

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 839

(SENATE AUTHORS: KIFFMEYER and Koran)

DATE	D-PG	OFFICIAL STATUS
02/09/2017	561	Introduction and first reading
		Referred to State Government Finance and Policy and Elections
02/22/2017		Comm report: To pass as amended and re-refer to Finance

1.1 A bill for an act

1.2 relating to campaign finance; codifying certain campaign finance and public

1.3 disclosure rules; amending rulemaking authority of Campaign Finance and Public

1.4 Disclosure Board; shortening the end date of a special election cycle; requiring

1.5 electronic submissions of affidavits of contributions; repealing obsolete rules;

1.6 amending Minnesota Statutes 2016, sections 10A.01, subdivisions 12, 16; 10A.02,

1.7 subdivision 13; 10A.025, subdivision 1a; 10A.04, by adding a subdivision; 10A.071,

1.8 subdivision 1; 10A.09, subdivisions 5, 6; 10A.15, by adding a subdivision; 10A.20,

1.9 subdivision 3; 10A.25, subdivision 2; 10A.27, by adding subdivisions; 10A.31,

1.10 by adding a subdivision; 10A.323; proposing coding for new law in Minnesota

1.11 Statutes, chapter 10A; repealing Minnesota Rules, parts 4501.0300, subpart 3;

1.12 4501.0500, subpart 2; 4503.0200, subpart 6; 4503.0300, subpart 4; 4503.0400,

1.13 subpart 1; 4503.0500, subparts 5, 8; 4503.0700, subparts 2, 3; 4503.1300, subpart

1.14 5; 4503.1400, subparts 8, 9; 4503.1450, subparts 1, 3; 4503.1600; 4503.1700;

1.15 4503.1800; 4505.0100, subpart 3; 4505.0900, subparts 2, 3, 4, 5, 6, 7; 4511.0500,

1.16 subpart 2; 4512.0100, subparts 2, 4, 5; 4525.0210, subpart 1.

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

1.18 Section 1. Minnesota Statutes 2016, section 10A.01, subdivision 12, is amended to read:

1.19 Subd. 12. **Depository.** "Depository" means a bank, savings association, or credit union

1.20 organized under federal or state law and transacting business within this state. The

1.21 depositories of a political committee or political fund include any depository in which the

1.22 committee or fund has a savings, checking, or similar account, or purchases a money market

1.23 certificate or certificate of deposit.

1.24 Sec. 2. Minnesota Statutes 2016, section 10A.01, subdivision 16, is amended to read:

1.25 Subd. 16. **Election cycle.** "Election cycle" means the period from January 1 following

1.26 a general election for an office to December 31 following the next general election for that

1.27 office, except that "election cycle" for a special election means the period from the date the

2.1 special election writ is issued to ~~60~~ 15 days after the special election is held. For a regular
 2.2 election, the period from January 1 of the year prior to an election year through December
 2.3 31 of the election year is the "election segment" of the election cycle. Each other two-year
 2.4 segment of an election cycle is a "nonelection segment" of the election cycle. An election
 2.5 cycle that consists of two calendar years has only an election segment. The election segment
 2.6 of a special election cycle includes the entire special election cycle.

2.7 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 2.8 applies to any special election cycle that starts on or after that date.

2.9 Sec. 3. Minnesota Statutes 2016, section 10A.02, subdivision 13, is amended to read:

2.10 Subd. 13. **Rules.** (a) Chapter 14 applies to the board. The board may adopt rules to carry
 2.11 out the purposes of this chapter, if, before June 1, 2017, the board has published a notice
 2.12 of intent to adopt a rule without public hearing under section 14.22, subdivision 1a; 14.389,
 2.13 subdivision 2; or 14.3895, subdivision 3; a dual notice under section 14.22, subdivision 2;
 2.14 or a notice of hearing on a proposed rule under section 14.14.

2.15 (b) After May 31, 2017, the board may only adopt rules that (1) incorporate specific
 2.16 changes set forth in applicable statutes when no interpretation of law is required, or (2)
 2.17 make changes to rules that do not alter the sense, meaning, or effect of a rule.

