

CHAPTER 363—S.F.No. 3384

An act relating to elections; changing certain provisions of the campaign finance and public disclosure law; amending Minnesota Statutes 2000, sections 10A.01, subdivision 35; 10A.02, subdivision 11; 10A.025, subdivisions 2, 4; 10A.03, subdivision 3; 10A.04, subdivisions 4, 5, 6; 10A.08; 10A.09, subdivision 7; 10A.11, subdivision 7; 10A.12, subdivision 6; 10A.13, subdivision 1; 10A.14, subdivision 4; 10A.15, subdivision 4; 10A.16; 10A.17, subdivision 5, by adding a subdivision; 10A.18; 10A.20, subdivision 12, by adding subdivisions; 10A.25, subdivision 10, by adding a subdivision; 10A.255, subdivision 1; 10A.27, subdivisions 1, 2, 9, 11, 13; 10A.273, subdivisions 1, 4, 5; 10A.28, subdivisions 1, 2, 4; 10A.29; 10A.322, subdivision 1; 10A.323; 356A.06, subdivision 4; Minnesota Statutes 2001 Supplement, section 10A.31, subdivision 7.

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

Section 1. Minnesota Statutes 2000, section 10A.01, subdivision 35, is amended to read:

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

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, 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;
- (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 referee in the department of economic security;
- (12) member, regional administrator, division director, general counsel, or operations manager of the metropolitan council;
- (13) member or chief administrator of a metropolitan agency;

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(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 Minnesota Technology, Inc.;

or

(17) member of the board of directors or executive director of the Minnesota state high school league.

Sec. 2. Minnesota Statutes 2000, section 10A.02, subdivision 11, is amended to read:

Subd. 11. VIOLATIONS; ENFORCEMENT. (a) The board may investigate any alleged violation of this chapter. The board 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 guilty of a misdemeanor subject to a civil penalty imposed by the board of up to \$1,000.

(d) ~~Except as provided in section 10A.28, after the board makes a public finding of probable cause the board must report that finding to the appropriate law enforcement authorities.~~

Sec. 3. Minnesota Statutes 2000, section 10A.025, subdivision 2, is amended to read:

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

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individual required to file the report. 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.

Sec. 4. Minnesota Statutes 2000, section 10A.025, subdivision 4, is amended to read:

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.

Sec. 5. Minnesota Statutes 2000, section 10A.03, subdivision 3, is amended to read:

Subd. 3. **FAILURE TO FILE.** The board must ~~notify~~ send a notice by certified mail ~~or personal service~~ 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 ~~seven~~ ten business days after ~~receiving this the~~ notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, ~~commencing with starting on the eighth~~ 11th day after ~~receiving the~~ notice was sent. The board must ~~further notify~~ send an additional notice by certified mail ~~or personal service~~ any to a lobbyist who fails to file a form within ~~21~~ 14 days of ~~receiving a~~ after the first notice was sent by the board that the lobbyist may be subject to a ~~criminal~~ civil penalty for failure to file the form. A lobbyist who ~~knowingly~~ fails to file a form within seven days after ~~receiving a~~ the second notice ~~from was~~ sent by the board is ~~guilty of a misdemeanor~~ subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 6. Minnesota Statutes 2000, section 10A.04, subdivision 4, is amended to read:

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.

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(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) ~~Each~~ 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 April 15, the lobbyist must provide a general description of the subjects lobbied in the previous 12 months.

Sec. 7. Minnesota Statutes 2000, section 10A.04, subdivision 5, is amended to read:

Subd. 5. **LATE FILING.** The board must ~~notify~~ send a notice by certified mail or ~~personal service~~ to any lobbyist or principal who fails after seven days after a filing date imposed by this section to file a report or statement required by this section. If a lobbyist or principal fails to file a report within ~~seven~~ ten business days after ~~receiving this the notice was sent~~, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the ~~eighth~~ 11th day after ~~receiving the notice was sent~~. The board must ~~further notify~~ send an additional notice by certified mail or ~~personal service~~ to any lobbyist or principal who fails to file a report within ~~21~~ 14 days after ~~receiving a first notice was sent by the board that the lobbyist or principal may be subject to a criminal civil penalty for failure to file the report. A lobbyist or principal who knowingly fails to file such a report or statement within seven days after receiving a the second notice from was sent by the board is guilty of a misdemeanor subject to a civil penalty imposed by the board of up to \$1,000.~~

Sec. 8. Minnesota Statutes 2000, section 10A.04, subdivision 6, is amended to read:

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 ~~which of the following categories includes~~ the total amount, rounded to the nearest dollar \$20,000, spent by the principal during the

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preceding calendar year to influence legislative action, administrative action, and the official action of metropolitan governmental units:

- (1) \$501 to \$50,000;
- (2) \$50,001 to \$150,000; or
- (3) \$150,001 to \$250,000.

