

Subd. 5. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic conditions. This disadvantage may arise from cultural, social or economic circumstances, or background, physical location if the person resides or is employed in an area designated a labor surplus area by the United States department of commerce, or other similar cause. It includes racial minorities, women, or persons who have suffered a substantial physical disability.

Sec. 4. Minnesota Statutes 1978, Section 16.085, is amended to read:

16.085 **RULES.** The commissioner of administration shall promulgate by rule standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of sections 16.081 to 16.086. The procedure for determination of eligibility may include self-certification by a business, provided that the commissioner retains the ability to verify a self-certification. The commissioner shall promulgate other rules as may be necessary to carry out the duties set forth in sections 16.081 to 16.086. The commissioner may make rules which exclude or limit the participation of non-manufacturing business, including third-party lessors, jobbers, manufacturers, representatives and others from eligibility under this act.

Sec. 5. Minnesota Statutes 1978, Section 16.082, Subdivisions 2, 3, 4 and 5 are repealed.

Sec. 6. **EFFECTIVE DATE.** Sections 1 to 4 are effective on October 1, 1980. *

Approved March 18, 1980

* See the amendment to section 6 in Laws 1980, Chapter 618, Section 9.

CHAPTER 362—S.F.No. 1010

An act relating to elections; regulating the financing of political campaigns and disclosure of economic interests by certain candidates and elected officials in Hennepin County; imposing duties on the ethical practices board, county election officials and city clerks; superseding other special laws, home rule charters and local ordinances; imposing late filing fees and criminal penalties; repealing Laws 1977, Chapter 131.

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

Section 1. **CAMPAIGN FINANCING, DISCLOSURE OF ECONOMIC INTERESTS; HENNEPIN COUNTY AND CERTAIN OTHER ELECTIONS.** Sections 1 to 18 apply to the financing of campaigns for county elections in Hennepin County and for city elections in home rule charter cities and statutory cities located wholly within Hennepin County and having a population of 75,000

Changes or additions indicated by underline deletions by ~~strikeout~~

or more, and to disclosure of economic interests by candidates and elected public officials of those jurisdictions. The provisions of Minnesota Statutes, Sections 210A.22 to 210A.33 do not apply to the financing of campaigns for elections subject to the provisions of sections 1 to 18.

Sec. 2. **DEFINITIONS.** Subdivision 1. For the purposes of sections 1 to 18, the terms defined in this section have the meanings given them. The terms defined in Minnesota Statutes, Chapter 200, also apply to sections 1 to 18, unless a different meaning is specified in this section.

Subd. 2. "Advance of credit" means any money owed for goods provided or services rendered. An advance of credit is an expenditure in the year in which the goods or services are used or consumed. "Advance of credit" does not mean "loan" as defined in subdivision 12.

Subd. 3. "Association" means a business, corporation, firm, partnership, committee, labor organization, club, or any other group of two or more persons, which includes more than an immediate family, acting in concert.

Subd. 4. "Business with which he is associated" means any association in connection with which the individual is compensated in excess of \$50 except for actual and reasonable expenses in any month as a director, officer, owner, member, partner, employer or employee, or is a holder of securities worth \$2,500 or more at fair market value.

Subd. 5. "Candidate" means an individual, not within the definition of candidate of Minnesota Statutes, Section 10A.01, Subdivision 5, who seeks nomination or election to any county office in Hennepin County or to any city office in any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more.

Subd. 6. "City" means any statutory or home rule charter city wholly within Hennepin County and having a population of 75,000 or more.

Subd. 7. "Contribution" means a transfer of funds or a donation in kind.

"Contribution" includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, if that loan or advance of credit is (a) forgiven, or (b) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made.

"Contribution" does not include services provided without compensation by an individual volunteering his time on behalf of a candidate, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 8. "Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the outcome of an election.

Subd. 9. "Election" means any election held to nominate or elect any candidate or to decide any question on a county ballot in Hennepin County or on the ballot of any home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more.