2.18 (c) In addition to the notice required under chapter 14, the board shall notify the chairs
 2.19 and ranking minority members of the committees or subcommittees in the senate and house
 2.20 of representatives with primary jurisdiction over elections within seven calendar days of
 2.21 taking the following actions:

2.22 (1) publication of a notice of intent to adopt rules or a notice of hearing;

2.23 (2) publication of proposed rules in the State Register;

2.24 (3) issuance of a statement of need and reasonableness; or

2.25 (4) adoption of final rules.

2.26 **EFFECTIVE DATE.** This section is effective the day following final enactment for
 2.27 rules for which a notice of intent to adopt a rule without public hearing under Minnesota
 2.28 Statutes, section 14.22, subdivision 1a; 14.389, subdivision 2; or 14.3895, subdivision 3; a
 2.29 dual notice under Minnesota Statutes, section 14.22, subdivision 2; or a notice of hearing
 2.30 on a proposed rule under Minnesota Statutes, section 14.14, was published before June 1,
 2.31 2017.

3.1 Sec. 4. Minnesota Statutes 2016, section 10A.025, subdivision 1a, is amended to read:

3.2 Subd. 1a. **Electronic filing.** (a) A report or statement required to be filed under this
3.3 chapter may be filed electronically. The board shall adopt rules to regulate on the technical
3.4 aspects of regulating electronic filing and to ensure ensuring that the electronic filing process
3.5 is secure.

3.6 (b) A document filed by facsimile transmission or electronic filing system has the same
3.7 force and effect as filing an original paper document.

3.8 (c) In order to provide a secure environment for the submission of electronic files, the
3.9 board must require that a filer use a personal identification code when submitting an
3.10 electronic file. The board may also request the filer to provide a valid e-mail address in
3.11 order to receive confirmation and verification messages from the board.

3.12 (d) After an electronic file is processed by the board, the information contained in the
3.13 electronic file becomes the property of the state subject to the terms of the Data Practices
3.14 Act under chapter 13.

3.15 (e) In the case of a filing by facsimile transmission, the filer must retain the original of
3.16 the filed document and a record of the date and time of the transmission. If an electronic
3.17 filing system is used to submit an electronic file to the board, the filer must retain as
3.18 documentation the database and information on which the electronic submission of data is
3.19 based. The database and records are subject to audit as provided in this chapter.

3.20 (f) Within five days of a request by the board, any person filing a document by facsimile
3.21 transmission or electronic filing system shall refile the document by one of the other filing
3.22 methods provided in Minnesota Rules, part 4501.0500, subpart 1.

3.23 (g) Technical problems that prevent the successful submission of a facsimile transmission
3.24 or electronic file do not relieve the filer of the responsibility of meeting the requirements
3.25 of this chapter. An audit trail that demonstrates that the facsimile transmission or electronic
3.26 file was successfully submitted in a timely fashion may be used by the board to waive late
3.27 filing fees.

3.28 Sec. 5. Minnesota Statutes 2016, section 10A.04, is amended by adding a subdivision to
3.29 read:

3.30 Subd. 9. **Reporting by multiple lobbyists representing the same entity.** Clauses (1)
3.31 to (6) apply when a single individual, association, political subdivision, or public higher
3.32 education system is represented by more than one lobbyist.

4.1 (1) The entity must appoint one designated lobbyist to report lobbyist disbursements
4.2 made by the entity. The designated lobbyist must indicate that status on the periodic reports
4.3 of lobbyist disbursements.

4.4 (2) A reporting lobbyist may consent to report on behalf of one or more other lobbyists
4.5 for the same entity, in which case, the other lobbyists are persons whose activities the
4.6 reporting lobbyist must disclose and are subject to the disclosure requirements of subdivision
4.7 3. Lobbyist disbursement reports filed by a reporting lobbyist must include the names and
4.8 registration numbers of the other lobbyists whose activities are included in the report.

4.9 (3) Lobbyists whose activities are accounted for by a reporting lobbyist are not required
4.10 to file lobbyist disbursement reports.

4.11 (4) A lobbyist whose lobbying disbursements are provided to the board through a
4.12 reporting lobbyist must supply all relevant information on disbursements to the reporting
4.13 lobbyist no later than five days before the prescribed filing date.

4.14 (5) The reporting periods and due dates for a reporting lobbyist are those provided in
4.15 subdivision 2. The late filing provisions in subdivision 5 apply to reports required by this
4.16 subdivision.

