23-03281

SENATE STATE OF MINNESOTA NINETY-THIRD SESSION

JFK/LN

S.F. No. 2226

(SENATE AUTHORS: MITCHELL and Boldon)DATED-PG03/01/2023Introduction and first reading
Referred to Elections

OFFICIAL STATUS

| 1.1 | A bill for an act |
|------|---|
| 1.2 | relating to campaign finance; providing certain record-keeping and reporting |
| 1.3 | requirements related to political advertisements; requiring the Campaign Finance |
| 1.4 | and Public Disclosure Board to provide public access to certain reports, including |
| 1.5 | copies of campaign advertisements; amending requirements related to the display |
| 1.6 | of a disclaimer on campaign material; amending Minnesota Statutes 2022, section |
| 1.7 | 211B.04, subdivisions 1, 2, by adding subdivisions; proposing coding for new law |
| 1.8 | in Minnesota Statutes, chapter 10A. |
| 1.9 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: |
| 1.10 | Section 1. [10A.205] CAMPAIGN MATERIAL; RECORD-KEEPING AND |
| 1.11 | REPORTS. |
| 1.12 | Subdivision 1. Definitions. For purposes of this section: |
| 1.13 | (1) "advertiser" means a person who is responsible for the content of a qualified political |
| 1.14 | advertisement and directs the funds used to purchase dissemination of a qualified political |
| 1.15 | advertisement, regardless of whether the advertiser is assisted by an agent or other person |
| 1.16 | to create the advertisement or purchase placement of the advertisement; |
| 1.17 | (2) "Internet platform" means any public-facing website, Internet-enabled application, |
| 1.18 | or other digital application that displays, or causes to be displayed, political advertisements |
| 1.19 | and receives more than \$1,000 in aggregate revenue from displaying, or causing to be |
| 1.20 | displayed, political advertisements in a calendar year; and |
| 1.21 | (3) "political advertisement" means any print, audio, broadcast, Internet, or digital |
| 1.22 | communication that the disclaimer requirements of section 211B.04 apply to. |
| 1.23 | For purposes of this section, an advertiser may treat multiple versions of an advertisement |
| 1.24 | that contain no material differences, including versions that differ only because they contain |

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| 2.1 | a recipient's name or differ only in size, color, font, or layout, as a single political | | | | | |
| 2.2 | advertisement. | | | | | |
| 2.3 | Subd. 2. Accessible archive required. Not later than January 1, 2024, the board shall | | | | | |
| 2.4 | maintain and | make available on | the Internet in a st | andardized, machine-rea | dable, searchable, | |
| 2.5 | sortable, downloadable, and publicly accessible format a complete record of the information | | | | | |
| 2.6 | reported under this section. Public access to this record shall be expeditious and must include | | | | | |
| 2.7 | search interface capabilities including but not limited to searches by candidate name, political | | | | | |
| 2.8 | committee name, issue, purchaser, advertiser, and date. | | | | | |
| 2.9 | Subd. 3. | Requirements for | advertisers. An a | advertiser whose aggreg | ate spending to | |
| 2.10 | disseminate political advertisements during the calendar year exceed \$500 must: | | | | | |
| 2.11 | (1) file with the board electronic reports that contain the information required by this | | | | | |
| 2.12 | section, consistent with any rules adopted by the board; and | | | | | |
| 2.13 | (2) for Int | ernet advertisemen | ts, inform the plat | form at the time it seeks t | o place a political | |
| 2.14 | advertisement that the advertisement is a political advertisement subject to this section. | | | | | |
| 2.15 | <u>Subd. 4.</u> | Requirements for | Internet platform | ns. (a) An Internet platfo | orm must exercise | |
| 2.16 | due diligence | to provide such ir | nformation to the | advertiser that is timely, | true, complete, | |
| 2.17 | and accurate | as is necessary for t | he advertiser to co | omply with the requirement | ents of this section | |
| 2.18 | including: | | | | | |
| 2.19 | (1) the dat | te on which the Int | ernet platform firs | st met the criteria describ | ed in subdivision | |
| 2.20 | <u>1;</u> | | | | | |
| 2.21 | (2) the int | formation required | to be reported un | der subdivision 5; and | | |
| 2.22 | (3) the tin | ning requirements | under subdivisior | <u>n 6.</u> | | |
| 2.23 | (b) To the | extent that any Int | ernet platform dis | plays advertisements tha | t are sold directly | |
| 2.24 | to advertisers | through another In | ternet platform, th | e other Internet platform | must also comply | |
| 2.25 | with the disc | losure obligations | required by parag | raph (a) that would other | wise be borne by | |
| 2.26 | the displayin | g platform. | | | | |
| 2.27 | <u>Subd. 5.</u> | Contents of repor | t. A report filed u | nder subdivision 3 must | contain: | |
| 2.28 | <u>(1) a digi</u> t | tal copy of each po | litical advertisem | ent; | | |
| 2.29 | (2) if the | advertisement was | disseminated by | broadcast or an Internet | platform, the | |
| 2.30 | identity of th | e broadcast station | or Internet platfo | rm on which the adverti | sement was | |
| 2.31 | disseminated to the extent that the cost to disseminate the advertisement during the calendar | | | | | |
| 2.32 | year exceeds | \$100; and | | | | |