Subd. 10. "Expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the outcome of any election. "Expenditure" does not include services provided without compensation by an individual volunteering his time on behalf of a candidate, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 11. "Filing officer" means the official responsible under law for administration of the election laws for Hennepin County.

Subd. 12. "Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.

Subd. 13. "Political committee" means any political party, association or person other than an individual that seeks as its major purpose to influence the outcome of any election.

Subd. 14. "Political fund" means any accumulation of dues or voluntary contributions by an association other than a political committee, which accumulation is collected or expended for the purpose of influencing the outcome of any election.

Subd. 15. "Population" means population as determined by the most recent federal census.

Subd. 16. "*Principal campaign committee*" means the single political committee designated by a candidate.

Subd. 17. "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the outcome of any election.

Sec. 3. POLITICAL COMMITTEES; HENNEPIN COUNTY AND CERTAIN OTHER ELECTIONS. Subdivision 1. **OFFICERS.** Every political committee shall have a chairman and a treasurer, who may be the same individual. The treasurer may designate deputy treasurers and shall be responsible for their accounts. The treasurer shall designate a single depository and account for all contributions received by the political committee.

Subd. 2. **PROHIBITIONS; ACCEPTANCE OF CERTAIN CONTRIBUTIONS; COMMINGLING OF FUNDS.** No contribution shall be accepted and no expenditure shall be made by or on behalf of a political committee while the office of treasurer is vacant. No anonymous contribution in excess of \$20 shall be retained by the political committee but shall be forwarded to the state ethical practices board and deposited in the general fund. No funds of the political committee shall be commingled with the personal funds of any officer, member or

associate of the committee. Any individual who violates a provision of this subdivision is guilty of a misdemeanor.

Sec. 4. **POLITICAL FUNDS.** Subdivision 1. **WHEN REQUIRED.** No association other than a political committee shall transfer more than \$100 in aggregate in any one year to candidates or political committees or make any expenditure unless the transfer or expenditure is made from a political fund.

Subd. 2. **TREASURER; COMMINGLING OF FUNDS; ANONYMOUS CONTRIBUTIONS.** Each association which has a political fund shall elect or appoint a treasurer of the political fund. No contributions to the political fund shall be accepted and no expenditures from the fund shall be made while the office of treasurer is vacant. The contents of the political fund shall not be commingled with any other funds or with the personal funds of any officer or member of the fund. No anonymous contribution in excess of \$20 shall be retained by the political fund but shall be forwarded to the state ethical practices board and deposited in the general fund.

Subd. 3. **USE OF DUES AND MEMBERSHIP FEES.** Notwithstanding subdivision 1, the association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. The treasurer of the fund, in any report required by section 9, shall disclose the name of any member whose dues, membership fees and contributions deposited in the political fund in any one year exceed \$50 in the aggregate.

Subd. 4. **PENALTY.** Any person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 5. **PRINCIPAL CAMPAIGN COMMITTEE.** Every candidate who receives contributions or makes expenditures in excess of \$100 shall designate and cause to be formed a single political committee which shall be known as the candidate's principal campaign committee. The candidate shall make expenditures only through his principal campaign committee. The candidate may be the chairman and treasurer of his principal campaign committee.

Sec. 6. **REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.** Subdivision 1. **FILING OFFICE; DEADLINE.** Every political committee, political fund and principal campaign committee shall register with the filing officer within 14 days after the date by which the committee or fund has received contributions or made expenditures in excess of \$100.

Subd. 2. **STATEMENT REQUIRED.** A political committee or fund registers by filing a statement of organization that includes:

- (a) The name and address of the political committee or fund;
- (b) The name and address of the chairman, the treasurer, and any deputy treasurers;
- (c) The name and address of the depository used by the committee or fund;

(d) The name and address of any supporting association of a political fund; and

(e) A statement as to whether the committee is a principal campaign committee.

The statement of organization shall be filed by the treasurer of the political committee, political fund or principal campaign committee.