4.17 (6) The reporting lobbyist must indicate the names and registration numbers of any
4.18 lobbyists who did not provide their lobbying disbursements for inclusion in a report. The
4.19 late filing provisions in subdivision 5 apply to lobbyists who fail to report information to
4.20 the reporting lobbyist.

4.21 Sec. 6. Minnesota Statutes 2016, section 10A.071, subdivision 1, is amended to read:

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

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

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

4.28 (d) "Plaque" means a decorative item with an inscription recognizing an individual for
4.29 an accomplishment.

5.1 Sec. 7. Minnesota Statutes 2016, section 10A.09, subdivision 5, is amended to read:

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

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

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

5.7 (3) a listing of all real property within the state, excluding homestead property, in which
5.8 the individual holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or
5.9 seller, or an option to buy, whether direct or indirect, if the interest is valued in excess of
5.10 \$2,500; or (ii) an option to buy, if the property has a fair market value of more than \$50,000;

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

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

5.22 (6) a listing of the principal business or professional activity category of each business
5.23 from which the individual receives more than \$50 in any month as an employee, if the
5.24 individual has an ownership interest of 25 percent or more in the business; ~~and~~

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

5.28 (8) the full name of each security with a value of more than \$2,500 owned in part or in
5.29 full by the public official at any time during the reporting period.

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

6.1 principal business or professional activity category may only be adopted if the category is
6.2 enacted by law.

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

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

6.9 Sec. 8. Minnesota Statutes 2016, section 10A.09, subdivision 6, is amended to read:

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

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

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

6.26 Sec. 9. Minnesota Statutes 2016, section 10A.15, is amended by adding a subdivision to
6.27 read:

6.28 Subd. 6. **Contributions from Hennepin County registered associations.** In lieu of
6.29 registration with the board, an association registered with the Hennepin County filing officer
6.30 under sections 383B.041 to 383B.058 that makes contributions of more than \$500 to a
6.31 committee or fund in a calendar year may notify the recipient committee of its registration

7.1 with Hennepin County, including its registration number, and instruct the recipient committee
7.2 to include the notice when the recipient committee discloses receipt of the contribution.

7.3 **Sec. 10. [10A.155] VALUE OF CONTRIBUTIONS OF AUTOMOBILE USE.**

7.4 Automobile use provided to a committee by an individual may be valued at the lowest
7.5 rate used by the state to reimburse its employees for automobile use. Alternatively, the value
7.6 of the automobile may be calculated as the actual cost of fuel, maintenance, repairs, and
7.7 insurance directly related to the use of the automobile. An automobile provided by an
7.8 association must be valued at the fair market value for renting an equivalent automobile.

7.9 Sec. 11. Minnesota Statutes 2016, section 10A.20, subdivision 3, is amended to read:

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

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

7.16 (c) The report must disclose the name, address, employer, or occupation if self-employed,
7.17 and registration number if registered with the board, of each individual or association that
7.18 has made one or more contributions to the reporting entity, including the purchase of tickets
7.19 for a fund-raising effort, that in aggregate within the year exceed \$200 for legislative or
7.20 statewide candidates or more than \$500 for ballot questions, together with the amount and
7.21 date of each contribution, and the aggregate amount of contributions within the year from
7.22 each source so disclosed. A donation in kind must be disclosed at its fair market value. An
7.23 approved expenditure must be listed as a donation in kind. A donation in kind is considered
7.24 consumed in the reporting period in which it is received. The names of contributors must
7.25 be listed in alphabetical order. Contributions from the same contributor must be listed under
7.26 the same name. When a contribution received from a contributor in a reporting period is
7.27 added to previously reported unitemized contributions from the same contributor and the
7.28 aggregate exceeds the disclosure threshold of this paragraph, the name, address, and
7.29 employer, or occupation if self-employed, of the contributor must then be listed on the
7.30 report.

