, inspection, or examination by the board or its authorized representatives for four years from the date of filing of the reports or statements or of changes or corrections to them. A person who knowingly violates this subdivision is guilty of a misdemeanor.

Subd. 4. **Changes and corrections.** Material changes in information previously submitted and corrections to a report or statement must be reported in writing to the board within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction must identify the form and the paragraph containing the information to be changed or corrected.

A person who willfully fails to report a material change or correction is guilty of a gross misdemeanor and is subject to a civil penalty imposed by the board of up to \$3,000.

The board must send a notice by certified mail to any individual who fails to file a report required by this subdivision. If the individual fails to file the required report within ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day up to \$100 starting on the 11th day after the notice was sent. The board must send an additional notice by certified mail to an individual who fails to file a report within 14 days after the first notice was sent by the board that the individual may be subject to a civil penalty for failure to file a report. An individual who fails to file a report required by this subdivision within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

History: 1974 c 470 s 10,22,23; 1975 c 271 s 6; 1976 c 307 s 20; 1978 c 463 s 38; 1986 c 444; 1990 c 608 art 3 s 8; 1999 c 220 s 3,13,24,26,50; 2002 c 363 s 3,4; 1Sp2003 c 1 art 2 s 20; 2005 c 156 art 6 s 3

10A.027 INFORMATION ON WEB SITE.

The board must not post on its Web site any canceled checks, bank account numbers, credit card account numbers, or Social Security numbers that may be in the board's possession as a result of report or statement filings, complaints, or other proceedings under this chapter.

History: 2006 c 253 s 1

10A.03 LOBBYIST REGISTRATION.

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

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

- (1) the name and address of the lobbyist;
- (2) the principal place of business of the lobbyist;
- (3) the name and address of each individual, association, political subdivision, or public higher education system, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears; and
- (4) a general description of the subject or subjects on which the lobbyist expects to lobby.

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

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

History: 1974 c 470 s 3; 1975 c 271 s 6; 1978 c 463 s 28,29; 1986 c 444; 1999 c 220 s 4,50; 2002 c 363 s 5; 1Sp2003 c 1 art 2 s 21

10A.04 LOBBYIST REPORTS.

Subdivision 1. **Reports required.** A lobbyist must file reports of the lobbyist's activities with the board as long as the lobbyist continues to lobby. The report may be filed electronically. A lobbyist may file a termination statement at any time after ceasing to lobby.

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

- (1) January 15; and
- (2) June 15.

Subd. 2a. MS 2003 Supp [Expired, 1Sp2003 c 1 art 2 s 24]

Subd. 3. **Information to lobbyist.** An employer or employee about whose activities a lobbyist is required to report must provide the information required by subdivision 4 to the lobbyist no later than five days before the prescribed filing date.

Subd. 4. **Content.** (a) A report under this section must include information the board requires from the registration form and the information required by this subdivision for the reporting period.

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

(c) A lobbyist must report the amount and nature of each gift, item, or benefit, excluding contributions to a candidate, equal in value to \$5 or more, given or paid to any official, as defined in section 10A.071, subdivision 1, by the lobbyist or an employer or employee of the lobbyist. The list must include the name and address of each official to whom the gift, item, or benefit was given or paid and the date it was given or paid.

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

(e) On the report due June 15, the lobbyist must provide a general description of the subjects lobbied in the previous 12 months.

Subd. 4a. [Repealed by amendment, 1999 c 220 s 5]

Subd. 5. **Late filing.** The board must send a notice by certified mail to any lobbyist or principal who fails after seven days after a filing date imposed by this section to file a report or statement or to pay a fee required by this section. If a lobbyist or principal fails to file a report or pay a fee within ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the 11th day after the notice was sent. The board must send an additional notice by certified mail to any lobbyist or principal who fails to file a report or pay a fee within 14 days after the first notice was sent by the board that the lobbyist or principal may be subject to a civil penalty for failure to file the report or pay the fee. A lobbyist or principal who fails to file a report or statement or pay a fee within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

Subd. 6. **Principal reports.** (a) A principal must report to the board as required in this subdivision by March 15 for the preceding calendar year.

(b) The principal must report the total amount, rounded to the nearest \$20,000, spent by the principal during the preceding calendar year to influence legislative action, administrative action, and the official action of metropolitan governmental units.

(c) The principal must report under this subdivision a total amount that includes:

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

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

Subd. 8. [Repealed by amendment, 1999 c 220 s 5]

History: 1974 c 470 s 4; 1975 c 271 s 6; 1976 c 307 s 9,10; 1978 c 463 s 30-32; 1984 c 654 art 2 s 37; 1986 c 444; 1Sp1986 c 3 art 1 s 3; 1990 c 608 art 1 s 7-11; 1993 c 318 art 2 s 5; 1994 c 377 s 2; 1999 c 220 s 5,50; 2002 c 363 s 6-8; 1Sp2003 c 1 art 2 s 22-27; 1Sp2003 c 23 s 10; 2005 c 10 art 1 s 2

10A.05 LOBBYIST REPORT.

Within 30 days after each lobbyist filing date set by section 10A.04, the executive director of the board must publish the names of the lobbyists registered who were not previously reported, the names of the individuals, associations, political subdivisions, or public higher education systems whom they represent as lobbyists, the subject or subjects on which they are lobbying, and whether in each case they lobby to influence legislative action, administrative action, or the official action of a metropolitan governmental unit.

History: 1974 c 470 s 5; 1975 c 271 s 6; 1990 c 608 art 1 s 12; 1999 c 220 s 6,50

10A.06 CONTINGENT FEES PROHIBITED.

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

History: 1974 c 470 s 6; 1990 c 608 art 1 s 13; 1999 c 220 s 7 10A.065

Subdivision 1. [Renumbered 10A.273, subdivision 1]
Subd. 1a. [Renumbered 10A.273, subd 2]
Subd. 2. [Renumbered 10A.273, subd 3]
Subd. 3. [Renumbered 10A.273, subd 4]
Subd. 4. [Renumbered 10A.273, subd 5]
Subd. 5. [Repealed, 1999 c 220 s 51]

10A.07 CONFLICTS OF INTEREST.

Subdivision 1. **Disclosure of potential conflicts.** A public official or a local official elected to or appointed by a metropolitan governmental unit who in the discharge of official duties would be required to take an action or make a decision that would substantially affect the official's financial interests or those of an associated business, unless the effect on the official is no greater than on other members of the official's business classification, profession, or occupation, must take the following actions:

- (1) prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict of interest;
- (2) deliver copies of the statement to the official's immediate superior, if any; and
- (3) if a member of the legislature or of the governing body of a metropolitan governmental unit, deliver a copy of the statement to the presiding officer of the body of service.

If a potential conflict of interest presents itself and there is insufficient time to comply with clauses (1) to (3), the public or local official must orally inform the superior or the official body of service or committee of the body of the potential conflict.

Subd. 2. **Required actions.** If the official is not a member of the legislature or of the governing body of a metropolitan governmental unit, the superior must assign the matter, if possible, to another employee who does not have a potential conflict of interest. If there is no immediate superior, the official must abstain, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the official is a member of the legislature, the house of service may, at the member's request, excuse the member from taking part in the action or decision in question. If the official is not permitted or is otherwise unable to abstain from action in connection with the matter, the official must file a statement describing the potential conflict and the action taken. A public official must file the statement with the board and a local official must file the statement with the governing body of the official's political subdivision. The statement must be filed within a week of the action taken.

Subd. 3. **Interest in contract; local officials.** This section does not apply to a local official with respect to a matter governed by sections 471.87 and 471.88.

History: 1974 c 470 s 7; 1975 c 271 s 6; 1978 c 463 s 33; 1986 c 444; 1990 c 608 art 2 s 1; 1974 c 470 s 7; 1975 c 271 s 6; 1978 c 463 s 33; 1986 c 444; 1990 c 608 art 2 s 1; 1999 c 220 s 50

10A.071 CERTAIN GIFTS BY LOBBYISTS AND PRINCIPALS PROHIBITED.

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

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

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

Subd. 2. **Prohibition.** A lobbyist or principal may not give a gift or request another to give a gift to an official. An official may not accept a gift from a lobbyist or principal.

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

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

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

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

History: 1994 c 377 s 5; 1999 c 220 s 50; 2005 c 156 art 6 s 4; 2008 c 295 s 3

10A.08 REPRESENTATION DISCLOSURE.

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

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

History: 1974 c 470 s 8; 1975 c 271 s 6; 1978 c 463 s 34; 1982 c 424 s 130; 1986 c 444; 1999 c 220 s 11,50; 2002 c 363 s 9; 2005 c 156 art 6 s 5

10A.09 STATEMENTS OF ECONOMIC INTEREST.

Subdivision 1. **Time for filing.** Except for a candidate for elective office in the judicial branch, 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 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective state office or an elective local office in a metropolitan governmental unit;
- (3) in the case of a public official requiring the advice and consent of the senate, within 14 days after undertaking the duties of office; or
- (4) in the case of members of the Minnesota Racing Commission, the director of the Minnesota Racing Commission, chief of security, medical officer, inspector of pari-mutuels, and stewards employed or approved by the commission or persons who fulfill those duties under contract, within 60 days of accepting or assuming duties.

Subd. 2. **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.

Subd. 3. **Notice of filing.** The board must notify the presiding officer of the house that will approve or disapprove the nomination, of the name of an individual who has filed a statement of economic interest with the board, a copy of the statement, and the date on which the statement was filed.

Subd. 4. [Repealed, 1978 c 463 s 109]

Subd. 5. **Form.** 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 \$50,000 or more;
- (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 \$50,000 or more. A listing under clause (3) or (4) 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; and
- (5) a listing of any investments, ownership, or interests in property connected with pari-mutuel horse racing in the United States and Canada, including a race horse, in which the individual directly or indirectly holds a partial or full interest or an immediate family member holds a partial or full interest.

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

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

Subd. 7. **Late filing.** The board must send a notice by certified mail to any individual who fails within the prescribed time to file a statement of economic interest required by this section. If an individual fails to file a statement within ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the 11th day after the notice was sent. The board must send an additional notice by certified mail to any individual who fails to file a statement within 14 days after the first notice was sent by the board

that the individual may be subject to a civil penalty for failure to file a statement. An individual who fails to file a statement within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board up to \$1,000.

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

History: 1974 c 470 s 9; 1975 c 271 s 6; 1976 c 307 s 11; 1978 c 463 s 35-37; 1982 c 424 s 130; 1983 c 214 s 30,31; 1983 c 305 s 3,4; 1986 c 444; 1989 c 334 art 6 s 2; 1990 c 608 art 2 s 2-4; 1991 c 233 s 109; 1997 c 202 art 2 s 6; 1999 c 220 s 12,50; 2002 c 363 s 10

10A.10 [Renumbered 10A.025, subd 2]

10A.105 PRINCIPAL CAMPAIGN COMMITTEE.

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

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

History: 1974 c 470 s 19; 1976 c 307 s 13; 1978 c 463 s 50; 1986 c 444; 1993 c 318 art 2 s 14; 1999 c 220 s 22,50

10A.11 ORGANIZATION OF COMMITTEES AND PARTY UNITS.

Subdivision 1. Chair and treasurer. A political committee, principal campaign committee, or party unit must have a chair and a treasurer. The chair and treasurer may be the same individual.

Subd. 2. Treasurer vacancy. A political committee, principal campaign committee, or party unit may not accept a contribution or make an expenditure or permit an expenditure to be made on its behalf while the office of treasurer is vacant.

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

Subd. 4. Depositories. The treasurer of a political committee, principal campaign committee, or party unit may designate one or two depositories in each county in which a campaign is conducted.

Subd. 5. Commingling prohibited. A political committee, principal campaign committee, or party unit may not commingle its funds with personal funds of officers, members, or associates of the committee.

Subd. 6. [Repealed, 1978 c 463 s 109]

Subd. 7. **Penalty.** A person who knowingly violates this section is subject to a civil penalty imposed by the board of up to \$1,000.

History: 1974 c 470 s 11; 1978 c 463 s 39; 1986 c 444; 1999 c 220 s 14; 2002 c 363 s 11

10A.12 POLITICAL FUNDS.

Subdivision 1. **When required.** An association other than a political committee or party unit may not contribute more than \$100 in aggregate in any one year to candidates, political committees, or party units or make any approved or independent expenditure or expenditure to promote or defeat a ballot question unless the contribution or expenditure is made from a political fund.

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.

Subd. 3. **Treasurer.** An association that has a political fund must elect or appoint a treasurer of the political fund.

Subd. 4. **Treasurer vacancy.** A political fund may not accept a contribution or make an expenditure or contribution from the political fund while the office of treasurer of the political fund is vacant.

Subd. 5. **Dues or membership fees.** An association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. Under section 10A.20, the treasurer of the fund must disclose the name of any member whose dues, membership fees, and contributions deposited in the political fund together exceed \$100 in a year.

Subd. 6. **Penalty.** A person who knowingly violates this section is subject to a civil penalty imposed by the board of up to \$1,000.

History: 1974 c 470 s 12; 1978 c 463 s 40-42; 1980 c 587 art 2 s 8; 1980 c 607 art 17 s 9; 1987 c 214 s 2; 1999 c 220 s 15,50; 2002 c 363 s 12

10A.13 ACCOUNTS THAT MUST BE KEPT.

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, 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.

Subd. 2. **Receipts.** The treasurer must obtain a receipted bill, stating the particulars, for every expenditure over \$100 made by, or approved expenditure over \$100 made on behalf of, the committee, fund, or party unit, and for any expenditure or approved expenditure in a lesser amount if the aggregate amount of lesser expenditures and approved expenditures made to the same individual or association during the same year exceeds \$100.

History: 1974 c 470 s 13; 1978 c 463 s 43; 1999 c 220 s 16,50; 2002 c 363 s 13

10A.14 REGISTRATION.

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, 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.

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

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

Subd. 3. [Repealed, 1976 c 307 s 35]

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

The board must send an additional notice by certified mail to any individual who fails to file a statement within 14 days after the first notice was sent by the board that the individual may be

subject to a civil penalty for failure to file the report. An individual who fails to file the statement within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

History: 1974 c 470 s 14; 1975 c 271 s 6; 1976 c 307 s 12; 1978 c 463 s 44-46; 1979 c 59 s 4; 1986 c 444; 1993 c 318 art 2 s 8; 1999 c 220 s 17,50; 2002 c 363 s 14; 2008 c 295 s 4

10A.15 CONTRIBUTIONS.

Subdivision 1. **Anonymous contributions.** A political committee, political fund, principal campaign committee, or party unit may not retain an anonymous contribution in excess of \$20, but must forward it to the board for deposit in the general account of the state elections campaign fund.

Subd. 2. **Source; amount; date.** An individual who receives a contribution in excess of \$20 for a political committee, political fund, principal campaign committee, or party unit must, on demand of the treasurer, inform the treasurer of the name and, if known, the address of the source of the contribution, the amount of the contribution, and the date it was received.

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

Subd. 3a. **Excess.** A treasurer of a principal campaign committee of a candidate may not deposit a contribution that on its face exceeds the limit on contributions to the candidate prescribed by section 10A.27 unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess.

Subd. 3b. **Attributable contributions.** Contributions made to a candidate or principal campaign committee that are directed to the candidate or principal campaign committee by a political fund, committee, or party unit must be reported as attributable to the political fund, committee, or party unit and count toward the contribution limits of that fund, committee, or party unit specified in section 10A.27, if the fund, committee, or party unit was organized or is operated primarily to direct contributions other than from its own money to one or more candidates or principal campaign committees. The treasurer of the political fund, committee, or party unit must advise the candidate or the candidate's principal campaign committee if the contribution or contributions are not from the money of the fund, committee, or party unit and the original source of the money. As used in this subdivision, the term "direct" includes, but is not limited to, order, command, control, or instruct. A violation of this subdivision is a violation of section 10A.29.

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

Subd. 4. **Penalty.** An individual violating this section is subject to a civil penalty imposed by the board of up to \$1,000.

Subd. 5. **Registration number on checks.** A contribution made to a candidate by a lobbyist, political committee, political fund, or party unit must show the name of the lobbyist, political committee, political fund, or party unit and the number under which it is registered with the board.

History: 1974 c 470 s 15; 1975 c 271 s 6; 1978 c 463 s 47; 1988 c 707 s 1; 1990 c 603 s 1; 1993 c 318 art 2 s 9,10; 1999 c 220 s 18,50; 2002 c 363 s 15

10A.16 EARMARKING CONTRIBUTIONS PROHIBITED.

An individual, political committee, political fund, principal campaign committee, or party unit may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate other than the initial recipient. An individual, political committee, political fund, principal campaign committee, or party unit that knowingly accepts any earmarked contribution is guilty of a gross misdemeanor and subject to a civil penalty imposed by the board of up to \$3,000.

History: 1974 c 470 s 16; 1975 c 271 s 6; 1978 c 463 s 48; 1993 c 318 art 2 s 11; 1999 c 220 s 19; 2002 c 363 s 16

10A.17 EXPENDITURES.

Subdivision 1. **Authorization.** A political committee, political fund, principal campaign committee, or party unit may not expend money unless the expenditure is authorized by the treasurer or deputy treasurer of that committee, fund, or party unit.

Subd. 2. **Written authorization.** An individual or association may not make an approved expenditure of more than \$20 without receiving written authorization from the treasurer of the principal campaign committee of the candidate who approved the expenditure stating the amount that may be spent and the purpose of the expenditure.

Subd. 3. **Petty cash.** The treasurer or deputy treasurer of a political committee, principal campaign committee, or party unit may sign vouchers for petty cash of up to \$100 per week for statewide elections or \$20 per week for legislative elections, to be used for miscellaneous expenditures.

Subd. 3a. **Personal loans.** A principal campaign committee, political committee, political fund, or party unit may not lend money it has raised to anyone for purposes not related to the conduct of a campaign.

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 must publicly disclose that the expenditure is an independent expenditure. All written communications with those from whom contributions are independently solicited or accepted or to whom independent expenditures are made on behalf of a candidate must contain a statement in conspicuous type that the activity is an independent expenditure and is not approved by the candidate nor is the candidate responsible for it. Similar language must be included in all oral communications, in conspicuous type on the front page of all literature and advertisements published or posted, and at the end of all broadcast advertisements made by that individual, political committee, political fund, principal campaign committee, or party unit on the candidate's behalf.