Sec. 7. ACCOUNTS WHICH MUST BE KEPT. Subdivision 1. **CONTRIBUTIONS; EXPENDITURES; TRANSFERS.** The treasurer of any political committee, political fund or principal campaign committee shall keep an account of:

(a) The sum of all contributions, except any donation in kind valued at \$20 or less, made to the political committee or fund;

(b) The name and address of each source of a transfer or donation in kind in excess of \$20, together with the date and amount;

(c) Each expenditure made by or on behalf of the committee together with the date and amount; and

(d) The name and address of each political committee or fund to which transfers in excess of \$20 have been made, together with the date and amount.

Subd. 2. **AUTHORIZATION OF EXPENDITURES; RECEIPTS.** Each expenditure by a political committee, political fund or principal campaign committee shall be authorized by the treasurer. The treasurer may authorize not more than \$20 per week as petty cash for miscellaneous expenditures. The treasurer shall obtain a receipted bill stating the particulars for every expenditure of more than \$100 made by or on behalf of the political committee or fund, and for any expenditure of a lesser amount if the aggregate amount of lesser expenditures to the same individual or association during a year exceeds \$100.

Sec. 8. CAMPAIGN REPORTS. Subdivision 1. **COMMITTEES REQUIRED TO REPORT; DEADLINES.** The treasurer of any political committee, political fund or principal campaign committee required to register pursuant to section 6 shall also file campaign reports with the filing officer. Campaign reports shall be filed ten days before any regular primary or regular election. The treasurer of a principal campaign committee shall file additional reports ten days before a special primary or other special election and 30 days after a special election. The reports shall cover the period from the last day of the previous reporting period to seven days before the filing date. An additional campaign report shall be filed by all treasurers on January 31 of each year covering the period from the last day of the previous reporting period to December 31 of the preceding calendar year.

Subd. 2. **CONTENT OF REPORTS.** Each campaign report required under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, committee or political fund that made transfers or donations in kind to the political committee in an aggregate amount or value in excess of \$50, together with the amount and date;

(c) The sum of all contributions made to the political committee or political fund;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. A loan made to a political committee or political fund which is forgiven or is repaid by an entity other than that political committee or fund shall be reported as a contribution;

(e) The sum of all receipts, including all contributions and loans, during the reporting period;

(f) The name and address of each person to whom aggregate expenditures have been made by or on behalf of the political committee or fund within the year in excess of \$100, the amount, date and purpose of each expenditure and the ballot question or the name and address of the candidate supported or opposed by the expenditure;

(g) The sum of all expenditures made by the political committee or fund;

(h) The amount and nature of any advance of credit incurred by the political committee or fund continuously reported until paid or forgiven. An advance of credit incurred by a political committee or fund which is forgiven or is paid by an entity other than that political committee or fund shall be reported as a donation in kind;

(i) The name and address of each political committee or fund to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(j) The sum of all transfers made to political committees or funds; and

(k) The sum of all disbursements not made to influence the outcome of an election.

Subd. 3. Expenditures by a political party as defined in Minnesota Statutes, Section 200.02, Subdivision 7, or a substate unit of such a party, for the preparation, display and distribution of an official party sample ballot containing the names of three or more individuals whose names are to appear on the ballot shall not be considered contributions or expenditures on behalf of any candidate.

Subd. 4. **TERMINATION REPORTS.** A political committee or political fund may dissolve upon filing of a termination report indicating that the

committee or fund has settled all of its debts and disposed of all assets in excess of \$100. The termination report shall include all information required in a periodic campaign report.

Sec. 9. EXPENDITURES BY INDIVIDUALS. Subdivision 1. **REPORTS.** Except as provided in subdivision 2, any individual who makes expenditures in an aggregate amount of \$100 or more in any year, which expenditures are not required to be reported by any political committee or fund as contributions to that political committee or fund, shall file campaign reports in the form required by section 8 with respect to those expenditures.

Subd. 2. **EXCEPTION; INDEPENDENT EXPENDITURES.** An individual shall not be required to report any expenditure which is made without the cooperation or express or implied consent of any candidate, political committee or agent of a candidate or political committee, unless the expenditure expressly advocates the election or defeat of a clearly identified candidate or the approval or rejection of a clearly identified county or city ballot question at any election.