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

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

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

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

8.12 (h) The report must disclose the name, address, and registration number if registered
8.13 with the board of each individual or association to whom aggregate expenditures, approved
8.14 expenditures, independent expenditures, and ballot question expenditures have been made
8.15 by or on behalf of the reporting entity within the year in excess of \$200, together with the
8.16 amount, date, and purpose of each expenditure and the name and address of, and office
8.17 sought by, each candidate on whose behalf the expenditure was made, identification of the
8.18 ballot question that the expenditure was intended to promote or defeat and an indication of
8.19 whether the expenditure was to promote or to defeat the ballot question, and in the case of
8.20 independent expenditures made in opposition to a candidate, the candidate's name, address,
8.21 and office sought. A reporting entity making an expenditure on behalf of more than one
8.22 candidate for state or legislative office must allocate the expenditure among the candidates
8.23 on a reasonable cost basis and report the allocation for each candidate.

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

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

8.31 (k) The report must disclose the name, address, and registration number if registered
8.32 with the board of each political committee, political fund, principal campaign committee,
8.33 or party unit to which contributions have been made that aggregate in excess of \$200 within
8.34 the year and the amount and date of each contribution.

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

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

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

9.9 (o) The report must disclose the name and address of a nonprofit corporation that provides
9.10 administrative assistance to a political committee or political fund as authorized by section
9.11 211B.15, subdivision 17, the type of administrative assistance provided, and the aggregate
9.12 fair market value of each type of assistance provided to the political committee or political
9.13 fund during the reporting period.

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

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

9.30 Sec. 12. Minnesota Statutes 2016, section 10A.25, subdivision 2, is amended to read:

9.31 Subd. 2. **Amounts.** (a) In a segment of an election cycle, the principal campaign
9.32 committee of the candidate must not make campaign expenditures nor permit approved

10.1 expenditures to be made on behalf of the candidate that result in aggregate expenditures in
10.2 excess of the following:

10.3 (1) for governor and lieutenant governor, running together, \$3,651,200 in the election
10.4 segment and \$1,564,800 in the nonelection segment;

10.5 (2) for attorney general, \$626,000 in the election segment and \$208,700 in the nonelection
10.6 segment;

10.7 (3) for secretary of state and state auditor, separately, \$417,300 in the election segment
10.8 and \$104,400 in the nonelection segment;

10.9 (4) for state senator, \$94,700 in the election segment and \$31,600 in a nonelection
10.10 segment;

10.11 (5) for state representative, \$63,100 in the election segment.

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

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

10.18 (d) The expenditure limits in this subdivision for an office are increased by ten percent
10.19 for a candidate who has not previously held the same office, whose name has not previously
10.20 been on the primary or general election ballot for that office, and who has not in the past
10.21 ten years raised or spent more than \$750 in a run for any other office whose territory now
10.22 includes a population that is more than one-third of the population in the territory of the
10.23 new office. Candidates who qualify for first-time candidate status receive a ten percent
10.24 increase in the campaign expenditure limit in all segments of the applicable election cycle.
10.25 In the case of a legislative candidate, the office is that of a member of the house of
10.26 representatives or senate without regard to any specific district.

10.27 Sec. 13. Minnesota Statutes 2016, section 10A.27, is amended by adding a subdivision to
10.28 read:

10.29 Subd. 16a. **Return of contributions after merger of governor and lieutenant governor**
10.30 **funds.** Funds transferred to the joint committee for candidates for governor and lieutenant
10.31 governor that result in aggregate contributions in excess of the applicable limits may be
10.32 returned to the contributor within 90 days of the transfer of funds to the joint committee.

11.1 Sec. 14. Minnesota Statutes 2016, section 10A.27, is amended by adding a subdivision to
11.2 read:

11.3 Subd. 16b. **Special election contribution limits.** Election segment contribution limits
11.4 set forth in this section apply to a special election cycle.

11.5 Sec. 15. Minnesota Statutes 2016, section 10A.27, is amended by adding a subdivision to
11.6 read:

11.7 Subd. 16c. **Contribution limits apply independently.** Contribution limits apply
11.8 independently for election segments, nonelection segments, and special election cycles.

11.9 Sec. 16. Minnesota Statutes 2016, section 10A.31, is amended by adding a subdivision to
11.10 read:

11.11 Subd. 7b. **Failure to repay.** A candidate who fails to repay money required by the
11.12 agreement cannot be paid additional public subsidy funds during the current or future election
11.13 cycles until the entirety of the unexpended funds and any associated collection fees are
11.14 either repaid to the board or discharged by court action.

