

CHAPTER 10A

CAMPAIGN FINANCE AND PUBLIC DISCLOSURE

10A.01	Definitions.	10A.08	Representation disclosure.
10A.025	Filing requirements.	10A.20	Campaign reports.
10A.04	Lobbyist reports.	10A.27	Contribution limits.
10A.071	Certain gifts by lobbyists and principals prohibited.	10A.28	Penalty for exceeding limits.
		10A.31	Designation of income tax payments.

10A.01 DEFINITIONS.

[For text of subs 1 to 4, see M.S.2004]

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

[For text of subs 6 to 25, see M.S.2004]

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

- (1) payment for accounting and legal services;
- (2) return of a contribution to the source;
- (3) repayment of a loan made to the principal campaign committee by that committee;
- (4) return of a public subsidy;
- (5) payment for food, beverages, entertainment, and facility rental for a fund-raising event;
- (6) services for a constituent by a member of the legislature or a constitutional officer in the executive branch, including the costs of preparing and distributing a suggestion or idea solicitation to constituents, performed from the beginning of the term of office to adjournment sine die of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment sine die to 60 days after adjournment sine die;
- (7) payment for food and beverages consumed by a candidate or volunteers while they are engaged in campaign activities;
- (8) payment for food or a beverage consumed while attending a reception or meeting directly related to legislative duties;
- (9) payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;
- (10) payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses;
- (11) costs of child care for the candidate's children when campaigning;
- (12) fees paid to attend a campaign school;
- (13) costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;
- (14) interest on loans paid by a principal campaign committee on outstanding loans;

- (15) filing fees;
- (16) post-general election thank-you notes or advertisements in the news media;
- (17) the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used;
- (18) contributions to a party unit;
- (19) payments for funeral gifts or memorials; and
- (20) other purchases or payments specified in board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.

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

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

[For text of subs 27 to 34, see M.S.2004]

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, or the state chief information officer;
 - (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
 - (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
 - (8) executive director of the State Board of Investment;
 - (9) deputy of any official listed in clauses (7) and (8);
 - (10) judge of the Workers' Compensation Court of Appeals;
 - (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or referee in the Department of Employment and Economic Development;
 - (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
 - (13) member or chief administrator of a metropolitan agency;
 - (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
 - (15) member or executive director of the Higher Education Facilities Authority;
 - (16) member of the board of directors or president of Minnesota Technology, Inc.;
- or
- (17) member of the board of directors or executive director of the Minnesota State High School League.

[For text of subd 36, see M.S.2004]

History: 2005 c 156 art 5 s 1; art 6 s 1,2

10A.025 FILING REQUIREMENTS.

[For text of subd 1, see M.S.2004]

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

[For text of subds 2 to 4, see M.S.2004]

History: 2005 c 156 art 6 s 3

10A.04 LOBBYIST REPORTS.

[For text of subds 1 to 5, see M.S.2004]

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

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

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

(1) all direct payments by the principal to lobbyists in this state;

(2) all expenditures for advertising, mailing, research, analysis, compilation and dissemination of information, and public relations campaigns related to legislative action, administrative action, or the official action of metropolitan governmental units in this state; and

(3) all salaries and administrative expenses attributable to activities of the principal relating to efforts to influence legislative action, administrative action, or the official action of metropolitan governmental units in this state.

[For text of subd 7, see M.S.2004]

History: 2005 c 10 art 1 s 2

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

[For text of subds 1 and 2, see M.S.2004]

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

(1) a contribution as defined in section 10A.01, subdivision 11;

(2) services to assist an official in the performance of official duties, including but not limited to providing advice, consultation, information, and communication in connection with legislation, and services to constituents;

(3) services of insignificant monetary value;

(4) a plaque or similar memento recognizing individual services in a field of specialty or to a charitable cause;

(5) a trinket or memento costing \$5 or less;

(6) informational material of unexceptional value; or

(7) food or a beverage given at a reception, meal, or meeting away from the recipient's place of work by an organization before whom the recipient appears to make a speech or answer questions as part of a program.

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

(1) because of the recipient's membership in a group, a majority of whose members are not officials, and an equivalent gift is given to the other members of the group; or

(2) by a lobbyist or principal who is a member of the family of the recipient, unless the gift is given on behalf of someone who is not a member of that family.

History: 2005 c 156 art 6 s 4

10A.08 REPRESENTATION DISCLOSURE.