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| 3.1 | <u>(3) inform</u> | nation describing: | | | | | |
| 3.2 | (i) the amount paid to disseminate the advertisement; | | | | | | |
| 3.3 | (ii) the dates on which the advertisement was sent, broadcast, displayed, or contracted | | | | | | |
| 3.4 | to be display | ed; | | | | | |
| 3.5 | (iii) the demographic or geographic audience, if any, targeted by the advertisement; | | | | | | |
| 3.6 | (iv) the number of people to whom the advertisement was disseminated directly or to | | | | | | |
| 3.7 | whom the advertisement is expected to be disseminated; | | | | | | |
| 3.8 | (v) the name of the candidate to whom the advertisement refers and the office to which | | | | | | |
| 3.9 | the candidate | is seeking election | n or the election t | to which the advertisemen | t refers, as | | |
| 3.10 | applicable; | | | | | | |
| 3.11 | (vi) the top three donors responsible for paying for the advertisement; | | | | | | |
| 3.12 | (vii) in th | e case of an advert | iser who is a can | didate, the name of the car | ndidate, the | | |
| 3.13 | authorized committee of the candidate, and the treasurer of such committee; | | | | | | |
| 3.14 | (viii) in the case of an advertiser who is a political committee, the name of the political | | | | | | |
| 3.15 | committee ar | nd the treasurer of s | such committee; | and | | | |
| 3.16 | <u>(ix) in the</u> | case of any advert | tiser not describe | d in item (vii) or (viii), the | e name of the | | |
| 3.17 | advertiser; th | e name, address, ar | nd phone number | r of a contact person for su | uch person; and | | |
| 3.18 | a list of the cl | nief executive offic | ers or members of | of the executive committee | e or of the board | | |
| 3.19 | of directors o | of such person. | | | | | |
| 3.20 | <u>Subd. 6.</u> | Γiming of reports. | (a) An advertiser | whose aggregate spendin | g to disseminate | | |
| 3.21 | political adve | rtisements during | the calendar year | exceed \$500 shall file a re | eport containing | | |
| 3.22 | the information required under this section within 48 hours of becoming obligated to | | | | | | |
| 3.23 | purchases that exceed that threshold. | | | | | | |
| 3.24 | (b) After | an advertiser files a | a report under pa | ragraph (a), the advertiser | shall file an | | |
| 3.25 | additional rep | oort within 48 hour | rs of each time th | e advertiser becomes obli | gated to make | | |
| 3.26 | purchases of | an additional \$500 | of political adve | ertisements. | | | |
| | | | | | | | |
| 3.27 | Sec. 2. Min | nesota Statutes 202 | 22, section 211B | .04, subdivision 1, is amer | nded to read: | | |
| 3.28 | Subdivisi | on 1. Campaign m | naterial. (a) A pe | rson who participates in th | ne preparation or | | |
| 3.29 | dissemination | n of campaign mate | erial other than as | provided in section 211B | .05, subdivision | | |
| 3.30 | 1, that does n | ot prominently clea | arly and conspice | iously include the name ar | nd address of the | | |

4.1 person or committee causing the material to be prepared or disseminated in a disclaimer
4.2 substantially in the form provided in paragraph (b) or (c) is guilty of a misdemeanor.

(b) Except in cases covered by paragraph (c), the required form of disclaimer is: "Prepared 4.3 and paid for by the (address)" for material prepared and paid for by 4.4 a principal campaign committee, or "Prepared and paid for by the committee, 4.5 (address)" for material prepared and paid for by a person or committee other than a principal 4.6 campaign committee. The address must be either the committee's mailing address or the 4.7 committee's website, if the website includes the committee's mailing address. If the material 4.8 is produced and disseminated without cost, the words "paid for" may be omitted from the 4.9 disclaimer. 4.10

4.11 (c) In the case of broadcast media, the required form of disclaimer is: "Paid for by the
4.12 committee." If the material is produced and broadcast without cost, the required form
4.13 of the disclaimer is: "The committee is responsible for the content of this message."