11.15 Sec. 17. Minnesota Statutes 2016, section 10A.323, is amended to read:

11.16 **10A.323 AFFIDAVIT OF CONTRIBUTIONS.**

11.17 (a) In addition to the requirements of section 10A.322, to be eligible to receive a public
11.18 subsidy under section 10A.31 a candidate or the candidate's treasurer must:

11.19 (1) between January 1 of the previous year and the cutoff date for transactions included
11.20 in the report of receipts and expenditures due before the primary election, accumulate
11.21 contributions from individuals eligible to vote in this state in at least the amount indicated
11.22 for the office sought, counting only the first \$50 received from each contributor, excluding
11.23 in-kind contributions:

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

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

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

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

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

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

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

12.5 (ii) any in-kind contribution; and

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

12.8 (3) submit the affidavit required by this section to the board in writing by the deadline
12.9 for reporting of receipts and expenditures before a primary under section 10A.20, subdivision
12.10 4.

12.11 (b) A candidate for a vacancy to be filled at a special election for which the filing period
12.12 does not coincide with the filing period for the general election must accumulate the
12.13 contributions specified in paragraph (a) and must submit the affidavit required by this section
12.14 to the board within five days after the close of the filing period for the special election for
12.15 which the candidate filed.

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

12.20 Sec. 18. **REPEALER.**

12.21 Minnesota Rules, parts 4501.0300, subpart 3; 4501.0500, subpart 2; 4503.0200, subpart
12.22 6; 4503.0300, subpart 4; 4503.0400, subpart 1; 4503.0500, subparts 5 and 8; 4503.0700,
12.23 subparts 2 and 3; 4503.1300, subpart 5; 4503.1400, subparts 8 and 9; 4503.1450, subparts
12.24 1 and 3; 4503.1600; 4503.1700; 4503.1800; 4505.0100, subpart 3; 4505.0900, subparts 2,
12.25 3, 4, 5, 6, and 7; 4511.0500, subpart 2; 4512.0100, subparts 2, 4, and 5; and 4525.0210,
12.26 subpart 1, are repealed.

4501.0300 CERTIFICATION, SIGNATURES, AND NOTARIZATION.

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.

4501.0500 FILINGS, SUBMISSIONS, AND DISCLOSURES.

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.

4503.0200 ORGANIZATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.

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)."

4503.0300 TERMINATION OF POLITICAL COMMITTEE OR POLITICAL FUND.

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.

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).

4503.0500 CONTRIBUTIONS.

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

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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.

4503.0500 CONTRIBUTIONS.

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.

4503.0700 CONTRIBUTION LIMITS.

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

4503.0700 CONTRIBUTION LIMITS.

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

4503.1300 GOVERNOR AND LIEUTENANT GOVERNOR.

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.

4503.1400 PUBLIC SUBSIDY AGREEMENTS.

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.

4503.1400 PUBLIC SUBSIDY AGREEMENTS.

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.

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 candidates 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.

4503.1450 DISTRIBUTION OF GENERAL ACCOUNT PUBLIC SUBSIDY FUNDS.

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.

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.

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.

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.

4505.0100 DEFINITIONS.

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.

4505.0900 FILING.

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.

4505.0900 FILING.

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.

4505.0900 FILING.

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.

4505.0900 FILING.

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.

4505.0900 FILING.

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.

4505.0900 FILING.

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.

4511.0500 LOBBYIST REPORTING REQUIREMENTS.

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.

4512.0100 DEFINITIONS.

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

4512.0100 DEFINITIONS.

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

4512.0100 DEFINITIONS.

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

4525.0210 DETERMINATIONS PRIOR TO FORMAL INVESTIGATION.

Subpart 1. **Preparation for prima facie determination.** After a complaint is filed, the executive director must follow the notice provisions in Minnesota Statutes, section 10A.022, subdivision 3, with regard to the respondent's right to submit written arguments addressing the prima facie determination.

Upon the expiration of the time provided for the respondent to submit written argument, the executive director must submit the matter to the board member who will make the determination or to all board members if the full board will make the determination. The submission must include the complaint, any response submitted by the respondent, and an analysis of the allegations of the complaint and the violations that it alleges.