A public official who represents a client for a fee before an individual, board, commission, or agency that has rulemaking authority in a hearing conducted under chapter 14, must disclose the official's participation in the action to the board within 14 days after the appearance. The board must send a notice by certified mail to any public official who fails to disclose the participation within 14 days after the appearance. If the public official fails to disclose the participation within ten business days after the notice was sent, the board may impose a late filing fee of \$5 per day, not to exceed \$100, starting on the 11th day after the notice was sent. The board must send an additional notice by certified mail to a public official who fails to disclose the participation within 14 days after the first notice was sent by the board that the public official may be subject to a civil penalty for failure to disclose the participation. A public official who fails to disclose the participation within seven days after the second notice was sent by the board is subject to a civil penalty imposed by the board of up to \$1,000.

History: 2005 c 156 art 6 s 5

10A.20 CAMPAIGN REPORTS.

[For text of subds 1 to 4, see M.S.2004]

Subd. 5. **Preelection reports.** In a statewide election any loan, contribution, or contributions from any one source totaling \$2,000 or more, or in any judicial district or legislative election totaling more than \$400, received between the last day covered in the last report before an election and the election must be reported to the board in one of the following ways:

- (1) in person within 48 hours after its receipt;
- (2) by telegram or mailgram within 48 hours after its receipt;
- (3) by certified mail sent within 48 hours after its receipt; or
- (4) by electronic means sent within 48 hours after its receipt.

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

The 48-hour notice requirement does not apply with respect to a primary in which the statewide or legislative candidate is unopposed.

[For text of subds 6 to 15, see M.S.2004]

History: 2005 c 156 art 6 s 6

10A.27 CONTRIBUTION LIMITS.

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

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

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

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

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

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

[For text of subs 2 to 13, see M.S.2004]

History: 2005 c 156 art 6 s 7

10A.28 PENALTY FOR EXCEEDING LIMITS.

[For text of subd 1, see M.S.2004]

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

(1) a lobbyist, political committee, or political fund that makes a contribution in excess of the limits imposed by section 10A.27, subdivisions 1 and 8;

(2) a principal campaign committee that makes a contribution in excess of the limits imposed by section 10A.27, subdivision 2;

(3) a political party unit that makes a contribution in excess of the limits imposed by section 10A.27, subdivisions 2 and 8; or

(4) a candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27.

[For text of subs 3 and 4, see M.S.2004]

History: 2005 c 156 art 6 s 8

10A.31 DESIGNATION OF INCOME TAX PAYMENTS.

[For text of subs 1 to 3a, see M.S.2004]

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

(b) In addition to the amounts in paragraph (a), \$1,250,000 for each general election is appropriated from the general fund for transfer to the general account of the state elections campaign fund.

Of this appropriation, \$65,000 each fiscal year must be set aside to pay assessments made by the Office of Administrative Hearings under section 211B.37. Amounts remaining after all assessments have been paid must be canceled to the general account.

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

(1) 21 percent for the offices of governor and lieutenant governor together;

(2) 4.2 percent for the office of attorney general;

(3) 2.4 percent each for the offices of secretary of state and state auditor;

(4) in each calendar year during the period in which state senators serve a four-year term, 23-1/3 percent for the office of state senator, and 46-2/3 percent for the office of state representative; and

(5) in each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative.

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

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

Money allocated to each state committee under clause (6) must be deposited in a separate account and must be spent for only those items enumerated in section 10A.275. Money allocated to a state committee under clause (6) must be paid to the committee by the board as it is received in the account on a monthly basis, with payment on the 15th day of the calendar month following the month in which the returns were processed by the Department of Revenue, provided that these distributions would be equal to 90 percent of the amount of money indicated in the Department of Revenue's weekly unedited reports of income tax returns and property tax refund returns processed in the month, as notified by the Department of Revenue to the board. The amounts paid to each state committee are subject to biennial adjustment and settlement at the time of each certification required of the commissioner of revenue under subdivisions 7 and 10. If the total amount of payments received by a state committee for the period reflected on a certification by the Department of Revenue is different from the amount that should have been received during the period according to the certification, each subsequent monthly payment must be increased or decreased to the fullest extent possible until the amount of the overpayment is recovered or the underpayment is distributed.

[For text of subds 5a to 11, see M.S.2004]

History: 2005 c 156 art 6 s 9,10