4.14 Sec. 3. Minnesota Statutes 2022, section 211B.04, subdivision 2, is amended to read:

Subd. 2. Independent expenditures. (a) The required form of the clear and conspicuous 4.15 4.16 disclaimer on a written independent expenditure is: "This is an independent expenditure prepared and paid for by (name of entity participating in the expenditure), (address). 4.17 It is not coordinated with or approved by any candidate nor is any candidate responsible 4.18 for it." The address must be either the entity's mailing address or the entity's website, if the 4.19 website includes the entity's mailing address. When a written independent expenditure is 4.20 produced and disseminated without cost, the words "and paid for" may be omitted from the 4.21 disclaimer. 4.22

(b) The required form of the clear and conspicuous disclaimer on a broadcast independent 4.23 expenditure is: "This independent expenditure is paid for by (name of entity participating 4.24 in the expenditure). It is not coordinated with or approved by any candidate nor is any 4.25 candidate responsible for it." When a broadcast independent expenditure is produced and 4.26 disseminated without cost, the following disclaimer may be used: "...... (name of entity 4.27 participating in the expenditure) is responsible for the contents of this independent 4.28 expenditure. It is not coordinated with or approved by any candidate nor is any candidate 4.29 responsible for it." 4.30

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| 5.1 | Sec. 4. Mit | nnesota Statutes 20 | 22, section 211B.0 |)4, is amended by adding | g a subdivision to |
| 5.2 | read: | | | | |
| 5.3 | Subd. 2a | Internet and digi | tal communicatio | ons. In the case of Interne | et-based or digital |
| 5.4 | campaign m | aterial distributed t | hrough a medium | in which the provision | of all of the |
| 5.5 | information | specified in this se | ction is not techno | logically possible, the c | ommunication |
| 5.6 | shall, in a cle | ear and conspicuou | s manner: (1) state | e the name of the person | who paid for the |
| 5.7 | communicat | ion; and (2) provid | e a means for the | recipient of the commur | nication to |
| 5.8 | immediately | obtain the remaind | er of the informatic | on required under this sec | tion with minimal |
| 5.9 | effort and w | ithout receiving or | viewing any addit | tional material other that | n the required |
| 5.10 | information. | | | | |
| | | | | | |
| 5.11 | Sec. 5. Min | nnesota Statutes 20 | 22, section 211B.0 |)4, is amended by adding | g a subdivision to |
| 5.12 | read: | | | | |
| 5.13 | Subd. 2b. | <u>Clear and conspi</u> | cuous display of d | lisclaimer. (a) For purpos | ses of this section, |
| 5.14 | a disclaimer | is not clear and co | nspicuous if it is d | ifficult to read or hear or | r if the placement |
| 5.15 | is easily ove | rlooked. | | | |
| 5.16 | (b) A dis | claimer is presume | ed to be made in a | clear and conspicuous n | nanner if the |
| 5.17 | <u> </u> | neets any of the app | | • | |
| 5.18 | (1) in the | e case of a text or g | raphic communica | ation, the disclaimer (i) a | nnears in letters |
| 5.19 | <u> </u> | | - | campaign material; (ii) is | |
| 5.20 | | | | e communication; and (i | |
| 5.20 | - | - | | background and the pri | |
| | | | | | |
| 5.22 | <u> </u> | | | e disclaimer is spoken in | • |
| 5.23 | | | eginning or end of | f the communications th | at lasts at least |
| 5.24 | four seconds | <u>.</u> | | | |
| 5.25 | (3) in the | case of a video co | mmunication that | also includes audio, the | disclaimer (i) is |
| 5.26 | included at e | either the beginning | g or the end of the | communication, and (ii) |) is made both in |
| 5.27 | a written for | mat that meets the | requirements of c | lause (1) and appears for | t at least four |
| 5.28 | seconds, and | l in an audible forn | nat that meets the | requirements of clause (| 2), provided that |
| 5.29 | in the case o | f a video communi | cation that is shor | ter than ten seconds, the | audible portion |
| 5.30 | of the disclar | imer may be omitte | ed; or | | |
| 5.31 | (4) in the | case of any other t | type of communication | ation, the statement is at | least as clear and |
| 5.32 | <u>conspicuous</u> | as the statement sp | pecified in clause | (1), (2), or (3). | |
| | | | | | |

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