

1.1 A bill for an act

1.2 relating to campaign finance; requiring additional disclosure in certain
1.3 circumstances; requiring a disclaimer on certain campaign materials; increasing
1.4 certain contribution and expenditure limits and amount to be designated by
1.5 certain taxpayers for payment to the state elections campaign fund; restoring an
1.6 allotment for political contribution refunds; amending Minnesota Statutes 2008,
1.7 sections 10A.20, subdivision 2, by adding a subdivision; 10A.25, subdivision 2;
1.8 10A.27, subdivision 1; 10A.31, subdivisions 1, 3; 211B.04.

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

1.10 Section 1. Minnesota Statutes 2008, section 10A.20, subdivision 2, is amended to read:

1.11 Subd. 2. **Time for filing.** (a) The reports must be filed with the board on ~~or before~~
1.12 ~~January 31 of a quarterly basis~~ each year on a schedule directed by the board, and
1.13 additional reports must be filed as required and in accordance with paragraphs (b) and (c).

1.14 (b) In each year in which the name of the candidate is on the ballot, the report of
1.15 the principal campaign committee must be filed 15 days before a primary and ten days
1.16 before a general election, seven days before a special primary and a special election,
1.17 and ten days after a special election cycle.

1.18 (c) In each general election year, a political committee, political fund, or party unit
1.19 must file reports 15 days before a primary and ten days before a general election.

1.20 **EFFECTIVE DATE.** This section is effective July 1, 2010, and applies to reports
1.21 filed on or after that date.

1.22 Sec. 2. Minnesota Statutes 2008, section 10A.20, is amended by adding a subdivision
1.23 to read:

2.1 Subd. 6c. **Independent expenditures.** (a) An individual, corporation, association,
2.2 political committee, political party unit, or political fund must file a report with the board
2.3 each time the individual, corporation, association, political committee, political party unit,
2.4 or political fund makes or contracts to make, at any time up to and including the 20th day
2.5 before an election, independent expenditures in an aggregate amount in excess of \$500.
2.6 Each report must be filed within 48 hours after initially making or contracting to make
2.7 such expenditures. The report must include the information required to be reported under
2.8 subdivision 3, paragraph (g), except that if the expenditure is reported at the time it is
2.9 contracted, the report must include the contract amount.

2.10 (b) An individual, political committee, political party unit, or political fund must
2.11 file a report with the board each time the individual, political committee, political party
2.12 unit, or political fund makes or contracts to make, between the 19th day and the last day
2.13 before an election, an independent expenditure in an aggregate amount in excess of \$100.
2.14 Each report must be filed within 24 hours after initially making or contracting to make
2.15 such expenditures. The report must include the information required to be reported under
2.16 subdivision 3, paragraph (g), except that if the expenditure is reported at the time it is
2.17 contracted, the report must include the contract amount.

2.18 **EFFECTIVE DATE.** This section is effective July 1, 2010, and applies to
2.19 independent expenditures made or contracted for on or after that date.

2.20 Sec. 3. Minnesota Statutes 2008, section 10A.25, subdivision 2, is amended to read:

2.21 Subd. 2. **Amounts.** (a) In a year in which an election is held for an office sought by
2.22 a candidate, the principal campaign committee of the candidate must not make campaign
2.23 expenditures nor permit approved expenditures to be made on behalf of the candidate that
2.24 result in aggregate expenditures in excess of the following:

2.25 (1) for governor and lieutenant governor, running together, ~~\$2,393,800~~ \$4,787,600;

2.26 (2) for attorney general, ~~\$399,000~~ \$798,000;

2.27 (3) for secretary of state and state auditor, separately, ~~\$199,500~~ \$399,000;

2.28 (4) for state senator, ~~\$59,900~~ \$119,800;

2.29 (5) for state representative, ~~\$31,400~~ \$62,800.

2.30 (b) In addition to the amount in paragraph (a), clause (1), a candidate for
2.31 endorsement for the office of lieutenant governor at the convention of a political party
2.32 may make campaign expenditures and approved expenditures of five percent of that
2.33 amount to seek endorsement.

3.1 (c) If a special election cycle occurs during a general election cycle, expenditures by
3.2 or on behalf of a candidate in the special election do not count as expenditures by or on
3.3 behalf of the candidate in the general election.

3.4 (d) The expenditure limits in this subdivision for an office are increased by ten
3.5 percent for a candidate who is running for that office for the first time and who has not run
3.6 previously for any other office whose territory now includes a population that is more than
3.7 one-third of the population in the territory of the new office.

3.8 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2010.

