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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH  
SESSION

**HOUSE FILE No. 3559**

March 9, 2010

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The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,  
Technology and Elections

1.1 A bill for an act  
1.2 relating to elections; allowing corporations to make independent expenditures;  
1.3 amending Minnesota Statutes 2008, sections 10A.12, subdivision 5; 10A.27,  
1.4 subdivision 13; 211B.01, subdivision 3; 211B.15, subdivisions 2, 3, 17;  
1.5 proposing coding for new law in Minnesota Statutes, chapter 10A; repealing  
1.6 Minnesota Statutes 2008, section 72A.12, subdivision 5.

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

1.8 Section 1. Minnesota Statutes 2008, section 10A.12, subdivision 5, is amended to read:

1.9 Subd. 5. **Dues or membership fees.** An association may, if not prohibited by other  
1.10 law, deposit in its political fund money derived from dues or membership fees. Under  
1.11 section 10A.20, the treasurer of the fund must disclose the name of any member whose  
1.12 dues, membership fees, and contributions deposited in the political fund together exceed  
1.13 ~~\$100~~ \$2,000 in a year.

1.14 Sec. 2. **[10A.141] CORPORATE INDEPENDENT EXPENDITURE.**

1.15 A corporation may not make an independent expenditure authorized by section  
1.16 211B.15, subdivision 3, except through a political fund registered as provided in this  
1.17 chapter.

1.18 Sec. 3. Minnesota Statutes 2008, section 10A.27, subdivision 13, is amended to read:

1.19 Subd. 13. **Unregistered association limit; statement; penalty.** (a) The treasurer of  
1.20 a political committee, political fund, principal campaign committee, or party unit must  
1.21 not accept a contribution of more than \$100 from an association not registered under this  
1.22 chapter unless the contribution is accompanied by a written statement that meets the  
1.23 disclosure and reporting period requirements imposed by section 10A.20. This statement

2.1 must be certified as true and correct by an officer of the contributing association. The  
2.2 committee, fund, or party unit that accepts the contribution must include a copy of the  
2.3 statement with the report that discloses the contribution to the board. This subdivision  
2.4 does not apply when a national political party contributes money to its affiliate in this state  
2.5 or to an association making an expenditure authorized by section 211B.15.

2.6 (b) An unregistered association may provide the written statement required by this  
2.7 subdivision to no more than three committees, funds, or party units in a calendar year. Each  
2.8 statement must cover at least the 30 days immediately preceding and including the date on  
2.9 which the contribution was made. An unregistered association or an officer of it is subject  
2.10 to a civil penalty imposed by the board of up to \$1,000, if the association or its officer:

2.11 (1) fails to provide a written statement as required by this subdivision; or

2.12 (2) fails to register after giving the written statement required by this subdivision to  
2.13 more than three committees, funds, or party units in a calendar year.

2.14 (c) The treasurer of a political committee, political fund, principal campaign  
2.15 committee, or party unit who accepts a contribution in excess of \$100 from an unregistered  
2.16 association without the required written disclosure statement is subject to a civil penalty  
2.17 up to four times the amount in excess of \$100.

2.18 Sec. 4. Minnesota Statutes 2008, section 211B.01, subdivision 3, is amended to read:

2.19 Subd. 3. **Candidate.** "Candidate" means an individual who seeks nomination  
2.20 or election to a ~~federal~~, statewide, legislative, judicial, or local office including special  
2.21 districts, school districts, towns, home rule charter and statutory cities, and counties;  
2.22 ~~except candidates for president and vice-president of the United States.~~

2.23 Sec. 5. Minnesota Statutes 2008, section 211B.15, subdivision 2, is amended to read:

2.24 Subd. 2. **Prohibited contributions.** A corporation may not make a contribution  
2.25 or offer or agree to make a contribution; ~~directly or indirectly~~, of any money, property,  
2.26 free service of its officers, employees, or members, or thing of monetary value to a  
2.27 major political party, organization, committee, or individual to promote or defeat the  
2.28 candidacy of an individual for nomination, election, or appointment to a political office.  
2.29 For the purpose of this subdivision, "contribution" includes an expenditure to promote or  
2.30 defeat the election or nomination of a candidate to a political office that is made with the  
2.31 authorization or expressed or implied consent of, or in cooperation or in concert with, or at  
2.32 the request or suggestion of, a candidate or committee established to support or oppose a  
2.33 candidate but does not include an independent expenditure authorized by subdivision 3.

3.1 Sec. 6. Minnesota Statutes 2008, section 211B.15, subdivision 3, is amended to read:

3.2 Subd. 3. **Independent expenditures.** A corporation may ~~not~~ make an independent  
3.3 expenditure or offer or agree to make an independent expenditure to promote or defeat the  
3.4 candidacy of an individual for nomination, election, or appointment to a political office.  
3.5 For the purpose of this subdivision, "independent expenditure" means an expenditure that  
3.6 is not made with the authorization or expressed or implied consent of, or in cooperation or  
3.7 concert with, or at the request or suggestion of, a candidate or the candidate's committee  
3.8 ~~established to support or oppose a candidate.~~

3.9 Sec. 7. Minnesota Statutes 2008, section 211B.15, subdivision 17, is amended to read:

3.10 Subd. 17. **Nonprofit Corporation political activity.** It is not a violation of this  
3.11 section for a ~~nonprofit~~ corporation to provide administrative assistance to one or more  
3.12 political ~~committee~~ committees or political ~~fund that is~~ funds associated with the ~~nonprofit~~  
3.13 corporation and registered with the Campaign Finance and Public Disclosure Board under  
3.14 section 10A.14. Such assistance ~~must be~~ is limited to ~~accounting, clerical or legal services;~~  
3.15 ~~bank charges, utilities, office space, and supplies~~ the amount and type of assistance  
3.16 allowed for corporations to provide to a political committee under the Federal Elections  
3.17 Campaign Act. The records of the political committee or political fund may be kept on  
3.18 the premises of the nonprofit corporation.

3.19 ~~The administrative assistance provided by the nonprofit corporation to the political~~  
3.20 ~~committee or political fund is limited annually to the lesser of \$5,000 or 7-1/2 percent of~~  
3.21 ~~the expenditures of the political committee or political fund.~~

3.22 Sec. 8. **REPEALER.**

3.23 Minnesota Statutes 2008, section 72A.12, subdivision 5, is repealed.

**72A.12 LIFE INSURANCE.**

Subd. 5. **Political contributions prohibited.** No insurance company or association, including fraternal benefit societies, doing business in this state, shall, directly or indirectly, pay or use, or offer, consent or agree to pay or use, any money or property for or in aid of any political party, committee or organization, or for or in aid of any corporation, joint stock or other association organized or maintained for political purposes, or for or in aid of any candidate for political office, or for nomination for the office, or for any other political purpose, or for reimbursement or indemnification of any person for money or property used for political purposes. Any officer, director, stockholder, attorney or agent of any corporation or association which violates any of the provisions of this section, who participates in, aids, abets, or advises or consents to any violation, and any person who solicits or knowingly receives any money or property in violation of this section, is guilty of a gross misdemeanor. Any officer aiding or abetting in any contribution made in violation of this section is liable to the company or association for the amount contributed. No person shall be excused from attending and testifying, or producing any books, papers or other documents before any court, upon any investigation, proceeding or trial, for a violation of any of the provisions of this section, upon the ground, or for the reason, that the testimony or evidence, documentary or otherwise, required may tend to incriminate or degrade the person. No person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which the person may testify or produce evidence, documentary or otherwise, and no testimony given or produced shall be used against that person upon any criminal investigation or proceeding.