Subd. 5. **Penalty.** A person who violates subdivision 2 is subject to a civil penalty imposed by the board of up to \$1,000. A person who knowingly violates subdivision 3a or 4 or falsely claims that an expenditure was an independent expenditure is guilty of a gross misdemeanor and subject to a civil penalty imposed by the board of up to \$3,000.

History: 1974 c 470 s 17; 1978 c 463 s 49; 1986 c 444; 1993 c 318 art 2 s 12,13; 1999 c 220 s 20,50; 2002 c 363 s 17,18

10A.18 TIME FOR RENDERING BILLS, CHARGES, OR CLAIMS; PENALTY.

A person who has a bill, charge, or claim against a political committee, political fund, principal campaign committee, or party unit for an expenditure must render in writing to the treasurer of the committee, fund, or party unit the bill, charge, or claim within 60 days after the material or service is provided. A person who violates this section is subject to a civil penalty imposed by the board of up to \$1,000.

History: 1974 c 470 s 18; 1999 c 220 s 21,50; 2002 c 363 s 19

10A.19 [Renumbered 10A.105]

10A.20 CAMPAIGN REPORTS.

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

Subd. 1a. **If treasurer position is vacant.** If the position of treasurer of a principal campaign committee, political committee, political fund, or party unit is vacant, the candidate, chair of a political committee or party unit, or association officer of a political fund is responsible for filing reports required by this section.

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

(b) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee must be filed 15 days before a primary and ten days before a general election, seven days before a special primary and a special election, and ten days after a special election cycle.

(c) In each general election year, a political committee, political fund, or party unit must file reports 15 days before a primary and ten days before a general election.

Subd. 3. Contents of report. (a) The report must disclose the amount of liquid assets on hand at the beginning of the reporting period.

(b) The report must disclose the name, address, and employer, or occupation if self-employed, of each individual 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 \$100 for legislative or statewide candidates or 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.

(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.

Subd. 3a. [Repealed by amendment, 1999 c 220 s 23]

Subd. 4. **Period of report.** A report must cover the period from the last day covered by the previous report 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 to December 31.

Subd. 5. **Preelection reports.** Any loan, contribution, or contributions to a political committee or political fund from any one source totaling \$1,000 or more, or in a statewide election for judicial office, any loan, contribution, or contributions from any one source totaling \$2,000 or more, or in any judicial district totaling \$400 or more, and any loan, contribution, or contributions to a candidate for constitutional office or for the legislature from any one source totaling 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.

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

Subd. 6. Report 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 expenditures expressly advocating the approval or defeat of a ballot question in aggregate in excess of \$100 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 the dates on which reports by committees, funds, and party units are filed.

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.

[Editor's note: Subd.6b, that follows, was held to be unconstitutional in Day v. Holahan, 34F.3d 1356 (8th Cir. 1994).]

Subd. 6b. Independent expenditures; notice. (a) Within 24 hours after an individual, political committee, or political fund makes or becomes obligated by oral or written agreement to make an independent expenditure in excess of \$100, other than an expenditure by an association targeted to inform solely its own dues-paying members of the association's position on a candidate, the individual, political committee, or political fund must file with the board an affidavit notifying the board of the intent to make the independent expenditure and serve a copy of the affidavit on each candidate in the affected race and on the treasurer of the candidate's principal campaign committee. The affidavit must contain the information with respect to the expenditure that is required to be reported under subdivision 3, paragraph (g); except that if an expenditure is reported before it is made, the notice must include a reasonable estimate of the anticipated amount. Each new expenditure requires a new notice.

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

Subd. 7. Statement of inactivity. If a reporting entity has no receipts or expenditures during a reporting period, the treasurer must file with the board at the time required by this section a statement to that effect.

Subd. 8. Exemption from disclosure. The board must exempt a member or contributor to an association or any other individual, from the requirements of this section if the member, contributor, or other individual demonstrates by clear and convincing evidence that disclosure would expose the member or contributor to economic reprisals, loss of employment, or threat of physical coercion. An association may seek an exemption for all of its members or contributors if it demonstrates by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually.

Subd. 9. [Repealed, 1978 c 463 s 109]

Subd. 10. **Exemption procedure.** An individual or association seeking an exemption under subdivision 8 must submit a written application for exemption to the board. The board, without hearing, must grant or deny the exemption within 30 days after receiving the application and must issue a written order stating the reasons for its action. The board must publish its order in the State Register and give notice to all parties known to the board to have an interest in the matter. If the board receives a written objection to its action from any party within 20 days after publication of its order and notification of interested parties, the board must hold a contested case hearing on the matter. Upon the filing of a timely objection from the applicant, an order denying an exemption is suspended pending the outcome of the contested case. If no timely objection is received, the exemption continues in effect until a written objection is filed with the board in a succeeding election year. The board by rule must establish a procedure so that an individual seeking an exemption may proceed anonymously if the individual would be exposed to the reprisals listed in subdivision 8 if the individual's identity were to be revealed for the purposes of a hearing.

Subd. 11. [Renumbered 10A.36]

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

If an individual fails to file a statement due before a primary or election within three days after the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due.

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

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

Subd. 14. **Reports by solicitors.** An individual or association, other than a candidate or the members of a candidate's principal campaign committee, that directly solicits and causes others to make contributions to candidates or a party unit in a house of the legislature, that aggregate more than \$5,000 between January 1 of a general election year and the end of the reporting period must file with the board a report disclosing the amount of each contribution, the names of the contributors, and to whom the contributions were given. The report must be filed 15 days

before a primary and ten days before a general election. The report for each calendar year must be filed with the board by January 31 of the following year.

Subd. 15. Equitable relief. A candidate whose opponent does not timely file the report due 15 days before the primary, the report due ten days before the general election, or the notice required under section 10A.25, subdivision 10, may petition the district court for immediate equitable relief to enforce the filing requirement. A prevailing party under this subdivision may be awarded attorney fees and costs by the court.

History: 1974 c 470 s 20; 1975 c 271 s 6; 1976 c 307 s 14-18; 1977 c 346 s 1; 1978 c 463 s 51-59; 1978 c 793 s 37; 1979 c 59 s 5; 1980 c 587 art 2 s 9,10; 1980 c 607 art 17 s 10,11; 1985 c 40 s 1; 1986 c 444; 1987 c 214 s 3,4; 1990 c 608 art 3 s 5-7; 1991 c 349 s 11,12; 1993 c 318 art 2 s 15-18; 1996 c 459 s 1; 1997 c 202 art 2 s 7; 1999 c 220 s 23,50; 2002 c 363 s 20-22; 2005 c 156 art 6 s 6; 2008 c 295 s 5

10A.21 [Repealed, 1997 c 202 art 2 s 64]

10A.22 Subdivision 1. [Repealed, 1999 c 220 s 51]

Subd. 2. [Repealed, 1976 c 307 s 35]

Subd. 3. [Repealed, 1978 c 463 s 109]

Subd. 4. [Repealed, 1999 c 220 s 51]

Subd. 5. [Repealed, 1999 c 220 s 51]

Subd. 6. [Renumbered 10A.025, subd 3]

Subd. 7. [Renumbered 10A.27, subd 13]

Subd. 8. [Repealed, 1976 c 307 s 35]

10A.23 [Renumbered 10A.025, subd 4]

10A.24 DISSOLUTION OR TERMINATION.

Subdivision 1. Termination report. A political committee, political fund, principal campaign committee, or party unit may not dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. "Assets" include credit balances at vendors and physical assets such as computers and postage stamps. Physical assets must be listed at their fair market value. The termination report may be made at any time and must include all information required in periodic reports.

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

History: 1974 c 470 s 24; 1978 c 463 s 66; 1990 c 608 art 3 s 9; 1993 c 318 art 2 s 19; 1999 c 220 s 27

10A.241 TRANSFER OF DEBTS.

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

History: 1986 c 475 s 1; 1991 c 199 art 2 s 1; 1999 c 220 s 28

10A.242 DISSOLUTION OF INACTIVE COMMITTEES AND FUNDS.

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

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

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

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

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

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

History: 1990 c 608 art 3 s 10; 1999 c 220 s 29,50

10A.25 SPENDING LIMITS.

Subdivision 1. **Limits are voluntary.** The expenditure limits imposed by this section apply only to a candidate who has signed an agreement under section 10A.322 to be bound by them as a condition of receiving a public subsidy for the candidate's campaign.

Subd. 2. **Amounts.** (a) In a year in which an election is held for an office sought by a candidate, the principal campaign committee of the candidate must not make campaign expenditures nor permit approved expenditures to be made on behalf of the candidate that result in aggregate expenditures in excess of the following:

(1) for governor and lieutenant governor, running together, \$2,393,800;

(2) for attorney general, \$399,000;

(3) for secretary of state and state auditor, separately, \$199,500;

(4) for state senator, \$59,900;

(5) for state representative, \$31,400.

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

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

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

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

Subd. 3. **Governor and lieutenant governor a single candidate.** For the purposes of sections 10A.11 to 10A.34, a candidate for governor and a candidate for lieutenant governor, running together, are considered a single candidate. Except as provided in subdivision 2, paragraph (b), all expenditures made by or all approved expenditures made on behalf of the candidate for lieutenant governor are considered to be expenditures by or approved expenditures on behalf of the candidate for governor.

Subd. 3a. **Independent expenditures.** The principal campaign committee of a candidate must not make independent expenditures.

Subd. 4. [Repealed by amendment, 1999 c 220 s 30]

Subd. 5. **Contested primary races.** Notwithstanding the limits imposed by subdivision 2, the winning candidate in a contested race in a primary who received fewer than twice as many votes as any one of the candidate's opponents in that primary may make expenditures and permit approved expenditures to be made on behalf of the candidate equal to 120 percent of the applicable limit as set forth in subdivision 2, but no more than 100 percent of the limit until after the primary.

Subd. 6. **Limit in nonelection year.** During an election cycle, in any year before the election year for the office held or sought by the candidate, a candidate must not make campaign expenditures nor permit approved expenditures to be made on behalf of the candidate that exceed 20 percent of the expenditure limit set forth in subdivision 2.

Subd. 7. [Repealed by amendment, 1999 c 220 s 30]

Subd. 8. [Repealed, 1978 c 463 s 109]

Subd. 9. [Repealed, 1978 c 463 s 109]

Subd. 10. **Effect of opponent's conduct.** (a) After the deadline for filing a spending limit agreement under section 10A.322, a candidate who has agreed to be bound by the expenditure limits imposed by this section as a condition of receiving a public subsidy for the candidate's campaign may choose to be released from the expenditure limits but remain eligible to receive a

public subsidy if the candidate has an opponent who has not agreed to be bound by the limits and has received contributions or made or become obligated to make expenditures during that election cycle in excess of the following limits:

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

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

Before the primary election, a candidate's "opponents" are only those who will appear on the ballot of the same party in the primary election.

(b) A candidate who has not agreed to be bound by expenditure limits, or the candidate's principal campaign committee, must file written notice with the board and provide written notice to any opponent of the candidate for the same office within 24 hours of exceeding the limits in paragraph (a). The notice must state only that the candidate or candidate's principal campaign committee has received contributions or made or become obligated to make campaign expenditures in excess of the limits in paragraph (a).

(c) Upon receipt of the notice, a candidate who had agreed to be bound by the limits may file with the board a notice that the candidate chooses to be no longer bound by the expenditure limits. A notice of a candidate's choice not to be bound by the expenditure limits that is based on the conduct of an opponent in the state primary election may not be filed more than one day after the State Canvassing Board has declared the results of the state primary.

(d) A candidate who has agreed to be bound by the expenditure limits imposed by this section and whose opponent in the general election has chosen, as provided in paragraph (c), not to be bound by the expenditure limits because of the conduct of an opponent in the primary election is no longer bound by the limits but remains eligible to receive a public subsidy.

Subd. 11. [Renumbered 10A.257, subdivision 1]

Subd. 12. [Renumbered 10A.257, subd 2]

Subd. 13. [Repealed by amendment, 1999 c 220 s 30]

History: 1974 c 470 s 25; 1975 c 271 s 6; 1976 c 307 s 21-23; 1978 c 463 s 67-74; 1986 c 444; 1987 c 214 s 5,6; 1988 c 686 art 1 s 41; 1988 c 707 s 2; 1990 c 608 art 3 s 11-15; 1991 c 349 s 13-15; 1993 c 318 art 2 s 20-25; 1996 c 459 s 2; 1999 c 220 s 30,50; 2002 c 363 s 23,24

NOTE: See section 10A.255, subdivision 3.

10A.255 ADJUSTMENT BY CONSUMER PRICE INDEX.

Subdivision 1. **Method of calculation.** The dollar amounts in section 10A.25, subdivision 2, must be adjusted for general election years as provided in this section. Each general election year, the executive director of the board must determine the percentage increase in the Consumer Price Index from December of the year preceding the last general election year to December of the year preceding the year in which the determination is made. The dollar amounts used for the preceding general election year must be multiplied by that percentage. The product of the calculation must be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product must be rounded up to the

next highest \$100 increment. The index used must be the revised Consumer Price Index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor.

Subd. 2. [Repealed, 1999 c 220 s 51]

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

History: 1980 c 587 art 3 s 3; 1987 c 214 s 7; 1988 c 707 s 3; 1990 c 608 art 3 s 16; 1991 c 349 s 16; 1999 c 220 s 31,32,50; 2002 c 363 s 25

10A.257 CARRYFORWARD.

Subdivision 1. **Unused funds.** After all campaign expenditures and noncampaign disbursements for an election cycle have been made, an amount up to 50 percent of the election year expenditure limit for the office may be carried forward. Any remaining amount up to the total amount of the public subsidy from the state elections campaign fund must be returned to the state treasury for credit to the general fund under section 10A.324. Any remaining amount in excess of the total public subsidy must be contributed to the state elections campaign fund or a political party for multicandidate expenditures as defined in section 10A.275.

Subd. 2. **Unused postage and credit balances carried forward.** Postage that is purchased but not used during an election cycle and credit balances at vendors that exceed a combined total of \$500 must be carried forward and counted as expenditures during the election cycle during which they are used.

History: 1974 c 470 s 25; 1975 c 271 s 6; 1976 c 307 s 21-23; 1978 c 463 s 67-74; 1986 c 444; 1987 c 214 s 5,6; 1988 c 686 art 1 s 41; 1988 c 707 s 2; 1990 c 608 art 3 s 11-15; 1991 c 349 s 13-15; 1993 c 318 art 2 s 20-25; 1996 c 459 s 2; 1999 c 220 s 30,50

10A.26 [Repealed, 1978 c 463 s 109]

10A.265 [Renumbered 10A.37]

10A.27 CONTRIBUTION LIMITS.

Subdivision 1. **Contribution limits.** (a) Except as provided in subdivision 2, a candidate must not permit the candidate's principal campaign committee to accept aggregate contributions made or delivered by any individual, political committee, or political fund in excess of the following:

- (1) to candidates for governor and lieutenant governor running together, \$2,000 in an election year for the office sought and \$500 in other years;
- (2) to a candidate for attorney general, \$1,000 in an election year for the office sought and \$200 in other years;
- (3) to a candidate for the office of secretary of state or state auditor, \$500 in an election year for the office sought and \$100 in other years;
- (4) to a candidate for state senator, \$500 in an election year for the office sought and \$100 in other years; and

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

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

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

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

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

Subd. 2. Political party and dissolving principal campaign committee limit. A candidate must not permit the candidate's principal campaign committee to accept contributions from any political party units or dissolving principal campaign committees in aggregate in excess of ten times the amount that may be contributed to that candidate as set forth in subdivision 1. The limitation in this subdivision does not apply to a contribution from a dissolving principal campaign committee of a candidate for the legislature to another principal campaign committee of the same candidate.

Subd. 3. [Repealed, 1978 c 463 s 109]

Subd. 4. [Repealed by amendment, 1999 c 220 s 34]

Subd. 5. [Repealed by amendment, 1999 c 220 s 34]

Subd. 6. [Repealed, 1993 c 318 art 2 s 51]

Subd. 7. [Repealed by amendment, 1999 c 220 s 34]

Subd. 8. Excess loans prohibited. A candidate must not permit the candidate's principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. A candidate must not permit the candidate's principal campaign committee to accept a loan from a financial institution for which the financial institution may hold an endorser of the loan liable to pay an amount in excess of the amount that the endorser may contribute to that candidate.

Subd. 9. Contributions to and from other candidates. (a) A candidate or the treasurer of a candidate's principal campaign committee must not accept a contribution from another candidate's principal campaign committee or from any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate, unless the contributing candidate's principal campaign committee is being dissolved.

A candidate's principal campaign committee must not make a contribution to another candidate's principal campaign committee, except when the contributing committee is being dissolved.

(b) A principal campaign committee that makes a contribution to another principal campaign committee must provide with the contribution a written statement of the committee's intent to dissolve and terminate its registration within 12 months after the contribution was made. If the committee fails to dissolve and terminate its registration by that time, the board may levy a civil penalty up to four times the size of the contribution against the contributing committee. A contribution from a terminating principal campaign committee that is not accepted by another

principal campaign committee must be forwarded to the board for deposit in the general account of the state elections campaign fund.

(c) A candidate's principal campaign committee must not accept a contribution from, or make a contribution to, a committee associated with a person who seeks nomination or election to the office of president, senator, or representative in Congress of the United States.

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

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

Subd. 11. **Contributions from certain types of contributors.** A candidate must not permit the candidate's principal campaign committee to accept a contribution from a political committee, political fund, lobbyist, or large contributor, if the contribution will cause the aggregate contributions from those types of contributors to exceed an amount equal to 20 percent of the expenditure limits for the office sought by the candidate, provided that the 20 percent limit must be rounded to the nearest \$100. For purposes of this subdivision, "large contributor" means an individual, other than the candidate, who contributes an amount that is more than \$100 and more than one-half the amount an individual may contribute.

Subd. 12. [Repealed by amendment, 1999 c 220 s 34]

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 \$100 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. 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 statement with the report that discloses the contribution to the board. This subdivision does not apply when a national political party contributes money to its affiliate in this state.

(b) An unregistered association may provide the written statement required by this subdivision to no more than three 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 \$100 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 \$100.

History: 1974 c 470 s 22,27; 1975 c 271 s 6; 1976 c 307 s 24; 1978 c 463 s 62-65,76-82; 1978 c 793 s 38; 1986 c 444; 1990 c 608 art 3 s 8,17,18; 1991 c 349 s 17; 1993 c 318 art 2 s 26-31; 1Sp1993 c 3 s 2; 1996 c 305 art 1 s 1; 1999 c 220 s 34,50; 2002 c 363 s 26-30; 2005 c 156 art 6 s 7

10A.273 CONTRIBUTIONS AND SOLICITATIONS DURING LEGISLATIVE SESSION.

