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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2885

03/14/2012 Authored by Winkler

The bill was read for the first time and referred to the Committee on Government Operations and Elections

1.1 A bill for an act
1.2 relating to campaign finance; modifying provisions related to certain
1.3 contributions to political committees or funds, independent expenditures, and
1.4 campaign expenditures; prohibiting contributions by foreign nationals; amending
1.5 Minnesota Statutes 2010, sections 10A.01, by adding a subdivision; 10A.20,
1.6 by adding a subdivision; proposing coding for new law in Minnesota Statutes,
1.7 chapter 10A.

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

1.9 Section 1. Minnesota Statutes 2010, section 10A.01, is amended by adding a
1.10 subdivision to read:

1.11 Subd. 17c. **General treasury.** "General treasury" means an account maintained by
1.12 an association containing an accumulation of money that results from either:

1.13 (1) revenues from the operation of a business; or

1.14 (2) revenue from membership dues or fees, or from money received by the

1.15 association. "General treasury funds" refers to money that is held in an association's

1.16 general treasury. Money collected by an association to influence the nomination or election

1.17 of a candidate or to promote or defeat a ballot question is not general treasury money.

1.18 **Sec. 2. [10A.151] REQUIREMENTS FOR ASSOCIATION CONTRIBUTIONS;**
1.19 **INDEPENDENT EXPENDITURES; AND EXPENDITURES.**

1.20 Subdivision 1. **Application.** This section applies to any association governed by
1.21 a body vested with the general management of the internal affairs of the association,
1.22 regardless of how designated, other than a principal campaign committee, party unit, or
1.23 political committee. A governing body includes, but is not limited to, a board of directors,
1.24 executive council, or other similar organizational leadership body.

2.1 Subd. 2. **Authorization.** An association as described in subdivision 1 shall not,
2.2 without the prior authorization of the majority of the association's governing body,
2.3 disburse funds in excess of \$1,000 from its general treasury to make:

2.4 (1) a contribution to a political committee or political fund;

2.5 (2) an independent expenditure; or

2.6 (3) a campaign expenditure.

2.7 Subd. 3. **Authorization requirements.** An authorization required under subdivision
2.8 2 for the use of general treasury funds for a contribution to a political committee or
2.9 political fund, an independent expenditure, or a campaign expenditure, must provide
2.10 the following information:

2.11 (1) the amount authorized for:

2.12 (i) a contribution;

2.13 (ii) an independent expenditure; or

2.14 (iii) campaign expenditure;

2.15 (2) the name and address of:

2.16 (i) each authorized recipient of a contribution;

2.17 (ii) each candidate to be affected by an authorized independent expenditure with an
2.18 indication as to whether the independent expenditure is for or against the candidate; or

2.19 (iii) a description of each ballot question to be affected by an authorized expenditure
2.20 and an indication as to whether the ballot question expenditure is to promote or to defeat
2.21 the ballot question.

2.22 Subd. 4. **Certification.** When an association disburses funds for a contribution,
2.23 an independent expenditure, or a campaign expenditure authorized by the association's
2.24 governing body, an officer of the association must provide a certificate to the treasurer of
2.25 the political committee or political fund. The certificate must document, by resolution
2.26 or other affirmative action, that the contribution, independent expenditure, or campaign
2.27 expenditure was authorized by the association's governing body as required by this
2.28 section. The certificate must be provided prior to the date that the recipient's next report
2.29 of receipts and expenditures that includes the contribution, independent expenditure, or
2.30 campaign expenditure is due. The certificate must be filed by the recipient with its next
2.31 report of receipts and expenditures.

2.32 Sec. 3. **[10A.152] PROHIBITION ON CONTRIBUTIONS BY FOREIGN**
2.33 **NATIONALS.**

3.1 (a) A foreign national shall not make a contribution or offer or agree to make a
3.2 contribution to a political committee, political fund, principal campaign committee, or
3.3 party unit.

3.4 (b) As used in this section, foreign national includes the following:

3.5 (1) a person who is not a citizen of the United States and who is not lawfully
3.6 admitted for permanent residence;

3.7 (2) a foreign principal, including the government of a foreign country, a foreign
3.8 political party, a foreign association, including a partnership, a corporation, an
3.9 organization, or other combination of persons, that has its primary place of business in
3.10 or is organized under the laws of a foreign country; and

3.11 (3) any corporation in which:

3.12 (i) a foreign national directly or indirectly owns ten percent or more of the voting
3.13 shares;

3.14 (ii) ten percent or more of the members of the board of directors are foreign nationals;

3.15 (iii) one or more foreign nationals has the power to direct or influence the activities
3.16 of the corporation with respect to its interests in the United States; or

3.17 (iv) one or more foreign nationals has the power to direct or influence the activities
3.18 of the corporation in connection with an election, including the making of a contribution,
3.19 an independent expenditure, or a campaign expenditure.

3.20 Sec. 4. Minnesota Statutes 2010, section 10A.20, is amended by adding a subdivision
3.21 to read:

3.22 Subd. 6c. **Copy of certification.** A political committee or political fund filing a
3.23 report or statement disclosing a contribution under subdivision 3 must file, along with
3.24 the report, a copy of the certificate required under section 10A.151, subdivision 4, if
3.25 applicable.