(c) Beyond \$250,000, each additional \$250,000 constitutes an additional category, and each principal must report which of the categories includes the total amount spent by the principal for the purposes provided in this subdivision.

(d) 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.

Sec. 9. Minnesota Statutes 2000, section 10A.08, is amended to read:

10A.08 REPRESENTATION DISCLOSURE.

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

Sec. 10. Minnesota Statutes 2000, section 10A.09, subdivision 7, is amended to read:

Subd. 7. **LATE FILING.** The board must ~~notify~~ send a notice by certified mail or personal service 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 seven ten business days after receiving this the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth 11th day after receiving the notice was sent. The board must ~~further~~ notify send an additional notice by certified mail or personal service to any individual who fails to file a statement within ~~24~~ 14 days after receiving a the first notice was sent by the board that the individual may be subject to a ~~criminal~~ civil penalty for failure to file

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

Sec. 11. Minnesota Statutes 2000, section 10A.11, subdivision 7, is amended to read:

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

Sec. 12. Minnesota Statutes 2000, section 10A.12, subdivision 6, is amended to read:

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

Sec. 13. Minnesota Statutes 2000, section 10A.13, subdivision 1, is amended to read:

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

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

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

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

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

(5) the name and address of each political committee, political fund, principal campaign committee, 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 guilty of a misdemeanor subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 14. Minnesota Statutes 2000, section 10A.14, subdivision 4, is amended to read:

Subd. 4. **FAILURE TO FILE; PENALTY.** The board must ~~notify~~ send a notice by certified mail ~~or personal service~~ to any individual who fails to file a statement required by this section. If an the individual fails to file a statement within seven ten business days after receiving a the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the ~~eight~~ 11th day after receiving the notice was sent.

The board must ~~further notify~~ send an additional notice by certified mail ~~or personal service~~ to any individual who fails to file a statement within ~~21~~ 14 days after

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receiving a the first notice was sent by the board that such the individual may be subject to a criminal civil penalty for failure to file the report. An individual who knowingly fails to file the statement within seven days after receiving a the second notice from was sent by the board is guilty of a misdemeanor subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 15. Minnesota Statutes 2000, section 10A.15, subdivision 4, is amended to read:

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

Sec. 16. Minnesota Statutes 2000, section 10A.16, is amended to read:

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.

Sec. 17. Minnesota Statutes 2000, section 10A.17, is amended by adding a subdivision to read:

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.

Sec. 18. Minnesota Statutes 2000, section 10A.17, subdivision 5, is amended to read:

Subd. 5. **PENALTY.** A person who knowingly violates subdivision 2 is guilty of a misdemeanor 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.

Sec. 19. Minnesota Statutes 2000, section 10A.18, is amended to read:

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. ~~Violation of~~ A person who violates this section is a misdemeanor subject to a civil penalty imposed by the board of up to \$1,000.

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Sec. 20. Minnesota Statutes 2000, section 10A.20, is amended by adding a subdivision to read:

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.

Sec. 21. Minnesota Statutes 2000, section 10A.20, subdivision 12, is amended to read:

Subd. 12. FAILURE TO FILE; PENALTY. The board must ~~notify~~ send a notice by certified mail or ~~personal service an~~ 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 ~~seven ten~~ business days after ~~receiving a~~ the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on with the eighth 11th day after ~~receiving 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 ~~further notify~~ send an additional notice by certified mail or ~~personal service~~ to an individual who fails to file a statement within 14 days after ~~receiving a the first notice from~~ was sent by the board that the individual may be subject to a ~~criminal civil~~ penalty for failure to file a statement. An individual who ~~knowingly~~ fails to file the statement within seven days after ~~receiving a the second notice from~~ was sent by the board is ~~guilty of a misdemeanor~~ subject to a civil penalty imposed by the board of up to \$1,000.

Sec. 22. Minnesota Statutes 2000, section 10A.20, is amended by adding a subdivision to read:

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.

Sec. 23. Minnesota Statutes 2000, section 10A.25, is amended by adding a subdivision to read:

Subd. 3a. INDEPENDENT EXPENDITURES. The principal campaign committee of a candidate must not make independent expenditures.