Subdivision 1. **Contributions during legislative session.** (a) A candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a house of the legislature, must not solicit or accept a contribution from a registered lobbyist, political committee, political fund, or dissolving principal campaign committee, or from a party unit established by the party organization within a house of the legislature, during a regular session of the legislature.

(b) A registered lobbyist, political committee, political fund, or dissolving principal campaign committee, or a party unit established by the party organization within a house of the legislature, must not make a contribution to a candidate for the legislature or for constitutional office, the candidate's principal campaign committee, or a political committee or party unit established by all or a part of the party organization within a house of the legislature during a regular session of the legislature.

Subd. 2. **Party unit solicitations.** A political party unit must not solicit or receive at an event hosted by a candidate for the legislature or by a candidate for constitutional office a contribution from a lobbyist, political committee, political fund, or party unit during a regular session of the legislature.

Subd. 3. **Definition.** For purposes of this section, "regular session" does not include a special session or the interim between the two annual sessions of a biennium.

Subd. 4. **Civil penalty.** A candidate, political committee, party unit, political fund, principal campaign committee, or registered lobbyist that violates this section is subject to a civil penalty imposed by the board of up to \$1,000. If the board makes a public finding that there is probable cause to believe a violation of this section has occurred, the board must bring an action, or transmit the finding to a county attorney who must bring an action, in the District Court of Ramsey County, to collect a civil penalty as imposed by the board. Penalties paid under this section must be deposited in the general fund in the state treasury.

Subd. 5. **Special election.** This section does not apply in a legislative special election during the period beginning when the person becomes a candidate in the special election and ending on the day of the special election.

History: 1990 c 608 art 3 s 4; 1991 c 349 s 9,10; 1993 c 318 art 2 s 6,7; 1994 c 377 s 3,4; 1999 c 220 s 8-10,50; 2002 c 363 s 31-33

10A.275 MULTICANDIDATE POLITICAL PARTY EXPENDITURES.

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):

- (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 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.

Subd. 2. [Repealed, 1999 c 220 s 51]

Subd. 3. [Repealed, 1999 c 220 s 51]

History: 1978 c 463 s 83; 1983 c 216 art 1 s 1; 1990 c 608 art 3 s 19; 1999 c 220 s 35

10A.28 PENALTY FOR EXCEEDING LIMITS.

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

Subd. 2. **Exceeding contribution limits.** The following are subject to a civil penalty of up to four times the amount by which a contribution exceeds the applicable limits:

- (1) a lobbyist, political committee, or political fund that makes a contribution in excess of the limits imposed by section 10A.27, subdivisions 1 and 8;
- (2) a principal campaign committee that makes a contribution in excess of the limits imposed by section 10A.27, subdivision 2;
- (3) a political party unit that makes a contribution in excess of the limits imposed by section 10A.27, subdivisions 2 and 8; or
- (4) a candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27.

Subd. 3. **Conciliation agreement.** If the board finds that there is reason to believe that excess expenditures have been made or excess contributions accepted contrary to subdivision 1 or 2, the board must make every effort for a period of at least 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement

with the person involved. A conciliation agreement under this subdivision is a matter of public record. Unless violated, a conciliation agreement is a bar to any civil proceeding under subdivision 4.

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

History: 1974 c 470 s 28; 1975 c 271 s 6; 1978 c 463 s 84; 1986 c 444; 1990 c 608 art 3 s 20; 1993 c 318 art 2 s 32; 1999 c 220 s 36,50; 2002 c 363 s 34-36; 2005 c 156 art 6 s 8

10A.29 CIRCUMVENTION PROHIBITED.

An individual or association that attempts to circumvent this chapter by redirecting a contribution through, or making a contribution on behalf of, another individual or association is guilty of a gross misdemeanor and subject to a civil penalty imposed by the board of up to \$3,000.

History: 1974 c 470 s 29; 1978 c 463 s 85; 1999 c 220 s 37; 2002 c 363 s 37

10A.30 STATE ELECTIONS CAMPAIGN FUND.

Subdivision 1. **Establishment.** An account is established in the special revenue fund of the state known as the "state elections campaign fund."

Subd. 2. **Separate account.** Within the state elections campaign fund account there must be maintained a separate political party account for the state committee and the candidates of each political party and a general account.

History: 1974 c 470 s 30; 1976 c 307 s 25; 1978 c 463 s 86; 1990 c 608 art 3 s 21; 1991 c 349 s 18; 1999 c 220 s 38,50

10A.31 DESIGNATION OF INCOME TAX PAYMENTS.

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

Subd. 2. [Repealed by amendment, 1999 c 220 s 39]

Subd. 3. **Form.** The commissioner of revenue must provide on the first page of the income tax form and the renter and homeowner property tax refund return a space for the individual to indicate a wish to pay \$5 (\$10 if filing a joint return) from the general fund of the state to finance election campaigns. The form must also contain language prepared by the commissioner that

permits the individual to direct the state to pay the \$5 (or \$10 if filing a joint return) to: (1) one of the major political parties; (2) any minor political party that qualifies under subdivision 3a; or (3) all qualifying candidates as provided by subdivision 7. The renter and homeowner property tax refund return must include instructions that the individual filing the return may designate \$5 on the return only if the individual has not designated \$5 on the income tax return.

Subd. 3a. **Qualification of political parties.** (a) A major political party qualifies for inclusion on the income tax form and property tax refund return as provided in subdivision 3 if it qualifies as a major political party by July 1 of the taxable year.

(b) A minor political party qualifies for inclusion on the income tax form and property tax refund return as provided in subdivision 3 if it qualifies as a minor party statewide by July 1 of the taxable year.

(c) The secretary of state shall notify each major and minor political party by the first Monday in January of each odd-numbered year of the conditions necessary for the party to participate in income tax form and property tax refund return programs.

(d) The secretary of state shall notify each political party, the commissioner of revenue, and the Campaign Finance and Public Disclosure Board by July 1 of each year and following certification of the results of each general election of the political parties that qualify for inclusion on the income tax form and property tax refund return as provided in subdivision 3.

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

(b) In addition to the amounts in paragraph (a), \$1,250,000 for each general election is appropriated from the general fund for transfer to the general account of the state elections campaign fund. Of this appropriation, \$65,000 each fiscal year must be set aside to pay assessments made by the Office of Administrative Hearings under section 211B.37. Amounts remaining after all assessments have been paid must be canceled to the general account.

Subd. 5. **Allocation.** (a) General account. In each calendar year the money in the general account must be allocated to candidates as follows:

- (1) 21 percent for the offices of governor and lieutenant governor together;
- (2) 4.2 percent for the office of attorney general;
- (3) 2.4 percent each for the offices of secretary of state and state auditor;
- (4) in each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative; and
- (5) in each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative.

(b) Party account. In each calendar year the money in each party account must be allocated as follows:

- (1) 14 percent for the offices of governor and lieutenant governor together;
- (2) 2.8 percent for the office of attorney general;
- (3) 1.6 percent each for the offices of secretary of state and state auditor;
- (4) in each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative;
- (5) in each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative; and
- (6) ten percent or \$50,000, whichever is less, for the state committee of a political party; one-third of any amount in excess of that allocated to the state committee of a political party under this clause must be allocated to the office of state senator and two-thirds must be allocated to the office of state representative under clause (4).

Money allocated to each state committee under clause (6) must be deposited in a separate account and must be spent for only those items enumerated in section 10A.275.

Money allocated to a state committee under clause (6) must be paid to the committee by the board as it is received in the account on a monthly basis, with payment on the 15th day of the calendar month following the month in which the returns were processed by the Department of Revenue, provided that these distributions would be equal to 90 percent of the amount of money indicated in the Department of Revenue's weekly unedited reports of income tax returns and property tax refund returns processed in the month, as notified by the Department of Revenue to the board.

The amounts paid to each state committee are subject to biennial adjustment and settlement at the time of each certification required of the commissioner of revenue under subdivisions 7 and 10. If the total amount of payments received by a state committee for the period reflected on a certification by the Department of Revenue is different from the amount that should have been received during the period according to the certification, each subsequent monthly payment must be increased or decreased to the fullest extent possible until the amount of the overpayment is recovered or the underpayment is distributed.

Subd. 5a. Party account for legislative candidates. To ensure that money will be returned to the counties from which it was collected and to ensure that the distribution of money rationally relates to the support for particular parties or for particular candidates within legislative districts, money from the party accounts for legislative candidates must be distributed as provided in this subdivision.

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

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

- (1) the sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of that candidate's party whose names appeared on the ballot statewide and for the state senate and state house of representatives, divided by
- (2) the sum of the votes cast in the entire county in the last general election for all candidates of that candidate's party whose names appeared on the ballot statewide and for the state senate and state house of representatives, multiplied by
- (3) the amount in the candidate's party account designated by taxpayers who resided in that county and allocated to that office.

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

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

For a party under whose name no candidate's name appeared on the ballot statewide in the last general election, amounts in the party's account must be allocated based on (i) the number of people voting in the last general election in that part of the county in the candidate's district, divided by (ii) the number of the people voting in the entire county in the last general election, multiplied by (iii) the amount in the candidate's party account designated by taxpayers who resided in that county and allocated to that office.

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

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

Subd. 6. Distribution of party accounts. As soon as the board has obtained from the secretary of state the results of the primary election, but no later than one week after certification by the State Canvassing Board of the results of the primary, the board must distribute the available money in each party account, as certified by the commissioner of revenue on September 1, to the candidates of that party who have signed a spending limit agreement under section 10A.322 and filed the affidavit of contributions required by section 10A.323, who were opposed in either the primary election or the general election, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivisions 5 and 5a.

The public subsidy from the party account may not be paid in an amount greater than the expenditure limit of the candidate or the expenditure limit that would have applied to the candidate if the candidate had not been freed from expenditure limits under section 10A.25, subdivision 10.

[Editor's note: The following provision was rendered ineffective by later amendments to section 10A.323, which now requires that the affidavit of contributions be filed not later than the cutoff date for transactions included on the pre-primary-election Report of Receipts and Expenditures. Thus, the referenced affidavit may no longer be filed after September 1 of the general election year.]

If a candidate files the affidavit required by section 10A.323 after September 1 of the general election year, the board must pay the candidate's allocation to the candidate at the next regular payment date for public subsidies for that election cycle that occurs at least 15 days after the candidate files the affidavit.

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

Money from a party account not distributed to candidates for other offices in an election year must be returned to the party account for reallocation to candidates as provided in subdivision 5, paragraph (b), in the following year.

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

- (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.

Subd. 8. [Repealed, 1993 c 318 art 2 s 51]

Subd. 9. [Repealed, 1993 c 318 art 2 s 51]

Subd. 10. **December distribution.** In the event that on the date of either certification by the commissioner of revenue as provided in subdivision 6 or 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue must certify to the board by December 1 the amount accumulated in each account since the previous certification. By December 15, the board must distribute to each candidate according to the allocations in subdivisions 5 and 5a the amounts to which the candidates are entitled.

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

Subd. 10b. **Remainder.** Money accumulated after the final certification must be kept in the respective accounts for distribution in the next general election year.

Subd. 11. **Write-in candidate.** For the purposes of this section, a write-in candidate is a candidate only upon complying with sections 10A.322 and 10A.323.

Subd. 12. [Repealed by amendment, 1999 c 220 s 39]

History: 1974 c 470 s 31; 1975 c 271 s 6; 1976 c 307 s 26-33; 1978 c 463 s 87-95; 1980 c 587 art 3 s 4-6; 1981 c 343 s 1; 1982 c 523 art 5 s 1; 1983 c 216 art 1 s 2; 1984 c 502 art 2 s 1,2; 1984 c 514 art 2 s 1; 1985 c 248 s 3; 1Sp1985 c 14 art 1 s 1,2; 1986 c 444; 1987 c 268 art 1 s 1-3; 1988 c 686 art 1 s 42; 1Sp1989 c 1 art 10 s 1; 1990 c 480 art 5 s 1; 1991 c 199 art 2 s 1; 1991 c 349 s 19,20; 1992 c 513 art 3 s 20; 1993 c 13 art 2 s 1; 1993 c 318 art 2 s 33-36; 1Sp1993 c 3 s 3,4; 1996 c 471 art 1 s 1; 1997 c 202 art 2 s 63; 1999 c 220 s 39,50; 2000 c 467 s 1; 1Sp2001 c 10 art 18 s 1,2; 2002 c 363 s 38; 2004 c 277 s 1; 2005 c 156 art 6 s 9,10

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.

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

History: 1990 c 608 art 3 s 22; 1993 c 318 art 2 s 38; 1999 c 220 s 40

10A.316 [Never effective]

10A.32 Subdivision 1. [Repealed, 1990 c 608 art 3 s 32]

Subd. 2. [Repealed, 1990 c 608 art 3 s 32]

Subd. 3. [Repealed, 1990 c 608 art 3 s 32]

Subd. 3a. [Repealed, 1990 c 608 art 3 s 32]

Subd. 3b. [Repealed, 1988 c 686 art 1 s 83; 1988 c 707 s 5]

Subd. 4. [Repealed, 1990 c 608 art 3 s 32]

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

Subdivision 1. **Calculation and certification of estimates.** The commissioner of revenue must calculate and certify to the board before July 1 in each election year an estimate of the total amount in the state general account of the state elections campaign fund and the amount of money each candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, may receive from the candidate's party account in the state elections campaign fund.

This estimate must be based upon the allocations and formulas in section 10A.31, subdivisions 5 and 5a, any necessary vote totals provided by the secretary of state to apply the formulas in section 10A.31, subdivisions 5 and 5a, and the amount of money expected to be available after 100 percent of the tax returns have been processed.

Subd. 2. **Publication, certification, and notification procedures.** Before the first day of filing for office, the board must publish and forward to all filing officers the estimates calculated and certified under subdivision 1 along with a copy of section 10A.25, subdivision 10.

Within seven days after the last day for filing for office, the secretary of state must certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office an affidavit of candidacy or petition to appear on the ballot. The auditor of each county must certify to the board the same information for each candidate who has filed with that county an affidavit of candidacy or petition to appear on the ballot.

By August 15, the board must notify all candidates of their estimated minimum amount. The board must include with the notice a form for the agreement provided in section 10A.322 along with a copy of section 10A.25, subdivision 10.

History: 1990 c 608 art 3 s 23; 1999 c 220 s 41,50

10A.322 SPENDING LIMIT AGREEMENTS.

Subdivision 1. **Agreement by candidate.** (a) As a condition of receiving a public subsidy, a candidate must sign and file with the board a written agreement in which the candidate agrees that the candidate will comply with sections 10A.25; 10A.27, subdivision 10; 10A.31, subdivision 7, paragraph (c); 10A.324; and 10A.38.

(b) Before the first day of filing for office, the board must forward agreement forms to all filing officers. The board must also provide agreement forms to candidates on request at any time. The candidate must file the agreement with the board by September 1 preceding the candidate's general election or a special election held at the general election. An agreement may not be filed after that date. An agreement once filed may not be rescinded.

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

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

Subd. 2. How long agreement is effective. The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, and the contribution limit in section 10A.27, subdivision 10, remains effective for candidates until the dissolution of the principal campaign committee of the candidate or the end of the first election cycle completed after the agreement was filed, whichever occurs first.

Subd. 3. [Repealed by amendment, 1999 c 220 s 42]

Subd. 4. Refund receipt forms; penalty. The board must make available to a political party on request and to any candidate for whom an agreement under this section is effective, a supply of official refund receipt forms that state in boldface type that

(1) a contributor who is given a receipt form is eligible to claim a refund as provided in section 290.06, subdivision 23, and

(2) if the contribution is to a candidate, that the candidate has signed an agreement to limit campaign expenditures as provided in this section.

The forms must provide duplicate copies of the receipt to be attached to the contributor's claim. A candidate who does not sign an agreement under this section and who willfully issues an official refund receipt form or a facsimile of one to any of the candidate's contributors is guilty of a misdemeanor.

History: 1990 c 608 art 3 s 24; 1991 c 291 art 6 s 1,2; 1993 c 318 art 2 s 39,40; 1999 c 220 s 42,50; 2002 c 363 s 39; 2008 c 295 s 6

10A.323 AFFIDAVIT OF CONTRIBUTIONS.

In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy under section 10A.31 a candidate or the candidate's treasurer must file an affidavit with the board stating that during that calendar year the candidate has accumulated contributions from persons eligible to vote in this state in at least the amount indicated for the office sought, counting only the first \$50 received from each contributor:

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

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

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

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

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

The affidavit must state the total amount of contributions that have been received from persons eligible to vote in this state, disregarding the portion of any contribution in excess of \$50. The candidate or the candidate's treasurer must submit the affidavit required by this section to the board in writing by the cutoff date for reporting of receipts and expenditures before a primary under section 10A.20, subdivision 4.

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

History: 1990 c 608 art 3 s 25; 1993 c 318 art 2 s 41; 1998 c 254 art 1 s 1; 1999 c 220 s 43,50; 2002 c 363 s 40; 2008 c 295 s 7

10A.324 RETURN OF PUBLIC SUBSIDY.

Subdivision 1. **When return required.** A candidate must return all or a portion of the public subsidy received from the state elections campaign fund or the public subsidy received under section 10A.315, under the circumstances in this section or section 10A.257, subdivision 1.

To the extent that the amount of public subsidy received exceeds the aggregate of:

- (1) actual expenditures made by the principal campaign committee of the candidate; and
- (2) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee must return an amount equal to the difference to the board.

The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned. Expenditures in excess of the candidate's spending limit do not count in determining aggregate expenditures under this paragraph.

Subd. 2. [Repealed, 1999 c 220 s 51]

Subd. 3. **How return determined.** Whether or not a candidate is required under subdivision 1 to return all or a portion of the public subsidy must be determined from the report required to be filed with the board by that candidate by January 31 of the year following an election. An amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board must deposit the check or money order in the state treasury for credit to the general fund. The amount returned must not exceed the amount of public subsidy received by the candidate.