Sec. 10. ADDITIONAL INFORMATION TO BE DISCLOSED. Subdivision 1. **EARMARKED CONTRIBUTIONS.** Any individual, political committee or political fund that receives a contribution from any person or association in an aggregate in excess of \$50 with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient and in any report required by section 8, the original source of the contribution, the fact that it was earmarked and the candidate to whom it is directed. The ultimate recipient of any earmarked contribution shall also disclose the original source and the individual, political committee or political fund through which it was directed. Any individual, political committee or political fund that knowingly accepts earmarked funds and fails to make the disclosure required by this subdivision is guilty of a misdemeanor.

Subd. 2. **BILLS WHEN RENDERED AND PAID.** Every person who has a bill, charge or claim against any political committee or political fund for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. Failure to present the bill, charge or claim as required by this subdivision is a petty misdemeanor.

Sec. 11. CIRCUMVENTION PROHIBITED. Any person who attempts to circumvent disclosure of the source or amount of contributions or expenditures by redirecting funds through or contributing funds on behalf of another person is guilty of a misdemeanor.

Sec. 12. ECONOMIC REPRISALS PROHIBITED. No individual or association shall engage in economic reprisals or threaten loss of employment or physical coercion against any individual or association because of the political contributions or political activity of that individual or association. This subdivision does not apply to compensation for employment or loss of employment when the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment. Any individual or association that violates this subdivision is guilty of a misdemeanor.

Changes or additions indicated by underline deletions by ~~strikeout~~

Sec. 13. ECONOMIC INTEREST DISCLOSURE. Subdivision 1. OFFICIALS REQUIRED TO FILE; DEADLINES. Every candidate for county office, every elected official of Hennepin County, every candidate for office and every elected official of a home rule charter city or statutory city located wholly within Hennepin County and having a population of 75,000 or more shall file statements of economic interest as required by this section with the filing officer. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected officials of Hennepin County and of a home rule charter city or statutory city located wholly in Hennepin County and having a population of 75,000 or more who are in office on the effective date of this act shall file an original statement of economic interest 60 days after forms for disclosure are provided to the filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which he remains a candidate or elected official.

Subd. 2. CONTENT OF STATEMENT. An individual required to file a statement of economic interest shall disclose:

(a) His name, address, occupation and principal place of business;

(b) *The name of each business with which he is associated and the nature of that association;* and

(c) A listing of all real property within the state, excluding homestead property, in which he holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property or (ii) an option to buy, which property has a fair market value of \$50,000 or more;

(d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if his share of the partnership interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property or (ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(e) In supplementary statements only, the amount of each honorarium in excess of \$50 received since the last statement, together with the name and address of the source.

Any listing under clause (c) or (d) shall indicate the street address and the municipality or the section, township range and approximate acreage, whichever applies, and the county wherein the property is located.

Sec. 14. REPORTS AND STATEMENTS; REQUIREMENTS. Subdivision 1. CERTIFICATION. A report or statement required by sections 6 to 14 shall be signed and certified as true by the individual required to file the report. Any individual who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a gross misdemeanor.

Subd. 2. The filing officer shall promptly transmit to the appropriate city clerk a copy of each statement and report filed by a candidate for city office, a political committee or fund that discloses contributions or expenditures to influence a city or an elected city official. The filing officer and each city clerk shall retain the statements, reports and copies and make them available for public inspection for a period of five years after the date of receipt by the filing officer.

Subd. 3. **CHANGES AND CORRECTIONS.** Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the filing officer within ten days following the date of the event prompting the change or the date upon which the individual filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any individual who willfully fails to report a material change or correction is guilty of a misdemeanor.