Sec. 24. Minnesota Statutes 2000, section 10A.25, subdivision 10, is amended to read:

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

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to be bound by the expenditure limits imposed by this section as a condition of receiving a public subsidy for the candidate's campaign ~~is~~ may choose to be released from the expenditure limits but remains remain eligible to receive a public subsidy if the candidate has an opponent who ~~does~~ has not agree ~~agreed~~ to be bound by the limits and ~~receives~~ has received contributions or ~~makes~~ made or ~~becomes~~ become obligated to make expenditures during that election cycle in excess of the following limits:

(1) up to ~~ten~~ days 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 ~~ten~~ days 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), ~~elause~~ (2). 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), ~~elause~~ (2).

(c) Upon receipt of the notice, the a candidate who had agreed to be bound by the limits is 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.

Sec. 25. Minnesota Statutes 2000, section 10A.255, subdivision 1, is amended to read:

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

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for the next general election. The product must be rounded up to the next highest \$10 \$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.

Sec. 26. Minnesota Statutes 2000, section 10A.27, subdivision 1, is amended to read:

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

(1) to candidates for governor and lieutenant governor running together, \$2,000 in an election year for the office sought and \$500 in other years;

(2) to a candidate for attorney general, \$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 political committee or political fund must not make a contribution a candidate is prohibited from accepting.

Sec. 27. Minnesota Statutes 2000, section 10A.27, subdivision 2, is amended to read:

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.

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Sec. 28. Minnesota Statutes 2000, section 10A.27, subdivision 9, is amended to read:

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.

(e) (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.

Sec. 29. Minnesota Statutes 2000, section 10A.27, subdivision 11, is amended to read:

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.

Sec. 30. Minnesota Statutes 2000, section 10A.27, subdivision 13, is amended to read:

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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 ~~up to \$1,000~~ 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.

An officer of an association who violates this paragraph is guilty of a misdemeanor:

(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.

Sec. 31. Minnesota Statutes 2000, section 10A.273, subdivision 1, is amended to read:

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, ~~or~~ 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.

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Sec. 32. Minnesota Statutes 2000, section 10A.273, subdivision 4, is amended to read:

Subd. 4. **CIVIL PENALTY.** A candidate, political committee, ~~or party unit,~~ political fund, principal campaign committee, or registered lobbyist that violates this section is subject to a civil ~~fine of up to \$500~~ 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 ~~fine~~ penalty as imposed by the board. Fines Penalties paid under this section must be deposited in the general fund in the state treasury.

Sec. 33. Minnesota Statutes 2000, section 10A.273, subdivision 5, is amended to read:

Subd. 5. **SPECIAL ELECTION.** This section does not apply to a candidate or a ~~candidate's principal campaign committee~~ 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.

Sec. 34. Minnesota Statutes 2000, section 10A.28, subdivision 1, is amended to read:

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 ~~fine~~ penalty up to four times the amount by which the expenditures exceeded the limit.

Sec. 35. Minnesota Statutes 2000, section 10A.28, subdivision 2, is amended to read:

Subd. 2. **EXCEEDING CONTRIBUTION LIMITS.** A political committee, political fund, or principal campaign committee that makes a contribution, or a candidate who permits the candidate's principal campaign committee to accept contributions, in excess of the limits imposed by section 10A.27 is subject to a civil ~~fine~~ penalty of up to four times the amount by which the contribution exceeded the limits.

Sec. 36. Minnesota Statutes 2000, section 10A.28, subdivision 4, is amended to read:

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

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district, to collect a civil ~~fine~~ 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.

Sec. 37. Minnesota Statutes 2000, section 10A.29, is amended to read:

10A.29 CIRCUMVENTION PROHIBITED.

Any attempt by 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.

Sec. 38. Minnesota Statutes 2001 Supplement, section 10A.31, subdivision 7, is amended to read:

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) ~~have filed the agreement required under paragraph (e); and~~
- (4) 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) ~~No later than one week after the primary results have been certified by the state canvassing board, a candidate wishing to receive money distributed by the board under this subdivision must execute and file an agreement with the board. The agreement must provide that:~~

(1) if the A candidate does not must expend or promise to disburse 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, then. Otherwise, the candidate agrees to must repay to the board the remainder of the money the difference between the amount the candidate

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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 date of the general election; and

~~(2).~~ The candidate agrees to must reimburse the board for all reasonable costs, including litigation costs, incurred in collecting any amount due ~~following that date.~~

If the board determines that a candidate has failed to repay money as required by an agreement under this subdivision paragraph, the board may not distribute any additional money to the candidate under this subdivision until the entirety of the unexpended money is repaid or discharged repayment has been made.

Sec. 39. Minnesota Statutes 2000, section 10A.322, subdivision 1, is amended to read:

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

(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.

Sec. 40. Minnesota Statutes 2000, section 10A.323, is amended to read:

10A.323 AFFIDAVIT OF CONTRIBUTIONS.