Subd. 4. [Repealed, 1999 c 220 s 51]

Subd. 5. [Repealed, 1996 c 459 s 5]

History: 1990 c 608 art 3 s 26; 1991 c 349 s 21; 1993 c 318 art 2 s 42-44; 1999 c 220 s 44,45,50

10A.325 [Repealed, 1999 c 220 s 51]

10A.33 [Repealed, 1990 c 608 art 3 s 32]
10A.335 [Repealed, 1999 c 220 s 51]

10A.34 REMEDIES.

Subdivision 1. **Personal liability.** A person charged with a duty under this chapter is personally liable for the penalty for failing to discharge it.

Subd. 1a. **Recovering fees and penalties.** The board may bring an action in the district court in Ramsey County to recover a fee, late filing fee, or penalty imposed under this chapter. Money recovered must be deposited in the general fund of the state.

Subd. 2. **Injunction.** The board or a county attorney may seek an injunction in the district court to enforce this chapter.

Subd. 3. **Not a crime.** Unless otherwise provided, a violation of this chapter is not a crime.

History: 1974 c 470 s 34; 1975 c 271 s 6; 1978 c 463 s 104; 1999 c 220 s 46; 1Sp2003 c 1 art 2 s 28

10A.35 COMMERCIAL USE OF INFORMATION PROHIBITED.

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

[Editor's Note: The restriction on commercial use was held to be unconstitutional with regard to information about lobbyists and principals in *St. Paul Legal Ledger v. Minnesota Campaign Finance and Public Disclosure Board*, C6-97-12822 (Ramsey County District Court 1998).]

History: 1999 c 220 s 47

10A.36 REPRISALS PROHIBITED; PENALTY.

An individual or association must not engage in economic reprisals or threaten loss of employment or physical coercion against an individual or association because of that individual's or association's political contributions or political activity. This subdivision does not apply to compensation for employment or loss of employment if the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment. An individual or association that violates this section is guilty of a gross misdemeanor.

History: 1974 c 470 s 20; 1975 c 271 s 6; 1976 c 307 s 14-18; 1977 c 346 s 1; 1978 c 463 s 51-59; 1978 c 793 s 37; 1979 c 59 s 5; 1980 c 587 art 2 s 9,10; 1980 c 607 art 17 s 10,11; 1985 c 40 s 1; 1986 c 444; 1987 c 214 s 3,4; 1990 c 608 art 3 s 5-7; 1991 c 349 s 11,12; 1993 c 318 art 2 s 15-18; 1996 c 459 s 1; 1997 c 202 art 2 s 7; 1999 c 220 s 23,50

10A.37 FREEDOM TO ASSOCIATE AND COMMUNICATE.

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

History: 1978 c 463 s 75; 1999 c 220 s 33,50

10A.38 CAPTIONING OF CAMPAIGN ADVERTISEMENTS.

(a) This section applies to a campaign advertisement by a candidate who is governed by an agreement under section 10A.322.

(b) "Campaign advertisement" means a professionally produced visual or audio recording of two minutes or less produced by the candidate for the purpose of influencing the nomination or election of a candidate.

(c) A campaign advertisement that is disseminated as an advertisement by broadcast or cable television must include closed captioning for deaf and hard-of-hearing viewers, unless the candidate has filed with the board before the advertisement is disseminated a statement setting forth the reasons for not doing so.

A campaign advertisement that is disseminated as an advertisement to the public on the candidate's Web site must include closed captioning for deaf and hard-of-hearing viewers, unless the candidate has posted on the Web site a transcript of the spoken content of the advertisement or the candidate has filed with the board before the advertisement is disseminated a statement setting forth the reasons for not doing so.

A campaign advertisement must not be disseminated as an advertisement by radio unless the candidate has posted on the candidate's Web site a transcript of the spoken content of the advertisement or the candidate has filed with the board before the advertisement is disseminated a statement setting forth the reasons for not doing so.

History: 2008 c 295 s 8

10A.40 [Repealed, 1999 c 220 s 51]
10A.41 [Repealed, 1999 c 220 s 51]
10A.42 [Repealed, 1999 c 220 s 51]
10A.43 [Repealed, 1999 c 220 s 51]
10A.44 [Repealed, 1999 c 220 s 51]
10A.45 [Repealed, 1999 c 220 s 51]
10A.46 [Repealed, 1999 c 220 s 51]
10A.47 [Repealed, 1999 c 220 s 51]
10A.48 [Repealed, 1999 c 220 s 51]
10A.49 [Repealed, 1999 c 220 s 51]
10A.50 [Repealed, 1999 c 220 s 51]
10A.51 [Repealed, 1999 c 220 s 51]

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD ADMINISTRATIVE
RULES ARE ADOPTED PURSUANT TO AUTHORITY GRANTED IN
MINN. STAT. § 10A.02, SUBD. 13.**

All effective rules are current as of November 7, 2008

Chapter 4501

4501.0010 SCOPE AND AUTHORITY.

This chapter and chapters 4503 to 4525 govern compliance with the Ethics in Government Act, Minnesota Statutes, chapter 10A. This chapter contains provisions and definitions of general application. This chapter and chapters 4503 to 4525 are adopted pursuant to Minnesota Statutes, section 10A.02, subdivision 13.

HIST: 20 SR 2504

4501.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and chapters 4503 to 4525 and Minnesota Statutes, chapter 10A. The definitions in Minnesota Statutes, chapter 10A, also apply to chapters 4503 to 4525.

Subp. 2. **Address.** "Address" means the complete mailing address, including the zip code. An individual may use either the person's business address or home address. An association's address is the address from which the association conducts its business.

Subp. 2a. **Audit trail.** "Audit trail" means documentation of submission of an electronic file or facsimile transmission to the board. The audit trail includes the date and time at which the facsimile transmission or electronic file submission was made and a copy of any verification report or message received from the board.

Subp. 3. **Business day.** A "business day" is from 8:00 a.m. to 4:30 p.m., Monday through Friday, except for official state holidays.

Subp. 4. **Compensation.** "Compensation" means every kind of payment for labor or personal services. Compensation does not include payments of social security, unemployment compensation, workers' compensation, or pension benefits.

Subp. 4a. **Electronic file.** "Electronic file" means a report or statement required by Minnesota Statutes, chapter 10A, and submitted to the board using an electronic filing system.

Subp. 4b. **Electronic filing system.** "Electronic filing system" means the computer-based systems developed by the board to transfer an electronic file of data that meets the filing and reporting requirements of Minnesota Statutes, chapter 10A.

Subp. 4c. **Facsimile transmission.** "Facsimile transmission" means the use of a fax machine or e-mail to submit an electronic image of a report or statement to the board.

Subp. 5. **Honorarium.** "Honorarium" means anything of value given or received for services such as making speeches, writing articles, or making presentations when there is no obligation on the part of the giver to make payment.

Subp. 6. **Money.** "Money" means cash and cash equivalents such as checks, money orders, travelers checks, negotiable instruments, and other paper commonly accepted by a bank as a deposit. A transfer of money includes an electronic transfer of funds.

Subp. 7. **Occupation.** "Occupation" means a person's usual trade, profession, employment, or other similar endeavor, and includes categories for which there is no direct financial compensation, such as homemaker.

Subp. 7a. **Personal identification code.** "Personal identification code" is a confidential user name and password provided by the board and required to use an electronic filing system.

Subp. 8. **Principal place of business.** "Principal place of business" means:

- A. for an employed person, the name of the employer and the address from which the employee conducts the employer's business;
- B. for a self-employed person or a person not employed, the address from which the person conducts business or personal matters; or
- C. for an association, the name and business address of the association.

Subp. 9. **Promptly.** "Promptly" means within ten business days after the event that gave rise to the requirement.

HIST: 20 SR 2504; 21 SR 1779; 30 SR 903

4501.0200 SECURITIES.

Subpart 1. **Items which are securities.** Securities include any stock, share, bond, warrant, option, pledge, note, mortgage, debenture, lease, or commercial paper, in any corporation, partnership, mutual fund, trust, or other association.

Subp. 2. **Items which are not securities.** Securities do not include deposits in a savings account, certificates of deposit, money market certificates, treasury bills, bonds or notes, dividends from securities, or holdings in a pension or retirement plan.

Subp. 3. **Holder of securities.** A "holder of securities" is an individual having an ownership interest in a security, or who is the trustee or beneficiary of a trust having an ownership in a security. An individual owning shares in a mutual fund does not have an ownership interest in underlying securities owned by the fund.

Subp. 4. **Valuation of securities.** The value of a security is its fair market value. For securities traded on national exchanges, the fair market value is the closing bid price for the security on a given date. The value of a partial interest in a security is the value of the holder's proportionate share.

Subp. 5. **Exception for charitable trusts.** Trustees of associations organized for charitable, philanthropic, religious, social service, educational, or other public use or purpose are not holders of securities owned by the associations.

HIST: 20 SR 2504

4501.0300 CERTIFICATION, SIGNATURES, AND NOTARIZATION.

Subpart 1. [Repealed, L 2005 c 156 art 6 s 68]

Subp. 1a. **Signature required.** The original signature of the person responsible for preparation or filing of a report or other document is required to make the report or document complete. Only signed reports or documents may be filed with the board. A document filed by facsimile transmission meets the requirements of this part if the original document being transmitted bears the required signature. An electronic filing meets the requirement of this part if it is submitted with a personal identification code. The board must provisionally accept an initial registration submitted without a personal identification code pending a confirmation of the registration.

Subp. 2. **Certification.** The signature of a person authorized to sign a report or form constitutes certification by that person of the truth and accuracy of the report or form.

Subp. 3. **Notarization.** The only documents that must be notarized are affidavits of contributions filed pursuant to Minnesota Statutes, section 10A.323, and sworn statements relating to independent expenditures filed pursuant to Minnesota Statutes, section 10A.20, subdivision 6a.

Subp. 4. [Repealed, L 2005 c 156 art 6 s 68]
HIST: 20 SR 2504; L 2005 c 156 art 6 s 68; 30 SR 903

4501.0400 DETERMINATION OF LOCAL OR PUBLIC OFFICIAL STATUS.

Subpart 1. **Metropolitan governmental units to determine local official status.** Annually, each metropolitan governmental unit must determine which positions within the metropolitan governmental unit constitute its local officials and must provide the board with a list of those positions.

Subp. 2. **Acting or part-time local or public official.** An individual who fills a local or public official position on an acting or part-time basis is a local or public official.

HIST: 20 SR 2504

4501.0500 FILINGS, SUBMISSIONS, AND DISCLOSURES.

Subpart 1. **Format.** A report or statement required under Minnesota Statutes, chapter 10A, must be submitted on the forms provided by the board for that purpose or by an electronic filing system. The board may provide alternative methods for submitting information, including other means for the electronic submission of data.

Subp. 1a. **Completion of filing.** A filing with the board is complete upon:

- A. receipt in the board office of the document being filed, bearing the original signature of the person responsible for filing the document;
- B. receipt of a facsimile transmission of the document, subject to subpart 2;
- C. the postmark date of a first class or certified mailing of the document being filed, properly addressed to the board at its current address; or
- D. the successful submission of an electronic file to the board.

Subp. 2. **Filing by facsimile transmission or electronic filing system.** A document filed by facsimile transmission or electronic filing system has the same force and effect as filing an original paper document. Facsimile transmissions and the use of an electronic filing system are subject to items A to F.

- A. A facsimile transmission or electronic file received after the close of a business day is considered received at the beginning of the next business day.
- B. Use of an electronic filing system is optional. In order to provide a secure environment for the submission of electronic files, the board must require that a filer use a personal identification code when submitting an electronic file. The board may also request the filer to provide a valid e-mail address in order to receive confirmation and verification messages from the board.
- C. After an electronic file is processed by the board, the information contained in the electronic file becomes the property of the state subject to the terms of the Data Practices Act under Minnesota Statutes, chapter 13.
- D. In the case of a filing by facsimile transmission, the filer must retain the original of the filed document and a record of the date and time of the transmission. If an electronic filing system is used to submit an electronic file to the board, the filer must retain as documentation the database and information on which the electronic submission of data is based. The database and records are subject to audit as provided in Minnesota Statutes, chapter 10A.
- E. Within five days of a request by the board, any person filing a document by facsimile transmission or electronic filing system shall refile the document by one of the other filing methods provided in subpart 1.
- F. Technical problems that prevent the successful submission of a facsimile transmission or electronic file do not relieve the filer of the responsibility of meeting the requirements of Minnesota Statutes, chapter 10A. An audit trail that demonstrates that the facsimile transmission or electronic file was successfully submitted in a timely fashion may be used by the board to waive late filing fees.

Subp. 3. **Filings on nonbusiness days.** If a scheduled filing date falls on a Saturday, Sunday, or state holiday, the filing is due on the next business day.

Subp. 4. [Repealed, L 2005 c 156 art 6 s 68]

HIST: 20 SR 2504; 21 SR 1779; L 2005 c 156 art 6 s 68; 30 SR 903

4501.0600 [Repealed, L 2005 c 156 art 6 s 68]

4501.0700 ASSESSMENT OF LATE FILING FEES.

Late filing fees are not assessed for Saturdays, Sundays, or state holidays.

HIST: 20 SR 2504

Minn. Rules repealed, etc. in chapter 4501

4501.0600 [Repealed, L 2005 c 156 art 6 s 68]

Chapter 4503

4503.0010 SCOPE.

This chapter applies to the campaign finance activities of candidates and their principal campaign committees, political party units, political committees, and political funds regulated by Minnesota Statutes, sections 10A.11 to 10A.335.

HIST: 20 SR 2504

4503.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, chapter 10A. The definitions in chapter 4501 and Minnesota Statutes, chapter 10A, also apply to this chapter.

Subp. 2. **Adjournment sine die.** "Adjournment sine die" means final adjournment by the legislature in the second year of a biennium.

Subp. 3. **Anonymous contribution.** "Anonymous contribution" means a contribution for which the name and address of the donor cannot be determined.

Subp. 3a. **Fair market value.** "Fair market value" means the amount that an individual would pay to purchase the same or similar service or item on the open market.

Subp. 4. **Fundraising event.** "Fundraising event" means a meal, party, entertainment event, rally, or similar gathering of three or more individuals where contributions are solicited or received.

Subp. 5. **Receipted bill.** "Receipted bill" means an invoice marked paid by the vendor or a canceled check with a corresponding invoice indicating the purpose of the expenditure.

Subp. 6. **Services for a constituent; constituent services.** "Services for a constituent" or "constituent services" means services performed or provided by an incumbent legislator or constitutional officer for the benefit of one or more residents of the official's district, but does not include gifts, congratulatory advertisements, charitable contributions, or similar expenditures.

Subp. 7. **Statewide election.** "Statewide election" means an election for a statewide constitutional office, Appeals Court, or Supreme Court office, or an election in which a question or proposition on the ballot can be voted on by all voters of the state.

Subp. 8. **Unpaid bill.** "Unpaid bill" means an advance of credit for which payment has not been made. An advance of credit is an unpaid bill from the time it is incurred, regardless of when an actual invoice is received.

HIST: 20 SR 2504; 21 SR 1779; 30 SR 903

4503.0200 ORGANIZATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.

Subpart 1. **Organizational information to be provided by a political party.** The statement of organization of a political party must include a list of the names of the party units organized in

each house of the legislature and in congressional districts, counties, legislative districts, municipalities, and precincts, along with the name and address of the treasurer and chair of each unit, and must be updated annually.

Subp. 2. **Officers of principal campaign committee.** A candidate may be chair, treasurer, or both, of the candidate's own principal campaign committee. The candidate is ultimately responsible for the principal campaign committee's compliance with Minnesota Statutes, chapter 10A.

Subp. 3. **When registration is not required.** When a person or group merely solicits contributions with the approval of a candidate or the treasurer, deputy treasurer, or agent of a political committee or political fund and when those contributions are made directly to the reporting committee or fund, that person or group need not establish a separate political committee or political fund.

Subp. 4. [Repealed, L 2005 c 156 art 6 s 68]

Subp. 5. **Termination of responsibility of former treasurer.** A former treasurer who transfers political committee or political fund records and receipts to a new treasurer or to the chair of the committee or fund is relieved of future responsibilities when notice required under subpart 4 is filed or when the former treasurer notifies the board in writing of the change.

Subp. 6. **Depositories.** The depositories of a political committee or political fund include any depository in which the committee or fund has a savings, checking, or similar account, or purchases a money market certificate or certificate of deposit. Before registering, a political committee or political fund which expects to receive money or negotiable instruments must establish a checking, savings, or similar account in the name of "Campaign Fund of (name of candidate, committee, or fund)."

HIST: 20 SR 2504; 21 SR 1779; L 2005 c 156 art 6 s 68

4503.0300 TERMINATION OF POLITICAL COMMITTEE OR POLITICAL FUND.

Subpart 1. **Termination report.** A termination report must cover the period from the closing date of the last report filed through the date of termination.

Subp. 2. [Repealed, L 2005 c 156 art 6 s 68]

Subp. 3. **Transfer of debts.** An agreement to transfer debts upon the termination of a candidate's principal committee for one office under Minnesota Statutes, section 10A.241, must be made in writing, signed by the candidate and the committee treasurers, and preserved in the records of each committee.

Subp. 4. **Payment plan pending dissolution of inactive political committee or political fund.** An inactive political committee or political fund that must dissolve according to Minnesota Statutes, section 10A.242, and that has liquidated its available assets to pay its debts may submit to the board a proposed payment schedule to settle any remaining debts. Upon approval of the schedule, the board may allow the committee or fund to defer dissolution until all debts are paid.

HIST: 20 SR 2504; L 2005 c 156 art 6 s 68

4503.0400 DISTRICT COURT JUDICIAL CANDIDATES.

Subpart 1. **Donations in-kind.** Donations in-kind to a candidate for district court judge which in aggregate exceed \$100 must be disclosed in accordance with Minnesota Statutes, section 10A.20, subdivision 3, paragraph (b).

Subp. 2. [Repealed, L 2005 c 156 art 6 s 68]

HIST: 20 SR 2504; L 2005 c 156 art 6 s 68

4503.0500 CONTRIBUTIONS.

Subpart 1. **All receipts are contributions.** Any donation of money, goods, or services received by a principal campaign committee is considered a contribution at the time the item is received.

Subp. 2. **Time of receipt of contributions.**

- A. A monetary contribution is received by a political committee or political fund, for reporting and contribution limit purposes, when the instrument conveying the contribution, such as cash, check, or money order, is physically received by the treasurer, the candidate, or a committee or fund worker.
- B. A contribution delivered through the mail is received on the date the mail is gathered from the delivery point by the treasurer, the candidate, or a committee or fund worker.