3.9 Sec. 4. Minnesota Statutes 2008, section 10A.27, subdivision 1, is amended to read:

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

3.14 (1) to candidates for governor and lieutenant governor running together, ~~\$2,000~~
3.15 \$4,000 in an election year for the office sought and ~~\$500~~ \$1,000 in other years;

3.16 (2) to a candidate for attorney general, ~~\$1,000~~ \$2,000 in an election year for the
3.17 office sought and ~~\$200~~ \$400 in other years;

3.18 (3) to a candidate for the office of secretary of state or state auditor, ~~\$500~~ \$1,000 in
3.19 an election year for the office sought and ~~\$100~~ \$200 in other years;

3.20 (4) to a candidate for state senator, ~~\$500~~ \$1,000 in an election year for the office
3.21 sought and ~~\$100~~ \$200 in other years; and

3.22 (5) to a candidate for state representative, ~~\$500~~ \$1,000 in an election year for the
3.23 office sought and ~~\$100~~ \$200 in the other year.

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

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

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

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

3.32 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2010.

3.33 Sec. 5. Minnesota Statutes 2008, section 10A.31, subdivision 1, is amended to read:

4.1 Subdivision 1. **Designation.** An individual resident of this state who files an income
4.2 tax return or a renter and homeowner property tax refund return with the commissioner of
4.3 revenue may designate on ~~their~~ the original return that ~~\$5~~ \$10 be paid from the general
4.4 fund of the state into the state elections campaign fund. If a husband and wife file a
4.5 joint return, each spouse may designate that ~~\$5~~ \$10 be paid. No individual is allowed to
4.6 designate ~~\$5~~ \$10 more than once in any year. The taxpayer may designate that the amount
4.7 be paid into the account of a political party or into the general account.

4.8 **EFFECTIVE DATE.** This section is effective beginning with income tax returns
4.9 for taxable years beginning after December 31, 2009, and property tax refund returns for
4.10 refunds based on taxes payable in 2011 and rent paid in 2010 and following years.

4.11 Sec. 6. Minnesota Statutes 2008, section 10A.31, subdivision 3, is amended to read:

4.12 Subd. 3. **Form.** The commissioner of revenue must provide on the first page of the
4.13 income tax form and the renter and homeowner property tax refund return a space for
4.14 the individual to indicate a wish to pay ~~\$5~~ \$10 (~~\$10~~ or \$20 if filing a joint return) from
4.15 the general fund of the state to finance election campaigns. The form must also contain
4.16 language prepared by the commissioner that permits the individual to direct the state to
4.17 pay the ~~\$5~~ \$10 (or ~~\$10~~ \$20 if filing a joint return) to: (1) one of the major political parties;
4.18 (2) any minor political party that qualifies under subdivision 3a; or (3) all qualifying
4.19 candidates as provided by subdivision 7. The renter and homeowner property tax refund
4.20 return must include instructions that the individual filing the return may designate ~~\$5~~ \$10
4.21 on the return only if the individual has not designated ~~\$5~~ \$10 on the income tax return.

4.22 **EFFECTIVE DATE.** This section is effective beginning with income tax returns
4.23 for taxable years beginning after December 31, 2009, and property tax refund returns for
4.24 refunds based on taxes payable in 2011 and rent paid in 2010 and following years.

4.25 Sec. 7. Minnesota Statutes 2008, section 211B.04, is amended to read:

4.26 **211B.04 CAMPAIGN LITERATURE MUST INCLUDE DISCLAIMER.**

4.27 Subdivision 1. **General requirement; definitions.** (a) A person who participates in
4.28 the preparation or dissemination of campaign material other than as provided in section
4.29 211B.05, subdivision 1, that does not prominently include the name and address of the
4.30 person or committee causing the material to be prepared or disseminated in a disclaimer
4.31 substantially in the form ~~provided in paragraph (b) or (c)~~ required by this section is guilty
4.32 of a misdemeanor.

S.F. No. 3293, as introduced - 86th Legislative Session (2009-2010) [10-5276]

5.1 ~~(b) Except in cases covered by paragraph (c), the required form of disclaimer is:~~
5.2 ~~"Prepared and paid for by the committee,(address)" for material prepared~~
5.3 ~~and paid for by a principal campaign committee, or "Prepared and paid for by the~~
5.4 ~~committee,(address), in support of(insert name of candidate or ballot~~
5.5 ~~question)" for material prepared and paid for by a person or committee other than a~~
5.6 ~~principal campaign committee.~~

5.7 ~~(c) In the case of broadcast media, the required form of disclaimer is: "Paid for by~~
5.8 ~~the committee."~~

5.9 ~~(d) Campaign material that is not circulated on behalf of a particular candidate~~
5.10 ~~or ballot question must also include in the disclaimer either that it is "in opposition~~
5.11 ~~to(insert name of candidate or ballot question.....)"; or that "this publication is not~~
5.12 ~~circulated on behalf of any candidate or ballot question."~~

5.13 (b) As used in this section, the following terms have the meanings given:

5.14 (1) "Association" has the meaning given in section 10A.01, subdivision 6.