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

- (1) candidates for governor and lieutenant governor running together, \$35,000;
- (2) candidates for attorney general, \$15,000;
- (3) candidates for secretary of state and state auditor, separately, \$6,000;

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- (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 September 1 of the general election year to receive the payment made following the primary election and by November 1 to receive the payment made following the general election.

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.

Sec. 41. Minnesota Statutes 2000, section 356A.06, subdivision 4, is amended to read:

Subd. 4. **ECONOMIC INTEREST STATEMENT.** (a) Each member of the governing board of a covered pension plan and the chief administrative officer of the plan shall file with the plan a statement of economic interest.

(b) For a covered pension plan other than a plan specified in paragraph (c), the statement must contain the information required by section 10A.09, subdivision 5, and any other information that the fiduciary or the governing board of the plan determines is necessary to disclose a reasonably foreseeable potential or actual conflict of interest.

(c) For a covered pension plan governed by sections 69.771 to 69.776 or a covered pension plan governed by section 69.77 with assets under \$8,000,000, the statement must contain the following:

- (1) the person's principal occupation and principal place of business;
 - (2) whether or not the person has an ownership of or interest of ten percent or greater in an investment security brokerage business, a real estate sales business, an insurance agency, a bank, a savings and loan, or another financial institution; and
 - (3) any relationship or financial arrangement that can reasonably be expected to give rise to a conflict of interest.
- (d) The statement must be filed annually with the chief administrative officer of the plan and be available for public inspection during regular office hours at the office of the pension plan.

(e) A disclosure form meeting the requirements of the federal Investment Advisers Act of 1940, United States Code, title 15, sections 80b-1 to 80b-21 as amended, and filed with the state board of investment or the pension plan meets the requirements of this subdivision.

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(f) The chief administrative officer of each covered pension plan, by January 15, annually, shall transmit a copy certified listing of all individuals who have filed statements of economic interest received by with the plan under this subdivision during the preceding 12 months and the address of the office referenced in paragraph (d) to the campaign finance and public disclosure board.

Sec. 42. **TRANSITION.**

A candidate who signed and filed with the campaign finance and public disclosure board a spending limit agreement for the election cycle ending December 31, 2002, before the effective date of this act is governed by the provisions of Minnesota Statutes 2000, section 10A.31, subdivision 7, as they existed before the amendments made by Laws 2001, First Special Session chapter 10, article 18, section 2, and this act, until the candidate signs a new spending limit agreement after the effective date of this act.

Presented to the governor May 8, 2002

Signed by the governor May 9, 2002, 11:40 a.m.

CHAPTER 364—S.F.No. 3298

An act relating to transportation; modifying reimbursement for expenses of displaced business following condemnation; regulating certain operations of diesel school buses; requiring commissioner of transportation to utilize agriculture-based de-icing solutions; allowing commissioner to acquire land to preserve highway corridors; allowing advance funding for trunk highway projects; modifying provisions governing road inspections, first hauls, and weight allowances for commercial motor vehicles; requiring that USDOT numbers be reported to registrar of motor vehicles; allowing limited use of highway shoulders by buses and vanpools; regulating motorcycle parking; modifying motor carrier provisions to reduce certain regulatory obligations; increasing limit for funds that may be transferred from state airports fund to hangar construction revolving account; modifying budget reduction of department of transportation construction district 1; removing sunset provision relating to determining city populations for state-aid street purposes; exempting certain transportation-related contracts from moratorium on state contracts for professional or technical services; requiring commissioner to retain Stillwater Bridge project in transportation improvement program; requiring commissioner to prepare new signal agreement in city of Anoka; providing for resolution of dispute relating to Camp Coldwater Springs; establishing highway corridor-protection demonstration project; exempting certain federal funds from statutory matching requirements; requiring issuance of permit for bikeway in Chanhassen; creating technical advisory group to streamline environmental review process; providing for joint venture for highway rest area between Brainerd and Little Falls; making clarifying changes; providing for fees; requiring reports; amending Minnesota Statutes 2000, sections 161.20, subdivision 2; 161.361; 168.011, subdivision 17; 168.013, subdivision 3; 169.771, subdivisions 2, 3; 169.85, subdivisions 1, 2; 169.851, subdivision 3; 169.86, subdivision 5; 169.974, subdivision 5; 221.0252, subdivision 3; 221.0314, by adding a subdivision; 221.0355, subdivisions 2, 3; 221.221, subdivision 4; 221.605, subdivision 1; 360.305, subdivision 4; Minnesota Statutes 2001 Supplement, sections 117.51; 161.162, subdivision 2; 169.825, subdivision 11; 221.221, subdivision 2; Laws 2001, First Special Session chapter 8, article 1, section

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