Subp. 3. **Transmission of contributions.** Promptly after receipt of any contribution or on demand of the treasurer, an individual must transmit the contribution together with any required record to the treasurer.

Subp. 4. **Identification of contributor.** An individual or association that pays for or provides goods or services, or makes goods or services available, with the knowledge that they will be used for the benefit of a political committee or a political fund, is the contributor of those goods or services.

Subp. 5. **Contributions from Hennepin County registered associations.** In lieu of registration with the board, an association registered with the Hennepin County filing officer under Minnesota Statutes, sections 383B.041 to 383B.058, that makes contributions of more than \$100 to a committee or fund in a calendar year may notify the recipient committee of its registration with Hennepin County, including its registration number, and instruct the recipient committee to include the notice when the recipient committee discloses receipt of the contribution.

Subp. 6. **Contributions by joint check.** A contribution given by a check written on a joint account is considered to be a contribution by the persons who signed the check in equal proportions unless the candidate or treasurer of the committee or fund has personal knowledge or affirmatively ascertains from any account holder who did not sign the check that the person is a joint contributor. In such cases, a written notation of the basis for considering the contribution to be a joint contribution must be made at the time the contribution is deposited and kept with the committee's or fund's official records.

Subp. 7. **Forwarding anonymous contributions.** An anonymous contribution in excess of \$20 must be forwarded to the board in its entirety within 14 days after its receipt by the treasurer along with a statement of the amount of the contribution and the date on which it was received.

Subp. 8. **Value of contributions of automobile use.** Automobile use provided to a committee by an individual may be valued at the lowest rate used by the state to reimburse its employees for automobile use. Alternatively, the value of the automobile may be calculated as the actual cost of fuel, maintenance, repairs, and insurance directly related to the use of the automobile. The use of an automobile that exceeds \$20 in value a day is either an expenditure that must be reimbursed or a donation in-kind from the individual who provided the use of the automobile. An automobile provided by an association must be valued at the fair market value for renting an equivalent automobile.

Subp. 9. [Repealed, L 2005 c 156 art 6 s 68]

HIST: 20 SR 2504; 17 SR 1779; L 2005 c 156 art 6 s 68; 30 SR 903

4503.0600 USE OF CREDIT CARDS.

Subpart 1. **Contributions.** A candidate or treasurer of a political committee or political fund may approve the solicitation and collection of campaign contributions through the use of credit cards. An organization that issues credit cards, when acting in the ordinary course of business by collecting and disbursing funds designated by the card holders for contributions to a committee or fund, is not required to register or report.

Subp. 2. **Expenditures; disbursements.** A treasurer who reimburses a credit card company for campaign expenditures or noncampaign disbursements that require itemization on a report of receipts and expenditures under Minnesota Statutes, section 10A.20, must disclose the purpose and the name and address of the vendor supplying the good or service for which payment is made.

HIST: 15 SR 1512; 20 SR 2504

4503.0700 CONTRIBUTION LIMITS.

Subpart 1. **Loans included in aggregation of contributions.** Contribution limits apply to the aggregation of:

- A. money;
- B. donations in-kind;
- C. outstanding loans from the contributor; and
- D. proceeds of outstanding loans endorsed by the contributor.

Subp. 2. **Special election contribution limits.** Election year contribution limits set forth in Minnesota Statutes, section 10A.27, apply to a special election cycle.

Subp. 3. **Independent application of limits for special election.** Contribution limits apply independently for election years, other years, and special election cycles.

HIST: 20 SR 2504

4503.0800 DONATIONS IN-KIND AND APPROVED EXPENDITURES.

Subpart 1. [Repealed, L 2005 c 156 art 6 s 68]

Subp. 2. **Multicandidate materials.** An approved expenditure made on behalf of multiple candidates must be allocated between the candidates on a reasonable basis if the cost exceeds \$20 per candidate.

Subp. 3. **Multipurpose materials.** A reasonable portion of the fair market value of preparation and distribution of association newsletters or similar materials which, in part, advocate the nomination or election of a candidate is a donation in-kind which must be approved by the candidate if the value exceeds \$20, unless an independent expenditure is being made.

Subp. 4. **Office facilities.** The fair market value of shared office space or services provided to a candidate without reimbursement is a donation in-kind.

Subp. 5. **Campaign expenditures for constituent services paid with personal funds.** Costs of providing constituent services that are campaign expenditures and paid with the personal funds of the candidate are a donation in-kind to the principal campaign committee of the candidate.

HIST: 20 SR 2504; L 2005 c 156 art 6 s 68

4503.0900 NONCAMPAIGN DISBURSEMENTS.

Subpart 1. **Additional definitions.** In addition to those listed in Minnesota Statutes, section 10A.01, subdivision 26, the following expenses are noncampaign disbursements:

- A. transportation, meals, and lodging paid to attend a campaign school;
- B. costs of campaigning incurred by a person with a disability, as defined in Minnesota Statutes, section 363A.03, subd. 12, and which are made necessary by the disability;
- C. the cost to an incumbent or a winning candidate of providing services to residents in the district after the general election in an election year for the office held;
- D. payment of advances of credit in a year after the year in which the advance was reported as an expenditure;
- E. payment of fines assessed by the board; and
- F. costs of running a transition office for a winning gubernatorial candidate during the first six months after election.

Subp. 2. [Repealed, 21 SR 1779]

Subp. 3. **Reporting purpose of noncampaign disbursements.** Itemization of an expense which is classified as a noncampaign disbursement must include sufficient information to justify the classification.

HIST: 20 SR 2504; 21 SR 1779; L 1999 c 220 s 50; 30 SR 903

4503.0950 COSTS OF CONSTITUENT SERVICES AND SERVICES TO RESIDENTS OF CANDIDATE'S DISTRICT WHICH DO NOT REQUIRE REPORTING.

Subpart 1. Services paid with personal funds of candidate.

- A. Constituent services which a principal campaign committee would report as noncampaign disbursements under Minnesota Statutes, section 10A.01, subdivision 26, clause (6), and which are paid for with the personal funds of an incumbent are not reportable.
- B. Services for a resident in the candidate's district after a general election, through the end of the year, paid for with the personal funds of an incumbent or the winning candidate are not reportable.

Subp. 2. Constituent services provided as part of official duties and paid through legislative appropriation. Constituent services provided by an incumbent as a part of the duties of serving in office and paid for with state funds designated for that use are not reportable under Minnesota Statutes, chapter 10A.

HIST: 21 SR 1779; L 1999 c 220 s 50

4503.1000 CAMPAIGN MATERIALS INCLUDING OTHER CANDIDATES.

Subpart 1. Inclusion of others without attempt to influence nomination or election.

Campaign materials, including media advertisements, produced and distributed on behalf of one candidate which contain images of, appearances by, or references to another candidate, but which do not mention the candidacy of the other candidate or make a direct or indirect appeal for support of the other candidate, are not contributions to, or expenditures on behalf of that candidate.

Subp. 2. Multicandidate materials prepared by a candidate. A candidate who produces and distributes campaign materials, including media advertisements, which include images of, appearances by, or references to one or more other candidates, and which mention the candidacy of the other candidates or include a direct or indirect appeal for the support of the other candidates must collect from each of the other candidates a reasonable proportion of the production and distribution costs.

HIST: 20 SR 2504

4503.1100 CARRYFORWARD OF CAMPAIGN FUNDS; UNPAID ADVANCES OF CREDIT.

Subpart 1. Retention for unpaid advances of credit. In addition to the carryforward permitted under Minnesota Statutes, section 10A.257, subdivision 1, the treasurer of a principal campaign committee may retain into the next election cycle an amount equal to the sum of all unpaid advances of credit on the last day of the previous election cycle.

Subp. 2. Forgiveness and payment of advances of credit. When an advance of credit for which funds were retained under subpart 1 is later forgiven or paid by an individual or association other than the principal campaign committee, funds retained under subpart 1 based on the advance of credit must be disposed of pursuant to Minnesota Statutes, section 10A.257, subdivision 1.

Subp. 3. **Carryforward applies at end of special election cycle.** The limitations on carryforward of funds imposed by Minnesota Statutes, section 10A.257, subdivision 1, apply at the end of a special election cycle as well as the end of a general election cycle. The limitations at the end of a special or general election cycle apply to all candidates for the office which was the subject of the election regardless of whether the candidate actually ran in the election.

HIST: 20 SR 2504; 21 SR 1779; L 1999 c 220 s 50

4503.1200 JOINT FUNDRAISING EVENTS BY PRINCIPAL CAMPAIGN COMMITTEES.

Subpart 1. **General requirement.** Proceeds and costs of joint fundraising events held by two or more principal campaign committees must be allocated in such a way as to avoid earmarking and prohibited transfers or contributions from one principal campaign committee to another.

Subp. 2. **Elective procedures to assure compliance.** Principal campaign committees may be certain that allocation of proceeds and costs of a joint fundraising event will not result in earmarking or a prohibited transfer or contribution if:

- A. contributions are made individually to each committee by check payable to the committee, by cash given in a separate collection for the committee, or by cash with a record kept of each contributor and recipient;
- B. expenses of the event are allocated among the participating committees in direct proportion to the contributions received by each committee; and
- C. campaign expenditures and noncampaign disbursements are allocated separately and in the same proportion.

Subp. 3. **Record keeping and reconciliation of expenses.** The treasurers of principal campaign committees conducting a joint fundraising event must maintain records of all costs associated with the event. After the conclusion of the event, the treasurers shall complete a reconciliation and allocation of the costs of the event pursuant to this part, and shall make any transfers of funds between the committees necessary to properly allocate the expenses.

HIST: 20 SR 2504

4503.1300 GOVERNOR AND LIEUTENANT GOVERNOR.

Subpart 1. **Seeking endorsement as lieutenant governor.** Raising and spending funds to seek endorsement as lieutenant governor may be done either through a separate principal campaign committee established by the lieutenant governor candidate or through a joint principal campaign committee of the governor and lieutenant governor candidates.

Subp. 2. **Separate records for seeking endorsement.** A principal campaign committee that makes expenditures and authorizes approved expenditures to seek endorsement for the office of lieutenant governor at the convention of a political party and intends those expenditures to be in addition to the expenditure limit established by Minnesota Statutes, section 10A.25, subdivision 2, shall maintain a separate record of those expenditures.

Subp. 3. **Merger of committees.** Separate committees of a candidate for governor and lieutenant governor must be merged not later than five business days after the joint endorsement or filing for office by the candidates for governor and lieutenant governor. The

merger must be accomplished by amending the statement of organization of one of the committees making it a joint committee and by terminating the remaining committee. All funds, assets, and debt of the terminated committee must be transferred to the joint committee at the time of the merger. The transfer of debt must be by means of an agreement meeting the requirements of part 4503.0300, subpart 3.

Subp. 4. **Contribution limits for governor and lieutenant governor before and after merger of separate committees.** Prior to the merger of separate principal campaign committees for governor and lieutenant governor, each committee may accept contributions up to the limits set forth in Minnesota Statutes, section 10A.27, subdivision 1, clause (a), for governor and lieutenant governor running together. After the merger of the committees, contributions to either committee from a single source must be aggregated in determining whether the contribution limit for the joint committee has been reached or exceeded. If the limit has been exceeded, contributions must be returned in accordance with subpart 5.

Subp. 5. **Return of contributions after merger.** Funds transferred to the joint committee which result in aggregate contributions in excess of the applicable limits may be returned to the contributor within 60 days of the transfer of funds to the joint committee.

Subp. 6. **Public subsidy agreement.** A public subsidy agreement signed by a candidate for governor or lieutenant governor is binding on both candidates and on the surviving principal campaign committee after a merger accomplished under this part.

HIST: 20 SR 2504; 21 SR 1779

4503.1400 PUBLIC SUBSIDY AGREEMENTS.

Subpart 1. [Repealed, 21 SR 1779]

Subp. 2. **Period covered by agreement.** A public subsidy agreement is effective for the entire election cycle regardless of when the agreement is signed.

Subp. 3. **Effect of signing public subsidy agreement after first year of election cycle.** By signing a public subsidy agreement after the first year of an election cycle, a candidate agrees to abide by spending and contribution limits for candidates with public subsidy agreements for the entire election cycle. The candidate is subject to the same remedies for prior violations of contribution and spending limits as a candidate who signed a public subsidy agreement during the first year of the election cycle.

Subp. 4. **Effect on right to participate in political contribution refund program.** The right to issue receipts under the political contribution refund program established in Minnesota Statutes, section 290.06, subdivision 23, arises only when the public subsidy agreement is actually signed.

Subp. 5. **Expiration at end of special election cycle.** Public subsidy agreements for all candidates in a district in which a special election is held expire at the end of the special election cycle regardless of whether the candidate actually ran in the special election.

Subp. 6. **Return of public subsidy.** If a candidate who has received public subsidy money fails to file a year-end report of receipts and expenditures in an election year, the board may

determine the amount of public subsidy which must be returned based on the last report filed by the candidate.

Subp. 7. **Nonreceipt of public subsidy funds.** A public subsidy agreement is binding regardless of whether the candidate actually receives funds from the state elections campaign fund.

Subp. 8. **Affidavit of contributions for special elections.** For a special election for which the filing period does not coincide with a general election, the candidate must submit the affidavit of contributions not later than five days after filing an affidavit of candidacy or nominating petition for the office sought.

Subp. 9. **Increase for first-time candidates.** Candidates who qualify for first-time candidate status receive a ten percent increase in the campaign expenditure limit in all years of the applicable election cycle.

HIST: 20 SR 2504; 21 SR 1779; 30 SR 903

4503.1450 DISTRIBUTION OF GENERAL ACCOUNT PUBLIC SUBSIDY FUNDS.

Subpart 1. **Agreement.** The general account public subsidy agreement required in Minnesota Statutes, section 10A.31, subdivision 7, may be provided to candidates on a separate form, or incorporated into the public subsidy agreement. The agreement must require that the candidate spend or be legally obligated to spend at least 50 percent of the general account public subsidy payment by the end of the reporting period prior to the general election. The agreement must also provide that if the candidate does not meet this requirement, the candidate must repay the board the difference between the candidate's general account public subsidy payment and the candidates total campaign expenditures as of the end of the reporting period prior to the general election. The agreement must further provide that the candidate must reimburse the board for any reasonable collection costs incurred in securing the repayment of the unused general account public subsidy payment.

Subp. 2. **Failure to repay.** A candidate who fails to repay money required by the agreement cannot be paid additional general account public subsidy funds during the current or future election cycles until the entirety of the unexpended general account funds, and any associated collection fees, are either repaid to the board or discharged by a court action.

Subp. 3. **Estimate of general account public subsidy payment.** For purposes of determining a candidate's fulfillment of the terms of the agreement, the board must use the September 1 certification of available funds from the commissioner of the Department of Revenue to estimate the general account public subsidy payment for the candidate's office. Using first class mail, the board must inform each candidate eligible for a general account payment of the minimum amount that must be spent to comply with the terms of the agreement.

HIST: 26 SR 1363

4503.1500 LOANS

Subpart 1. **Loan agreement requirements.** An agreement to make a loan to a principal campaign committee or political committee or fund must be made in writing and signed by the borrower and endorsers.

Subp. 2. **Unpaid year-end balance.** The unpaid year-end balance of all loans from a political committee, political fund, party unit, individual, or candidate to a principal campaign committee for a legislative or constitutional office may not exceed the applicable yearly contribution limit for the entity that made the loan.

Subp. 3. **Unpaid reimbursements.** A principal campaign committee that does not reimburse an individual or candidate for an expenditure made on behalf of the committee within 18 months of the date on which the expenditure occurred shall convert the unpaid reimbursement into a loan from the individual or candidate to the committee. The unpaid balance of the loan counts against the contribution limit of the individual or candidate for the year in which the expenditure occurred.

HIST: 20 SR 2504; 30 SR 903

4503.1600 CONTRIBUTIONS AND SOLICITATIONS DURING LEGISLATIVE SESSION.

If the board makes a public finding that there is probable cause to believe a violation of Minnesota Statutes, section 10A.273, has occurred, in lieu of pursuing or enforcing a judgment, the board may accept payment of any fine imposed and thereafter close the matter.

HIST: 20 SR 2504; 21 SR 1779; L 1999 c 220 s 50

4503.1700 FILING OF 48-HOUR NOTICE.

The 48-hour notice required under Minnesota Statutes, section 10A.20, subdivision 5, may be filed by facsimile transmission in addition to the other methods permitted by law.

HIST: 21 SR 1779

4503.1800 REPORTING REQUIREMENTS.

Subpart 1. **Contributions.** Legislative, statewide, and judicial candidates, party units, political committees and funds, and committees and funds to promote or defeat a ballot question must itemize contributions that in aggregate exceed \$100 in a calendar year 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.

Subp. 2. **Expenditures and noncampaign disbursements.** 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 \$100 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. Expenditures and noncampaign disbursements must be listed on the report alphabetically by vendor.

Chapter 4505.

4505.0010 SCOPE.

This chapter applies to the filing of statements of economic interest required by Minnesota Statutes, section 10A.09.

HIST: 20 SR 2504

4505.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of this chapter and Minnesota Statutes, section 10A.09, the terms defined in this part have the meanings given them. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, apply to this chapter.

Subp. 1a. and Subp. 2. [Repealed, 20 SR 2504]

Subp. 3. **Compensation in any month.** 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.

For the purpose of supplementary statements of economic interest to be filed, "compensation in any month" includes compensation and honorariums 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.

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.

Subp. 4. **Date of appointment.** "Date of appointment" means the effective date of appointment to a position.

Subp. 5. [Repealed, 14 SR 2583]

Subp. 6. **Accepting employment as a public official.** "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.

HIST: 11 SR 1611; 14 SR 2583; 20 SR 2504

4505.0200 through 4505.0600 [Repealed, 20 SR 2504]

4505.0700 REAL PROPERTY.

For the purpose of determining the value of an individual's interest in real property, the value of the property shall be the market value shown on the property tax statement. 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. For the purpose of a supplementary 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 no longer a public official.

4505.0800 [Repealed, 20 SR 2504]

4505.0900 FILING.

Subpart 1. [Repealed, 20 SR 2504]

Subp. 2. **Filing of more than one statement in any year.** An individual who has filed a statement of economic interest within the calendar year shall file a supplementary statement within 14 days after filing an affidavit of candidacy or accepting employment or appointment to an office requiring the advice and consent of the senate.