5.15 (2) "Principal campaign committee" means a principal campaign committee formed
5.16 under section 10A.105, or a committee formed at the direction of a candidate who is
5.17 subject to reporting under chapter 211A.

5.18 (3) "Political fund" has the meaning given in section 10A.01, subdivision 28.

5.19 (4) "Political party unit" has the meaning given in section 10A.01, subdivision 30.

5.20 (5) "Political committee" has the meaning given in section 10A.01, subdivision 27.

5.21 Subd. 2. **Candidates; candidate's principal campaign committee.** The required
5.22 form of disclaimer for campaign material prepared or disseminated by a candidate or a
5.23 candidate's principal campaign committee on behalf of the candidate is: "Prepared and
5.24 paid for by the (name of candidate or committee), (address)." If the material is
5.25 prepared or disseminated by a principal campaign committee, the disclaimer must also
5.26 state: "..... (name of candidate) has approved the content of this material."

5.27 Subd. 3. **Political committees, political funds, and party units.** (a) The required
5.28 form of disclaimer for campaign material that advocates nomination, election, or defeat of
5.29 a candidate for office and is prepared or disseminated by a political fund, political party
5.30 unit, or a political committee that is not a candidate's principal campaign committee, is:
5.31 "..... (name of entity), (address) is responsible for the content of this material. This
5.32 material was created in (support of/opposition to) (name of candidate(s))."
5.33 If the campaign material constitutes an independent expenditure under section 10A.01,
5.34 subdivision 18, the disclaimer must also state: "This material is not authorized by any
5.35 candidate or candidate's committee."

6.1 Subd. 4. **Other committees.** The required form of disclaimer for campaign
6.2 material that advocates the nomination, election, or defeat of a candidate for office and is
6.3 prepared or disseminated by a committee that is not otherwise subject to the provisions
6.4 of subdivision 2 or 3 is: "..... (name of entity), (address) is responsible for
6.5 the content of this material. This material was created in (support of/opposition
6.6 to) (name of candidate(s)). This material is not authorized by any candidate or
6.7 candidate's committee."

6.8 Subd. 5 **Ballot question campaigns.** The required form of disclaimer for campaign
6.9 material that is designed to promote or defeat a ballot question, when the material is
6.10 prepared or disseminated by a principal campaign committee, political committee,
6.11 political fund, political party unit, corporation, or association, is: "..... (name of entity),
6.12 (address) is responsible for the content of this material. This material was created
6.13 in (support of/opposition to) (name of ballot question)."

6.14 Subd. 6. **Exceptions.** ~~(e)~~ (a) This section does not apply to objects stating only ~~the~~
6.15 a candidate's name and the office sought, fund-raising tickets, or personal letters that
6.16 are clearly being sent by ~~the~~ a candidate.

6.17 ~~(f)~~ (b) This section does not apply to an individual ~~or association~~ who acts
6.18 independently of any candidate, candidate's committee, political committee, ~~or~~ political
6.19 fund, ~~corporation, or association,~~ and spends only from the individual's ~~or association's~~
6.20 own resources a sum that is less than ~~\$500~~ \$5,000 in the aggregate to produce or distribute
6.21 campaign material ~~that is distributed at least seven days before the election to which the~~
6.22 ~~campaign material relates~~ that does not violate section 211B.06.

6.23 ~~(g)~~ (c) This section does not modify or repeal section 211B.06.

6.24 **EFFECTIVE DATE.** This section is effective June 1, 2010, and applies to
6.25 campaign material prepared or disseminated on or after that date.

6.26 Sec. 8. **POLITICAL CONTRIBUTION REFUND.**

6.27 The allotments for the political contribution refund program under Minnesota
6.28 Statutes, section 290.06, subdivision 23, for fiscal years 2010 and 2011, are restored,
6.29 notwithstanding the actions of the commissioner of management and budget under
6.30 Minnesota Statutes, section 16A.152, reducing the allotments. The commissioner of
6.31 revenue shall pay all claims for the refund as required by law. The authority under
6.32 Minnesota Statutes, section 16A.152, subdivision 4, to reduce allotments does not apply
6.33 to funds appropriated by law for purposes of the political contribution refund program
6.34 for fiscal years 2010 and 2011.

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- 7.1 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009, and
- 7.2 applies to all claims for refunds filed for contributions made on or after that date.