Subp. 3. **Statement after period when no statement required.** A public official or candidate, who previously filed a statement of economic interest and who is required to file a new statement of economic interest following a period when no statement was required, shall file an original statement.

Subp. 4. **Termination as a public official.** An individual shall file a statement of economic interest to cover the period for which the individual served as a public official even though at the time the statement is filed, the individual is no longer holding that office as a public official. The statement of economic interest does not need to be filed if there have been no changes from the most recent statement of economic interest filed with the board.

Subp. 5. **Option.** An individual whose term as a public official has ended after April 1 and before March 31 shall file either a supplementary statement on the next following April 15 through the last date of service or file a statement of termination as a public official through the last date of service. The latter statement may be filed at any time after the term ends and before the next following April 15.

Subp. 6. **Change of public official position.** A public official who leaves one public official position and is appointed to another public official position within the year between the time when the individual filed either an original statement or a supplementary statement and April 15 of the following year shall file a termination statement for the former office within ten days after leaving that office. The individual shall file an original statement relative to the new office within the time imposed by Minnesota Statutes, section 10A.09, subdivision 1.

Subp. 7. **Reporting of securities.** A public official must list the full name of each security with a value of \$2,500 or more owned in part or in full by the public official at any time during the reporting period.

HIST: 10 SR 1266; 14 SR 2583; 20 SR 2504; 26 SR 1363; 30 SR 903

4505.1000 [Repealed, 20 SR 2504]

Minn. Rules repealed, etc. in chapter 4505

4505.0200 [Repealed, 20 SR 2504]

4505.0300 [Repealed, 20 SR 2504]

4505.0400 [Repealed, 20 SR 2504]

4505.0500 [Repealed, 20 SR 2504]

4505.0600 [Repealed, 20 SR 2504]

4505.0800 [Repealed, 20 SR 2504]

4505.1000 [Repealed, 20 SR 2504]

Chapter 4511.

4511.0010 SCOPE.

This chapter implements the lobbyist registration and reporting requirements of Minnesota Statutes, chapter 10A.

HIST: 21 SR 1779

4511.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, chapter 10A. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, also apply to this chapter.

Subp. 1a. **Designated lobbyist.** "Designated lobbyist" means a lobbyist responsible for reporting the lobbying disbursements of the entity the lobbyist represents. An entity that employs lobbyists may have only one designated lobbyist at any given time.

Subp. 2. **Gift.** "Gift" has the meaning given in chapter 4512 and Minnesota Statutes, section 10A.071.

Subp. 3. **Lobbying.** "Lobbying" means attempting to influence legislative action, administrative action, or the official action of a metropolitan governmental unit by communicating with or urging others to communicate with public officials or local officials in metropolitan governmental units. Any activity that directly supports this communication is considered a part of lobbying.

Subp. 4. **Lobbyist's disbursements.** "Lobbyist's disbursements" include all disbursements for lobbying made by the lobbyist, the lobbyist's employer or employee, or any person or association represented by the lobbyist, but do not include compensation paid to the lobbyist.

Subp. 5. **Original source of funds.** "Original source of funds" means a source of funds, other than the entity for which a lobbyist is registered, paid to the lobbyist, the lobbyist's employer, the entity represented by the lobbyist, or the lobbyist's principal, for lobbying purposes.

Subp. 6. **Public higher education system.** "Public higher education system" includes the University of Minnesota and the Minnesota state colleges and universities governed by Minnesota Statutes, chapter 136F. The board may issue advisory opinions at the request of other entities with respect to whether or not they are also included within this definition.

Subp. 7. **Reporting lobbyist.** "Reporting lobbyist" means a lobbyist responsible for reporting lobbying disbursements of two or more lobbyists representing the same entity. Lobbying disbursements made on behalf of an entity may be reported by each individual lobbyist that represents an entity, or by one or more reporting lobbyists, or a combination of individual reports and reports from a reporting lobbyist.

HIST: 21 SR 1779; 26 SR 1363

4511.0200 REGISTRATION.

Subpart 1. **Separate registration required for each entity.** A lobbyist who lobbies on behalf of more than one individual, association, political subdivision, or public higher education system shall register separately for each separate entity. Members or affiliates of an association represented by a lobbyist are not separate entities for the purposes of this requirement.

Subp. 2. **Separate registration for each lobbyist.** Multiple lobbyists representing the same individual, association, political subdivision, or higher education system must each register separately. A lobbyist who provides lobbying disbursements to the board through a reporting lobbyist must list the name and registration number of the reporting lobbyist on a lobbyist registration. If the reporting lobbyist changes, or if the lobbyist ceases to report through a reporting lobbyist, the lobbyist must amend the registration within ten days.

Subp. 3. **Registration of designated lobbyist.** A designated lobbyist must indicate on the lobbyist registration form that the lobbyist will be reporting disbursements for the entity the lobbyist represents. An entity that employs lobbyists may have only one designated lobbyist. A designated lobbyist who ceases to be responsible for reporting the lobbying disbursements of an entity must amend the lobbyist's registration with the board within ten days.

Subp. 4. **Registration of reporting lobbyist.** A reporting lobbyist must indicate on the lobbyist registration form that the lobbyist will be reporting disbursements for additional lobbyists representing the same entity. The registration must list the name and registration number of each lobbyist that will be included in reports of disbursements made by the reporting lobbyist. Changes to the list of lobbyists represented by a reporting lobbyist must be amended on the reporting lobbyist registration within ten days, or provided to the board at the time of filing a report required by Minnesota Statutes, section 10A.04, subdivision 2.

HIST: 21 SR 1779; 26 SR 1363

4511.0300 PRINCIPALS.

Individuals or associations represented by lobbyists are presumed to be principals until they establish that they do not fall within the statutory definition of a principal.

HIST: 21 SR 1779

4511.0400 TERMINATION.

Subpart 1. **Lobbyist termination.** A lobbyist who has ceased lobbying for a particular entity may terminate registration by filing a lobbyist termination form and a lobbyist disbursement report covering the period from the last report filed through the date of termination. If the lobbying disbursements of the lobbyist are reported by a reporting lobbyist, the nonreporting lobbyist may terminate by filing a lobbyist termination form and notifying the reporting lobbyist of all disbursements made by the lobbyist during the period from the last report filed through the date of termination.

Subp. 2. **Reporting lobbyist termination.** A reporting lobbyist who has ceased lobbying for a particular entity may terminate registration by filing a lobbyist termination form and a lobbyist disbursement report covering the period from the last report filed through the date of

termination. The termination of a reporting lobbyist reverts the reporting responsibility back to each lobbyist listed on the registration of the reporting lobbyist.

Subp. 3. Designated lobbyist termination. A designated lobbyist who has ceased lobbying for a particular entity may terminate registration using the procedure provided in subpart 1. When the designated lobbyist of a lobbying entity terminates, the entity is responsible to assign the responsibility to report entity lobbying disbursements to another lobbyist.

HIST: 21 SR 1779; 26 SR 1363

4511.0500 LOBBYIST REPORTING REQUIREMENTS.

Subpart 1. Separate reporting required for each entity. A lobbyist must report separately for each entity for which the lobbyist is registered, unless the disbursements are reported in the manner provided in subpart 2.

Subp. 2. Reporting by multiple lobbyists representing the same entity. Items A to F apply if a single individual, association, political subdivision, or public higher education system is represented by more than one lobbyist.

- A. The entity must appoint one designated lobbyist to report lobbyist disbursements made by the entity. The designated lobbyist must indicate that status on the periodic reports of lobbyist disbursements.
- B. A reporting lobbyist may consent to report on behalf of one or more other lobbyists for the same entity, in which case, the other lobbyists are persons about whose activities the reporting lobbyist must disclose and are subject to the disclosure requirements of Minnesota Statutes, section 10A.04, subdivision 3. Lobbyist disbursement reports filed by a reporting lobbyist must include the names and registration numbers of the other lobbyists whose activities are included in the report.
- C. Lobbyists whose activities are accounted for by a reporting lobbyist are not required to file lobbyist disbursement reports.
- D. A lobbyist whose lobbying disbursements are provided to the board through a reporting lobbyist must supply all relevant information on disbursements to the reporting lobbyist no later than five days before the prescribed filing date.
- E. The reporting periods and due dates for a reporting lobbyist are those provided in Minnesota Statutes, section 10A.04, subdivision 3. The board must notify by certified mail or personal service each reporting lobbyist that fails to file a required report within seven days of a statutory filing date. Additionally, the board must notify by certified mail or personal service each lobbyist listed on the registration of the reporting lobbyist of the failure of the reporting lobbyist to file in a timely manner. Within ten business days of the date on which the notice was sent, each lobbyist must report disbursements to the board. If a lobbyist fails to file a report within ten business days of the date on which the notice was sent by the board, the board may impose a late filing fee of \$5 per day, not to exceed a maximum of \$100, commencing with the 11th day after the notice was sent.
- F. The reporting lobbyist must indicate the names and registration numbers of any lobbyists who did not provide their lobbying disbursements for inclusion in a report. The board

must send notice by certified mail or personal service to a lobbyist who failed to provide the required disbursement information to the reporting lobbyist. The notice must require that the lobbyist file an individual lobbyist disbursement report within ten business days of the mailing of the notice. If a lobbyist fails to file a report within ten business days of the mailing of the notice, the board may impose a late filing fee of \$5 per day, not to exceed a maximum of \$100, commencing with the 11th day after receiving notice.

Subp. 3. **Report of officers and directors information.** With each report of lobbyist disbursements, a designated lobbyist must report any change in the name and address of:

- A. each person, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears; or
- B. if the lobbyist represents an association, each officer and director of the association.

Subp. 4. **Limitation on reporting of loans.** A lobbyist is not required to report loans to a public official or a local official in a metropolitan governmental unit if:

- A. the lobbyist's employer, principal, or association represented which made the loan is a financial institution; and
- B. the loan was made in the ordinary course of business on substantially the same terms as those prevailing for comparable transactions with other persons.

Subp. 5. **Reporting gifts.** A gift to a public or local official from a principal for which a lobbyist is registered must be reported by the designated reporting lobbyist.

HIST: 21 SR 1779; 26 SR 1363; 30 SR 903

4511.0600 REPORTING DISBURSEMENTS.

Subpart 1. **Determination of actual costs required.** To the extent that actual costs of lobbying activities can be obtained or calculated by reasonable means, those actual costs must be determined, recorded, and used for reporting purposes.

Subp. 2. **Approximation of costs.** If the actual cost of a lobbying activity cannot be obtained or calculated through reasonable means, those costs must be reasonably approximated.

Subp. 3. **Disbursements allocated between multiple entities.** A disbursement for lobbying purposes that benefits more than one entity for which a lobbyist is separately registered must be allocated between the entities benefited on a reasonable basis and reported based on that allocation.

Subp. 4. **Disbursements which are only partially in support of lobbying.** A disbursement that is partially in support of lobbying and partially for a nonlobbying purpose must be allocated on a reasonable basis between the two purposes and the portion which is for lobbying activities must be reported.

Subp. 5. **Specific disbursement categories.** Lobbying disbursements must be reported based on the categories in items A to I.

- A. "Lobbying materials" includes the cost of production, purchase, or other acquisition of materials that directly support lobbying.
- B. "Media costs" includes the cost of media space or time, including Web site design and maintenance, used for lobbying activities. The cost of preparation of materials for use in the media is reported in the lobbying materials category.
- C. "Telephone and communications" includes costs for local and long-distance telephone services, electronic mail, pagers, cellular telephones, facsimile distribution services, telegraph, and other communications services.
- D. "Postage and distribution" includes costs of postage from the United States Postal Service as well as other distribution costs associated with lobbying activities.
- E. "Fees and allowances" includes fees for consulting, surveys, polls, legal counsel, or other services as well as expenses associated with those services.
- F. "Entertainment" includes costs of all entertainment associated with any situation where lobbying activities take place.
- G. "Food and beverages" includes costs of all food and beverages associated with any situation where lobbying activities take place.
- H. "Travel and lodging" includes costs of all travel and lodging associated with any lobbying activity, excluding the costs of the lobbyist's own travel to accomplish the lobbying activity.
- I. "Other disbursements" includes general administration and overhead and any other lobbyist disbursements not reported in other categories.

Subp. 6. **Effect of gift prohibition.** The reporting requirements in this part do not change the scope of the statutory prohibition under Minnesota Statutes, section 10A.071, nor do they create additional exceptions to that prohibition.

HIST: 21 SR 1779; 30 SR 903

4511.0700 REPORTING COMPENSATION PAID TO LOBBYIST.

Subpart 1. **Reporting by lobbyist.** Compensation paid to a lobbyist for lobbying is not reportable by the lobbyist as a lobbyist disbursement.

Subp. 2. **Reporting by principal.** Compensation for lobbying paid by a lobbyist principal to a lobbyist or to the employer of a lobbyist must be included when determining the spending level categories for reporting by the lobbyist principal.

HIST: 21 SR 1779

4511.0800 ADMINISTRATIVE ACTION.

Subpart 1. **Commencement.** An administrative action to adopt, amend, or repeal rules pursuant to Minnesota Statutes, chapter 14, begins on publication of the notice required under Minnesota Statutes, section 14.101, subdivision 1, or at an earlier time when the official, board, commission, or agency undertaking the rulemaking takes the first formal action required by law to begin the rulemaking process. An administrative action for a purpose other than rulemaking begins when the commission or agency undertaking the action takes the first formal action required by statute to begin the action or as otherwise defined by statute.

Subp. 2. **Advisory committees.** Participation on an administrative rulemaking advisory committee established under Minnesota Statutes, section 14.101, subdivision 2, is not lobbying.

HIST: 21 SR 1779

Chapter 4512.

4512.0010 SCOPE.

This chapter applies to the prohibition of certain gifts pursuant to Minnesota Statutes, section 10A.071.

HIST: 20 SR 2504

4512.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, section 10A.071. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, apply to this chapter.

Subp. 2. **Field of specialty.** "Field of specialty" means a vocation, profession, trade, craft, or avocation of the individual.

Subp. 3. **Gift.** In addition to those categories specified in Minnesota Statutes, section 10A.071, subdivision 1, the following are included within the definition of gift:

- A. meals and entertainment;
- B. loans of personal property for less than payment of fair market value;
- C. giving preferential treatment for purchases;
- D. honoraria; and
- E. payment of loans or other obligations.

Subp. 4. **Individual services.** "Individual services" means services performed by an official outside of official duties.

Subp. 5. **Plaque or similar memento.** "Plaque or similar memento" means a decorative item with an inscription recognizing an individual for an accomplishment.

HIST: 20 SR 2504

4512.0200 GIFTS WHICH MAY NOT BE ACCEPTED.

Subpart 1. **Acceptance.** An official may not accept a gift given by a lobbyist or lobbyist principal or given as the result of a request by a lobbyist or lobbyist principal.

Subp. 2. **Use of gift to metropolitan governmental unit.** An official may not use a gift given by a lobbyist or lobbyist principal to a metropolitan governmental unit until the gift has been formally accepted by an official action of the governing body of the metropolitan governmental unit.

HIST: 20 SR 2504; 30 SR 903

4512.0300 GIFTS PAID FOR BY THIRD PARTIES.

A gift is given by the individual or association paying for the gift or reimbursing another for the gift.

HIST: 20 SR 2504

4512.0400 GIFTS PARTIALLY PAID FOR BY LOBBYIST OR LOBBYIST PRINCIPAL.

An official must contemporaneously reimburse the lobbyist or lobbyist principal for the fair market value of any part of a gift paid for by the lobbyist or lobbyist principal.

HIST: 20 SR 2504

4512.0500 WHEN A GIFT IS REQUESTED BY LOBBYIST OR LOBBYIST PRINCIPAL.

A gift is requested by a lobbyist or lobbyist principal if it is the direct result of a request, suggestion, or other affirmative effort by the lobbyist or lobbyist principal.

HIST: 20 SR 2504

4512.0600 SPECIFIC EXCLUSIONS FROM GIFT DEFINITION.

Subpart 1. **Payment for goods and services.** Payment of the regular price for goods or services provided by an official or an official's business is not a gift to the official.

Subp. 2. **Employment compensation.** A salary increase, promotion, or change from part-time to full-time status for an official who is an employee is not a gift to the official.

HIST: 20 SR 2504

Chapter 4515.

4515.0010 SCOPE.

This chapter applies to the conflict of interest provisions of Minnesota Statutes, section 10A.07.

HIST: 20 SR 2504

4515.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, section 10A.07. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, apply to this chapter.

Subp. 2. [Repealed, 20 SR 2504]

Subp. 3. [Repealed, 10 SR 1266]

Subp. 4. [Repealed, 20 SR 2504]

Subp. 5. **Financial interest.** "Financial interest" means any ownership or control in an asset which has the potential to produce a monetary return.

Subp. 6. [Repealed, 20 SR 2504]

Subp. 7. [Repealed, 20 SR 2504]

HIST: 10 SR 1266; 11 SR 1611; 17 SR 1279; 20 SR 2504

4515.0200 through 4515.0400 [Repealed, 20 SR 2504]

4515.0500 ABSTENTION.

Subpart 1. **Nonlegislator.** A public official who is not a legislator or a member of the governing body of a metropolitan governmental unit and who has a potential conflict of interest and who does not have an immediate superior shall abstain from the matter, if possible, by assigning the matter to a subordinate for disposition or requesting the appointing authority to designate another to determine the matter. In such a case, the official shall not chair a meeting, participate in any vote, or offer any motion or discussion on the matter giving rise to the potential conflict of interest.

Subp. 2. [Repealed, 20 SR 2504]

HIST: 17 SR 1279; 20 SR 2504

4515.0600 through 4515.0800 [Repealed, 20 SR 2504]

Minn. Rules repealed, etc. in chapter 4515

4515.0200 through 4515.0400 [Repealed, 20 SR 2504]

4515.0600 [Repealed, 20 SR 2504]

4515.0700 [Repealed, 26 SR 1363]

4515.0800 [Repealed, 20 SR 2504]

Chapter 4520.

4520.0010 SCOPE.

This chapter applies to the representation disclosure requirements of Minnesota Statutes, section 10A.08.

HIST: 20 SR 2504

4520.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, section 10A.08. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, apply to this chapter.

Subp. 2. [Repealed, 20 SR 2504] Subp. 3. [Repealed, 10 SR 1266]

Subp. 4. **Fee.** "Fee" means any compensation or other consideration for services performed or for future services.

Subp. 5. [Repealed, 20 SR 2504]

Subp. 6. **Initial appearance at a hearing.** "Initial appearance at a hearing" means the first appearance by a public official representing a client for a fee at a hearing on a single subject. Subsequent appearances at continuations of the same hearing are not initial appearances.

Subp. 7. [Repealed, 20 SR 2504]
HIST: 10 SR 1266; 11 SR 1611; 20 SR 2504
4520.0200 and 4520.0300 [Repealed, 20 SR 2504]

4520.0400 OBLIGATION TO DISCLOSE REPRESENTATION.

A public official's obligation to disclose representation arises upon the public official's initial appearance at a hearing.

HIST: 17 SR 1279; 20 SR 2504

4520.0500 REQUIRED REPORTING INFORMATION.

Each public official required to report shall provide the following information: name, address, and office held; name and address of each client represented at the hearing; the name of the individual, board, commission, or agency conducting the hearing and the date and location of the initial appearance at the hearing; and a general description of the subject or subjects on which the public official represented the client in the hearing.

HIST: 20 SR 2504

4520.0600 and 4520.0800 [Repealed, 20 SR 2504]
4520.0700 [Repealed, 26 SR 1363]

Minn. Rules repealed, etc. in chapter 4520

4520.0200, 4520.0300, 4520.0600, and 4520.0800 [Repealed, 20 SR 2504]
4520.0700 [Repealed, 26 SR 1363]

Chapter 4525.

4525.0010 SCOPE.

This chapter applies to the conduct of hearings, audits, and investigations by the board.

HIST: 20 SR 2504

4525.0100 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter and Minnesota Statutes, chapter 10A. The definitions in chapter 4501 and in Minnesota Statutes, chapter 10A, apply to this chapter.

Subp. 1a. and Subp. 2. [Repealed, 20 SR 2504]

Subp. 3. **Contested case.** "Contested case" means a proceeding before the board in which the legal rights, duties, or privileges of specific parties are required by law or constitutional right to be determined after a board hearing. "Contested case" includes a proceeding pursuant to a request for exemption from campaign reporting requirements under Minnesota Statutes, section 10A.20, subdivisions 8 and 10; a proceeding to suspend a public official without pay for failure to file a statement of economic interest under Minnesota Statutes, section 10A.09, subdivision 8; a hearing ordered by the board under part 4525.0900, subpart 2 concerning a complaint, investigation, or audit; and any other hearing which may be ordered by the board under parts 4525.0100 to 4525.1000 or which may be required by law.

"Contested case" does not include a board investigation or audit conducted under Minnesota Statutes, section 10A.02, subdivisions 9 and 10.

Subp. 4. [Repealed, 20 SR 2504]

Subp. 5. **Party.** "Party" means a person whose legal rights, duties, or privileges may be determined in a contested case. "Party" includes the board except when the board participates in the contested case in a neutral or quasi-judicial capacity only. In anonymous proceedings, "party" includes the person designated to appear by the applicant under part 4525.1000. In a contested case commenced by the board following a complaint, "party" includes both the person who filed the complaint and the person against whom it was filed.

Subp. 6. **Person.** A "person" includes an individual, an association, or any government or governmental subdivision, unit, or agency, other than a court of law.

Subp. 7. [Repealed, 20 SR 2504]

HIST: 11 SR 1611; 20 SR 2504

4525.0200 COMPLAINTS OF VIOLATIONS.

Subpart 1. **Who may complain.** A person who believes a violation of Minnesota Statutes, chapter 10A, or rules of the board has occurred may submit a written complaint to the board.

Subp. 2. **Form.** Complaints must be submitted in writing. The complaint may be submitted on a form provided by the board, or may be typed or handwritten. The name and address of the person making the complaint must be typewritten or hand-printed on the complaint and it must

be signed by the complainant. A complainant shall list the alleged violator and describe the complainant's knowledge of the alleged violation. Any evidentiary material should be submitted with the complaint. Complaints are not available for public inspection or copying until after the board makes a finding. No investigations are required if a complaint is frivolous on its face, illegible, too indefinite, does not identify the violator, or is unsigned by the complainant.

Subp. 3. [Repealed, 30 SR 903]

Subp. 4. **Oath.** Testimony given in a meeting conducted by the board under this chapter must be under oath.

Subp. 5. **Confidentiality.** Any portion of a meeting during which the board is hearing testimony or taking action concerning any complaint, investigation, preparation of a conciliation agreement, or a conciliation meeting must be closed to the public. The minutes and tape recordings of a meeting closed to the public must be kept confidential.

Subp. 6. **Hearings.** At any time during an investigation of a complaint, the board may hold a contested case hearing before making a finding on the complaint.

STAT AUTH: MS s 10A.02; 10A.025

HIST: 11 SR 1611; 12 SR 1809; 20 SR 2504; 26 SR 1363; 30 SR 903

4525.0300 and 4525.0400 [Repealed, 11 SR 1611]

4525.0500 INVESTIGATIONS AND AUDITS.

Subpart 1. **No complaint.** The board may undertake investigations or audits with respect to statements and reports which are filed or should have been filed under Minnesota Statutes, chapter 10A although no complaint has been filed. Any decision as to whether an investigation should be undertaken must be made at a closed meeting of the board.

Subp. 2. **Conduct.** Investigations and audits must be conducted in an expeditious manner, but with regard for fundamental fairness. Within a reasonable time after undertaking an investigation or audit, the executive director of the board shall inform the person under investigation or audit of the fact of the investigation or audit. The board shall make no final decision on any investigation or audit unless the person under investigation or audit has been informed of the charges and has had the opportunity to make a statement to the board or its employees or agents.

Subp. 3. **Contested case hearing.** At any time during an investigation or audit, the board may hold a contested case hearing before making a finding on any investigation or audit.

Subp. 4.

[Repealed, 20 SR 2504]

Subp. 5. **Board meetings.** Board meetings related to an investigation or audit must be conducted in accordance with part 4525.0200, subparts 4 to 6.

HIST: 11 SR 1611; 12 SR 1809; 20 SR 2504; 30 SR 903

4525.0600,,4525.0700, and 4525.0800 [Repealed, 11 SR 1611]

4525.0900 INITIATING A CONTESTED CASE.

Subpart 1. **Initiation by application.** Any person requesting an exemption under Minnesota Statutes, section 10A.20, subdivisions 8 and 10, or any other person whose rights, privileges, and duties the board is authorized by law to determine after a hearing, may initiate a contested case by making application. Except in anonymous proceedings, an application shall contain: the name and address of the applicant; a statement of the nature of the determination requested including the statutory sections on which the applicant wishes a determination made and the reasons for the request; the names and addresses of all persons known to the applicant who will be directly affected by such determination; and the signature of the applicant.

Subp. 2. **Initiation by board order.** Where authorized by law, the board may order a contested case commenced to determine the rights, duties, and privileges of specific parties.

4525.1000 INITIATING ANONYMOUS PROCEEDINGS.

Subpart 1. **Authority.** Any person making application for an exemption from campaign reporting requirements under Minnesota Statutes, section 10A.20, subdivisions 8 and 10 may proceed anonymously if the board determines that identification of the person for the purpose of the hearing would result in exposure to economic reprisals, loss of employment, or threat of physical coercion.

Subp. 2. **Application.** Any person wishing to proceed anonymously under this part shall make an application under part 4525.0900, subpart 1, which shall contain:

- A. A name by which the person wishes to be known for the purposes of the proceeding;
- B. The name and address of a person who is authorized to receive official notices or correspondence from the board or upon whom service of legal process may be made;
- C. A statement of the facts which lead the applicant to believe that identification of the applicant for purposes of the hearing would result in exposure to economic reprisals, loss of employment, or threat of physical coercion;
- D. The name and address of a person who will appear for the applicant during the proceedings if the applicant wishes to remain anonymous;
- E. A statement of the facts which lead the applicant to believe that exposure to economic reprisal, loss of employment, or threat of physical coercion would result from the applicant's compliance with the reporting and disclosure requirements of Minnesota Statutes, section 10A.20; and
- F. The signature of the applicant in the name by which the person wishes to be known during the proceedings or the signature of the person designated to appear for the applicant.

Subp. 3. **Determination.** Upon receipt of an application for initiation of anonymous proceedings, the board may require the applicant or the person designated to appear for the applicant to appear before a closed meeting of the board with appropriate precautions taken to preserve the anonymity of the applicant from persons other than the board and its employees. The purpose of the appearance is to enable the board to decide whether an anonymous proceeding is required.

Minnesota Statutes 2006

Section 290.06

The following portion of Minnesota Statutes, Section 290.06 is administered by the Minnesota Department of Revenue. The Board provides this statute for informational purposes. The Board and staff are not authorized to administer or interpret this section.

Subd. 23. Refund of contributions to political parties and candidates.

(a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to a political party. The maximum refund for an individual must not exceed \$50 and for a married couple, filing jointly, must not exceed \$100. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the chair or treasurer of the party unit, after the contribution was received. The receipt forms must be numbered, and the data on the receipt that are not public must be made available to the campaign finance and public disclosure board upon its request. A claim must be filed with the commissioner no sooner than January 1 of the calendar year in which the contribution was made and no later than April 15 of the calendar year following the calendar year in which the contribution was made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution was made must include interest at the rate specified in section 270C.405.

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

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

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

(3) has designated a principal campaign committee.

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

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

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

"Candidate" means a candidate as defined in section 10A.01, subdivision 10, except a candidate for judicial office.

"Contribution" means a gift of money.

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

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

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

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

(h) For a taxpayer who files a claim for refund via the Internet or other electronic means, the commissioner may accept the number on the official receipt as documentation that a contribution was made rather than the actual receipt as required by paragraph (a).

The following Revenue Notice was promulgated by the Minnesota Department of Revenue. The Board provides this notice for informational purposes. The Board and staff are not authorized to administer or interpret this notice.

Revenue Notice # 1991-16 Income Tax - Revised Definition of Contribution for Purposes of Issuing an Official Receipt (Form EP-3) for the Political Contribution Refund; Revocation of RN # 91-08

[This subject was originally discussed in Revenue Notice 91-8, *Definition of Contribution for Purposes of Issuing an Official Receipt (Form EP-3) for the Political Contribution Refund* which was published in the State Register on August 12, 1991. This Revenue Notice restates the information contained in Revenue Notice 91-8 and adds a de minimis exception to the principle that receipts cannot be issued for the full admission to a fund raiser event if the contributor would receive something of value at the event. Since all information concerning the definition of "contribution" for purposes of the political contribution refund is contained in this Revenue Notice, Revenue Notice 91-8 is revoked.]

Minnesota Statutes § 290.06, subd. 23(c) defines "contribution" for purposes of the political contribution refund, as "a gift of money." Eligible candidates and parties should therefore not issue an official receipt Form EP-3 ("receipt") to contributors of goods or services.

Example 1. The contributor donates \$50 worth of lumber so that the candidate can build a booth at the county fair. No receipt should be issued.

Furthermore, to the extent that the contributor expects to receive more than nominal value for a contribution, the contribution is not a gift, and therefore is not refundable. The issuer of the receipt must make a good faith, reasonable estimate of each of the benefits available to the contributor in determining the amount of the contribution to include on the receipt. This is true even if the contributor does not attend the event.

Example 2. The contributor purchases a gift certificate good for \$100 of office supplies for \$50 at a political fundraiser auction. No receipt should be issued.

Example 3. The contributor purchases a gift certificate good for \$100 of office supplies for \$150 at a political fundraiser auction. A receipt should be issued for \$50.

Example 4. The contributor purchases a raffle ticket for \$10 which entitles the contributor to a chance to win several prizes worth more than \$250. No receipt should be issued since the \$10 is merely the purchase price for the chance to win a valuable item.

Example 5. The contributor purchases a \$50 ticket for admission to a fundraiser dance. Dinner is served, followed by brief comments from the candidate. The band then plays, uninterrupted, for the remainder of the evening. The meal and dance has a fair market value of \$20. A receipt should be issued for \$30.

Admission to a fundraiser event is, however, fully refundable if the benefits the contributor expects to receive have only nominal value. Benefits have nominal value if they are:

1. Worth less than 15 percent of the admission price and
2. Worth less than \$7.50 (\$15 if the admission price admits two).

Example 6. The contributor purchases a \$50 ticket for admission to a fundraiser luncheon. The contributor receives a meal worth \$5. A receipt may be issued for the full \$50 since the benefits are worth less than 15 percent of the contribution and are also less than \$7.50.

Published in State Register November 18, 1991

The following chapter of Minnesota Statutes is provided for informational purposes. The Board and staff are not authorized to administer or interpret this Chapter.

Minnesota Statutes Chapter 211B

The Fair Campaign Practices Act

211B.01 DEFINITIONS.

Subdivision 1. **Application.** The definitions in chapter 200 and this section apply to this chapter.

Subd. 2. **Campaign material.** "Campaign material" means any literature, publication, or material that is disseminated for the purpose of influencing voting at a primary or other election, except for news items or editorial comments by the news media.

Subd. 5. **Disbursement.** "Disbursement" means an act through which money, property, office, or position or other thing of value is directly or indirectly promised, paid, spent, contributed, or lent, and any money, property, office, or position or other thing of value so promised or transferred.

Subd. 6. **Political purposes.** An act is done for "political purposes" when the act is intended or done to influence, directly or indirectly, voting at a primary or other election. This does not include news items or editorial comments published or broadcast by the news media.

211B.02 FALSE CLAIM OF SUPPORT.

A person or candidate may not knowingly make, directly or indirectly, a false claim stating or implying that a candidate or ballot question has the support or endorsement of a major political party or party unit or of an organization. A person or candidate may not state in written campaign material that the candidate or ballot question has the support or endorsement of an individual without first getting written permission from the individual to do so.

211B.03 USE OF THE TERM REELECT.

A person or candidate may not, in the event of redistricting, use the term "reelect" in a campaign for elective office unless the candidate is the incumbent of that office and the office represents any part of the new district.

211B.04 CAMPAIGN LITERATURE MUST INCLUDE DISCLAIMER.

(a) A person who participates in the preparation or dissemination of campaign material other than as provided in section 211B.05, subdivision 1, that does not prominently include the name and address of the person or committee causing the material to be prepared or disseminated in a disclaimer substantially in the form provided in paragraph (b) or (c) is guilty of a misdemeanor.

(b) Except in cases covered by paragraph (c), the required form of disclaimer is: "Prepared and paid for by the committee,(address)" for material prepared and paid for by a principal campaign committee, or "Prepared and paid for by the committee,

.....(address), in support of(insert name of candidate or ballot question)" for material prepared and paid for by a person or committee other than a principal campaign committee.

(c) In the case of broadcast media, the required form of disclaimer is: "Paid for by the committee."

(d) Campaign material that is not circulated on behalf of a particular candidate or ballot question must also include in the disclaimer either that it is "in opposition to(insert name of candidate or ballot question.....)"; or that "this publication is not circulated on behalf of any candidate or ballot question."

(e) This section does not apply to objects stating only the candidate's name and the office sought, fund-raising tickets, or personal letters that are clearly being sent by the candidate.

(f) This section does not apply to an individual or association who acts independently of any candidate, candidate's committee, political committee, or political fund and spends only from the individual's or association's own resources a sum that is less than \$500 in the aggregate to produce or distribute campaign material that is distributed at least seven days before the election to which the campaign material relates.

(g) This section does not modify or repeal section 211B.06.

211B.045 NONCOMMERCIAL SIGNS EXEMPTION.

In any municipality, whether or not the municipality has an ordinance that regulates the size or number of noncommercial signs, all noncommercial signs of any size may be posted in any number from August 1 in a state general election year until ten days following the state general election.

211B.05 PAID ADVERTISEMENTS IN NEWS.

Subdivision 1. **Acceptance of paid advertisements.** A newspaper, periodical, or magazine may not intentionally accept for insertion in the newspaper, magazine, or periodical a political advertisement unless the words "PAID ADVERTISEMENT," and the disclaimer required under section 211B.04 are included at the beginning or end of the advertisement. The disclaimer must be in a legible text size and font. A radio station, television station, or cable system may not accept for broadcast a political advertisement unless the words "PAID ADVERTISEMENT" are included at the beginning or end of the advertisement.

Subd. 2. **Advertising rates.** Rates charged for advertising to support or oppose a candidate or ballot question must be the same as the charges made for any other political candidate and may be no greater than charges made for any other comparable purpose or use according to the seller's rate schedule.

Subd. 3. **Compensation prohibited, except for paid advertisement.** An owner, publisher, editor, reporter, agent, broadcaster, or employee of a newspaper, periodical, magazine, radio or television broadcast station, or cable system may not directly or indirectly solicit, receive, or accept a payment, promise, or compensation, nor may a person pay or promise to pay or in any manner compensate an owner, publisher, editor, reporter, agent, broadcaster, or employee directly or indirectly for influencing or attempting to influence voting at an election or primary

through printed material in the newspaper or periodical, or radio, television, or cable broadcast, except as a "PAID ADVERTISEMENT" as provided in this section.

Subd. 4. Unpaid material identification. Unpaid material published in a newspaper, magazine, or other publication that is: (1) in unique typeset or otherwise differentiated from other unpaid material, (2) designed to influence or attempt to influence the voting at any election or the passage or defeat of legislation, and (3) not placed on the editorial page must be clearly identified as an editorial opinion.

211B.06 FALSE POLITICAL AND CAMPAIGN MATERIAL; PENALTY; EXCEPTIONS.

Subdivision 1. Gross misdemeanor. A person is guilty of a gross misdemeanor who intentionally participates in the preparation, dissemination, or broadcast of paid political advertising or campaign material with respect to the personal or political character or acts of a candidate, or with respect to the effect of a ballot question, that is designed or tends to elect, injure, promote, or defeat a candidate for nomination or election to a public office or to promote or defeat a ballot question, that is false, and that the person knows is false or communicates to others with reckless disregard of whether it is false.

A person is guilty of a misdemeanor who intentionally participates in the drafting of a letter to the editor with respect to the personal or political character or acts of a candidate, or with respect to the effect of a ballot question, that is designed or tends to elect, injure, promote, or defeat any candidate for nomination or election to a public office or to promote or defeat a ballot question, that is false, and that the person knows is false or communicates to others with reckless disregard of whether it is false.

Subd. 2. Exception. Subdivision 1 does not apply to any person or organization whose sole act is, in the normal course of their business, the printing, manufacturing, or dissemination of the false information.

211B.07 UNDUE INFLUENCE ON VOTERS PROHIBITED.

A person may not directly or indirectly use or threaten force, coercion, violence, restraint, damage, harm, loss, including loss of employment or economic reprisal, undue influence, or temporal or spiritual injury against an individual to compel the individual to vote for or against a candidate or ballot question. Abduction, duress, or fraud may not be used to obstruct or prevent the free exercise of the right to vote of a voter at a primary or election, or compel a voter to vote at a primary or election. Violation of this section is a gross misdemeanor.

211B.08 SOLICITATION OF CONTRIBUTIONS PROHIBITED.

A religious, charitable, or educational organization may not request a candidate or committee to contribute to the organization, to subscribe for the support of a club or organization, to buy tickets to entertainment, or to pay for space in a publication. This section does not apply to:

- (1) the solicitation of a business advertisement in periodicals in which the candidate was a regular contributor, before candidacy;
- (2) ordinary business advertisements;

- (3) regular payments to a religious, charitable, or educational organization, of which the candidate was a member, or to which the candidate was a contributor for more than six months before candidacy; or
- (4) ordinary contributions at church services.

211B.09 PROHIBITED PUBLIC EMPLOYEE ACTIVITIES.

An employee or official of the state or of a political subdivision may not use official authority or influence to compel a person to apply for membership in or become a member of a political organization, to pay or promise to pay a political contribution, or to take part in political activity. A political subdivision may not impose or enforce additional limitations on the political activities of its employees.

211B.10 INDUCING OR REFRAINING CANDIDACY; TIME OFF FOR PUBLIC OFFICE MEETINGS.

Subdivision 1. **Inducing or refraining from candidacy.** A person may not reward or promise to reward another in any manner to induce the person to be or refrain from or cease being a candidate. A person may not solicit or receive a payment, promise, or reward from another for this purpose.

Subd. 2. **Time off for public office meetings.** A person elected to a public office must be permitted time off from regular employment to attend meetings required by reason of the public office. The time off may be without pay, with pay, or made up with other hours, as agreed between the employee and employer. When an employee takes time off without pay, the employer shall make an effort to allow the employee to make up the time with other hours when the employee is available. No retaliatory action may be taken by the employer for absences to attend meetings necessitated by reason of the employee's public office.

211B.11 ELECTION DAY PROHIBITIONS.

Subdivision 1. **Soliciting near polling places.** A person may not display campaign material, post signs, ask, solicit, or in any manner try to induce or persuade a voter within a polling place or within 100 feet of the building in which a polling place is situated, or anywhere on the public property on which a polling place is situated, on primary or election day to vote for or refrain from voting for a candidate or ballot question. A person may not provide political badges, political buttons, or other political insignia to be worn at or about the polling place on the day of a primary or election. A political badge, political button, or other political insignia may not be worn at or about the polling place on primary or election day. This section applies to areas established by the county auditor or municipal clerk for absentee voting as provided in chapter 203B. The secretary of state, county auditor, municipal clerk, or school district clerk may provide stickers which contain the words "I VOTED" and nothing more. Election judges may offer a sticker of this type to each voter who has signed the polling place roster.

Subd. 3. **Transportation of voters to polling place; penalty.** A person transporting a voter to or from the polling place may not ask, solicit, or in any manner try to induce or persuade a voter on primary or election day to vote or refrain from voting for a candidate or ballot question.

Subd. 4. **Penalty.** Violation of this section is a petty misdemeanor.

211B.12 LEGAL EXPENDITURES.

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

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;
- (5) office and other space and necessary equipment, furnishings, and incidental supplies;
- (6) charitable contributions of not more than \$100 to any charity organized under section 501(c)(3) of the Internal Revenue Code annually, except that the amount contributed by a principal campaign committee that dissolves within one year after the contribution is made is not limited by this clause; and
- (7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.

211B.13 BRIBERY, TREATING, AND SOLICITATION.

Subdivision 1. **Bribery, advancing money, and treating prohibited.** A person who willfully, directly or indirectly, advances, pays, gives, promises, or lends any money, food, liquor, clothing, entertainment, or other thing of monetary value, or who offers, promises, or endeavors to obtain any money, position, appointment, employment, or other valuable consideration, to or for a person, in order to induce a voter to refrain from voting, or to vote in a particular way, at an election, is guilty of a felony. This section does not prevent a candidate from stating publicly preference for or support of another candidate to be voted for at the same primary or election. Refreshments of food or nonalcoholic beverages having a value up to \$5 consumed on the premises at a private gathering or public meeting are not prohibited under this section.

Subd. 2. **Certain solicitations prohibited.** A person may not knowingly solicit, receive, or accept any money, property, or other thing of monetary value, or a promise or pledge of these that is a disbursement prohibited by this section or section 211B.15.

211B.15 CORPORATE POLITICAL CONTRIBUTIONS.

Subdivision 1. **Definitions.** For purposes of this section, "corporation" means:

- (1) a corporation organized for profit that does business in this state;
- (2) a nonprofit corporation that carries out activities in this state; or

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

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

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

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

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

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

Subd. 7. **Penalty for corporations.** A corporation convicted of violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation may be dissolved as well as fined. If a foreign or nonresident corporation is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

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

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

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

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

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

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

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

Subd. 15. **Nonprofit corporation exemption.** The prohibitions in this section do not apply to a nonprofit corporation that:

- (1) is not organized or operating for the principal purpose of conducting a business;
- (2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and
- (3) was not established by a business corporation or a labor union and has a policy not to accept significant contributions from those entities.

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

Subd. 17. **Nonprofit corporation political activity.** It is not a violation of this section for a nonprofit corporation to provide administrative assistance to one political committee or political fund that is associated with the nonprofit corporation and registered with the Campaign Finance and Public Disclosure Board under section 10A.14. Such assistance must be limited to accounting, clerical or legal services, bank charges, utilities, office space, and supplies. The

records of the political committee or political fund may be kept on the premises of the nonprofit corporation.

The administrative assistance provided by the nonprofit corporation to the political committee or political fund is limited annually to the lesser of \$5,000 or 7-1/2 percent of the expenditures of the political committee or political fund.

211B.16 PROSECUTION.

Subd. 3. **County attorney authority.** A county attorney may prosecute any violation of this chapter.

211B.17 FORFEITURE OF NOMINATION OR OFFICE; CIRCUMSTANCES WHERE NOT FORFEITED.

Subdivision 1. **Forfeiture of nomination or office.** Except as provided in subdivision 2, if a candidate is found guilty of violating this chapter or an offense was committed by another individual with the knowledge, consent, or connivance of the candidate, the court, after entering the adjudication of guilty, shall enter a supplemental judgment declaring that the candidate has forfeited the nomination or office. If the court enters the supplemental judgment, it shall transmit to the filing officer a transcript of the supplemental judgment, the nomination or office becomes vacant, and the vacancy must be filled as provided by law.

Subd. 2. **Circumstances where nomination or office not forfeited.** In a trial for a violation of this chapter, the candidate's nomination or election is not void if the court finds that:

- (1) an offense, though committed by the candidate or with the candidate's knowledge, consent, or connivance, was trivial; or
- (2) an act or omission of a candidate arose from accidental miscalculation or other reasonable cause, but in any case not from a want of good faith; and the court also finds that it would be unjust for a candidate to forfeit the nomination or election.

None of these findings is a defense to a conviction under this chapter.

211B.18 DISQUALIFIED CANDIDATE NOT TO HOLD VARIOUS POSITIONS.

A candidate whose election to office has been set aside for a violation of this chapter may not be appointed, during the period fixed by law as the term of the office, to fill a vacancy in that office. A candidate or other individual who is convicted of a violation of this chapter may not be appointed, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy that may occur in the office. An appointment to an office made contrary to the provisions of this section is void.

A candidate or other individual who is convicted of a violation of this chapter is not qualified, during the period fixed by law as the term of the office with respect to which the election was held and the offense was committed, to fill a vacancy in an office for which the legislature may establish qualifications under article XII, section 3, of the Minnesota Constitution.

211B.19 PENALTIES FOR VIOLATION.

A violation of this chapter for which no other penalty is provided is a misdemeanor.

211B.20 DENIAL OF ACCESS BY POLITICAL CANDIDATES TO MULTIPLE UNIT DWELLINGS.

Subdivision 1. **Prohibition.** It is unlawful for a person, either directly or indirectly, to deny access to an apartment house, dormitory, nursing home, manufactured home park, other multiple unit facility used as a residence, or an area in which two or more single-family dwellings are located on private roadways to a candidate who has filed for election to public office or to campaign workers accompanied by the candidate, if the candidate and workers seeking admittance to the facility do so solely for the purpose of campaigning. A violation of this section is a petty misdemeanor.

Subd. 2. **Exceptions.** Subdivision 1 does not prohibit:

- (1) denial of admittance into a particular apartment, room, manufactured home, or personal residential unit;
- (2) requiring reasonable and proper identification as a necessary prerequisite to admission to a multiple unit dwelling;
- (3) in the case of a nursing home, denial of permission to visit certain persons for valid health reasons;
- (4) limiting visits by candidates or workers accompanied by the candidate to a reasonable number of persons or reasonable hours;
- (5) requiring a prior appointment to gain access to the facility; or
- (6) denial of admittance to or expulsion from a multiple unit dwelling for good cause.

211B.205 PARTICIPATION IN PUBLIC PARADES.

If a public parade allows candidates, a candidate must be allowed to participate for a fee that is not greater than the amount that is charged to other units participating in the parade.

211B.21 APPLICABILITY.

Nothing in section 211B.17 or 211B.18 may be construed to limit the ability of each house of the legislature to act as judge of the election returns and eligibility of its own members.

UNFAIR CAMPAIGN PRACTICES COMPLAINTS

211B.31 DEFINITION.

As used in sections 211B.32 to 211B.36, "office" means the Office of Administrative Hearings.

211B.32 COMPLAINTS OF UNFAIR CAMPAIGN PRACTICES.

Subdivision 1. **Administrative remedy; exhaustion.** A complaint alleging a violation of chapter 211A or 211B must be filed with the office. The complaint must be finally disposed of by the office before the alleged violation may be prosecuted by a county attorney.

Subd. 2. **Limitation on filing.** The complaint must be filed with the office within one year after the occurrence of the act or failure to act that is the subject of the complaint, except that if the act or failure to act involves fraud, concealment, or misrepresentation that could not be discovered during that one-year period, the complaint may be filed with the office within one year after the fraud, concealment, or misrepresentation was discovered.

Subd. 3. **Form of complaint.** The complaint must be in writing, submitted under oath, and detail the factual basis for the claim that a violation of law has occurred. The office may prescribe the form of a complaint.

Subd. 4. **Proof of claim.** The burden of proving the allegations in the complaint is on the complainant. The standard of proof of a violation of section 211B.06, relating to false statements in paid political advertising or campaign material, is clear and convincing evidence. The standard of proof of any other violation of chapter 211A or 211B is a preponderance of the evidence.

Subd. 5. **Filing fee; waiver; refund.**

- (a) The complaint must be accompanied by a filing fee of \$50, unless filed by a filing officer under section 211A.05, subdivision 2.
- (b) The office may waive the payment of the filing fee, if the individual seeking a waiver of the fee files with the office an affidavit stating that the individual is financially unable to pay the fee.
- (c) The office may refund the filing fee of a complainant who prevails on the merits.

Subd. 6. **Service on respondent.** Upon receipt of the filed complaint, the office must immediately notify the respondent and provide the respondent with a copy of the complaint by the most expeditious means available.

211B.33 PRIMA FACIE REVIEW.

Subdivision 1. **Time for review.** The chief administrative law judge must randomly assign an administrative law judge to review the complaint. Within one business day after the complaint was filed with the office, when practicable, but never longer than three business days, the administrative law judge must make a preliminary determination for its disposition.

Subd. 2. **Recommendation.**

- (a) If the administrative law judge determines that the complaint does not set forth a prima facie violation of chapter 211A or 211B, the administrative law judge must dismiss the complaint.
- (b) If the administrative law judge determines that the complaint sets forth a prima facie violation of section 211B.06 and was filed within 60 days before the primary or special

election or within 90 days before the general election to which the complaint relates, the administrative law judge must conduct an expedited probable cause hearing under section 211B.34.

- (c) If the administrative law judge determines that the complaint sets forth a prima facie violation of a provision of chapter 211A or 211B, other than section 211B.06, and that the complaint was filed within 60 days before the primary or special election or within 90 days before the general election to which the complaint relates, the administrative law judge, on request of any party, must conduct an expedited probable cause hearing under section 211B.34.
- (d) If the administrative law judge determines that the complaint sets forth a prima facie violation of chapter 211A or 211B, and was filed more than 60 days before the primary or special election or more than 90 days before the general election to which the complaint relates, the administrative law judge must schedule an evidentiary hearing under section 211B.35.

Subd. 3. Notice to parties. The office must notify all parties of the determination made under subdivision 2. If the complaint is scheduled for hearing, the notice must identify the time and place of the hearing and inform all parties that they may submit evidence, affidavits, documentation, and argument for consideration by the administrative law judge.

Subd. 4. Joinder and separation of complaints. The chief administrative law judge may direct that two or more complaints be joined for disposition if the chief administrative law judge determines that the allegations in each complaint are of the same or similar character, are based on the same act or failure to act, or are based on two or more acts or failures to act constituting parts of a common scheme or plan. If one complaint contains two or more allegations, the chief administrative law judge may separate the allegations, if they are not of the same or similar character, if they are not based on the same act or failure to act, or if they are not based on two or more acts or failures to act constituting parts of a common scheme or plan. If the chief administrative law judge separates the allegations in a complaint, the assigned administrative law judge or judges may make separate recommendations under subdivision 2 for each allegation.

211B.34 PROBABLE CAUSE HEARING.

Subdivision 1. Time for review. The assigned administrative law judge must hold a probable cause hearing on the complaint no later than three business days after receiving the assignment if an expedited hearing is required by section 211B.33, except that for good cause the administrative law judge may hold the hearing no later than seven days after receiving the assignment. If an expedited hearing is not required by section 211B.33, the administrative law judge must hold the hearing not later than 30 days after receiving the assignment.

Subd. 2. Disposition. At the probable cause hearing, the administrative law judge must make one of the following determinations:

- (a) The complaint is frivolous, or there is no probable cause to believe that the violation of law alleged in the complaint has occurred. If the administrative law judge makes either determination, the administrative law judge must dismiss the complaint.

- (b) There is probable cause to believe that the violation of law alleged in the complaint has occurred. If the administrative law judge so determines, the chief administrative law judge must schedule the complaint for an evidentiary hearing under section 211B.35.

Subd. 3. Reconsideration by chief administrative law judge.

- (a) If the administrative law judge dismisses the complaint, the administrative law judge shall provide to the complainant written notice of the right to seek reconsideration of the decision on the record by the chief administrative law judge.
- (b) A petition for reconsideration must be filed within two business days after the dismissal.

The chief administrative law judge must make a decision on the petition within three business days after receiving the petition. If the chief administrative law judge determines that the assigned administrative law judge made a clear error of law and grants the petition, within five business days after granting the petition, the chief administrative law judge shall schedule the complaint for an evidentiary hearing under section 211B.35.

211B.35 EVIDENTIARY HEARING BY PANEL.

Subdivision 1. **Deadline for hearing.** When required by section 211B.34, subdivision 2 or 3, the chief administrative law judge must assign the complaint to a panel of three administrative law judges for an evidentiary hearing. The hearing must be held within the following times:

- (1) ten days after the complaint was assigned, if an expedited probable cause hearing was requested or required under section 211B.33;
- (2) 30 days after the complaint was filed, if it was filed within 60 days before the primary or special election or within 90 days before the general election to which the complaint relates; or
- (3) 90 days after the complaint was filed, if it was filed at any other time.

For good cause shown, the panel may extend the deadline set forth in clause (2) or (3) by 60 days.

Subd. 2. **Disposition of complaint.** The panel must determine whether the violation alleged in the complaint occurred and must make at least one of the following dispositions:

- (a) The panel may dismiss the complaint.
- (b) The panel may issue a reprimand.
- (c) The panel may find that a statement made in a paid advertisement or campaign material violated section 211B.06.
- (d) The panel may impose a civil penalty of up to \$5,000 for any violation of chapter 211A or 211B.
- (e) The panel may refer the complaint to the appropriate county attorney.

Subd. 3. **Time for disposition.** The panel must dispose of the complaint:

(1) within three days after the hearing record closes, if an expedited probable cause hearing was required by section 211B.33; and

(2) within 14 days after the hearing record closes, if an expedited probable cause hearing was not required by section 211B.33.

211B.36 PROCEDURES.

Subdivision 1. **Evidence and argument.** The administrative law judge or panel may consider any evidence and argument submitted until a hearing record is closed, including affidavits and documentation, or may continue a hearing to enable the parties to submit additional testimony.

Subd. 2. **Withdrawal of complaint.** At any time before an evidentiary hearing under section 211B.35 begins, a complainant may withdraw a complaint filed under section 211B.32. After the evidentiary hearing begins, a complaint filed under section 211B.32 may only be withdrawn with the permission of the panel.

Subd. 3. **Costs.** If the assigned administrative law judge or panel determines the complaint is frivolous, they may order the complainant to pay the respondent's reasonable attorney fees and to pay the costs of the office in the proceeding in which the complaint was dismissed.

Subd. 4. **Hearings public.** A hearing under section 211B.34 or 211B.35 may be conducted by conference telephone call or by interactive television. All hearings must be open to the public.

Subd. 5. **Judicial review.** A party aggrieved by a final decision on a complaint filed under section 211B.32 is entitled to judicial review of the decision as provided in sections 14.63 to 14.69; however, proceedings on a complaint filed under section 211B.32 are not a contested case within the meaning of chapter 14 and are not otherwise governed by chapter 14.

211B.37 COSTS ASSESSED

Except as otherwise provided in section 211B.36, subdivision 3, the chief administrative law judge shall assess the cost of considering complaints filed under section 211B.32 as provided in this section. Costs of complaints relating to a statewide ballot question or an election for a statewide or legislative office must be assessed against the appropriation from the general fund to the general account of the state elections campaign fund in section 10A.31, subdivision 4. Costs of complaints relating to any other ballot question or elective office must be assessed against the county or counties in which the election is held. Where the election is held in more than one county, the chief administrative law judge shall apportion the assessment among the counties in proportion to their respective populations within the election district to which the complaint relates according to the most recent decennial federal census.