Subd. 4. **RECORD KEEPING.** Each individual required to file any report or statement or to keep any account pursuant to sections 6 to 14 shall maintain and preserve for four years the records, including any vouchers, cancelled checks, bills, invoices, worksheets and receipts, that will provide in sufficient detail the necessary information from which the accounts and the filed reports and statements may be verified, explained, clarified and checked for accuracy and completeness.

Subd. 5. **PENALTIES.** The filing officer shall notify by certified mail or personal service any individual who fails to file a statement or report required by sections 6 to 14. Except for any campaign report of a principal campaign committee due before an election, if an individual fails to file any statement or report within seven days after receiving a notice, the filing officer may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. If a treasurer of a principal campaign committee fails to file a campaign report due before an election within three days of the date due, regardless of whether the treasurer has received any notice, the filing officer may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The filing officer shall further notify by certified mail or personal service any individual who fails to file any statement or report within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file the statement or report. An individual who knowingly fails to file the statement or report within seven days after receiving a second notice from the filing officer is guilty of a misdemeanor. A filing officer who violates any provision of this subdivision is guilty of a misdemeanor.

Subd. 6. **RECOVERY OF LATE FILING FEES.** A filing officer may bring an action in the Hennepin County municipal court to recover any late filing fee imposed pursuant to subdivision 5. All money recovered shall be deposited in the general fund of Hennepin County.

Subd. 7. **REPORTS OF VIOLATIONS.** If any individual other than a county official or candidate for county office fails to file the required statement or

report within seven days after a second notice as provided in subdivision 5, the filing officer shall inform the Hennepin County attorney that a second notice was sent and that the individual failed to file the required statement or report. If a county official or candidate fails to file a report or statement after a second notice as provided in subdivision 5, the filing officer shall notify the attorney general.

Subd. 8. Any deputy, clerk, employee or other subordinate of a filing officer who has knowledge or reason to believe that a violation of sections 1 to 17 has occurred, shall immediately transmit a report of his knowledge or belief to that filing officer, together with any evidence of the violation coming into his possession. Any filing officer who has knowledge or reason to believe that a violation of sections 1 to 18 has occurred shall immediately transmit a report of his knowledge or belief to the county attorney of the county in which the violation is thought to have occurred, together with any evidence of the violation coming into his possession. The filing officer shall also immediately send a copy of the report to the ethical practices board. A violation of this subdivision is a misdemeanor.

Sec. 15. **DUTIES OF ETHICAL PRACTICES BOARD; FILING OFFICERS.** Subdivision 1. The state ethical practices board shall:

(a) Develop forms for all statements and reports required to be filed under sections 6 to 14 and furnish the forms to the county filing officer in Hennepin County;

(b) Issue and publish advisory opinions concerning the requirements of sections 1 to 18 upon application in writing by the filing officer or any individual or association who wishes to use the opinion to guide his or its own conduct; and

(c) Exempt any individual or association required to disclose information under sections 6 to 10 from any requirement of those sections in the same manner as it exempts any individual or association from disclosure requirements under Minnesota Statutes, Chapter 10A. An individual or association exempted from the disclosure provisions of Minnesota Statutes, Chapter 10A, shall also be exempt from the disclosure provisions of sections 6 to 10.

Subd. 2. The filing officer shall furnish sufficient copies of the forms provided by the ethical practices board to all officers with whom candidates file affidavits or applications of candidacy and nominating petitions.

Subd. 3. An officer who receives affidavits or applications of candidacy or nominating petitions shall mail or deliver a copy of each form required to be filed by a candidate to each candidate who files an affidavit, application or petition with that officer or for whom a write-in vote is cast on the ballot of that jurisdiction. Any officer who fails to carry out the duties imposed by this subdivision is guilty of a misdemeanor.

Sec. 16. **PENALTIES.** Except as expressly provided to the contrary in sections 1 to 15, a violation of sections 1 to 15 is not a crime.

Sec. 17. **PROSECUTION OF VIOLATIONS.** Except as otherwise provided in this section, a violation of a criminal provision of sections 1 to 16 shall be pros-

ecuted by the Hennepin County attorney in the Hennepin County municipal court. A violation by a county official or candidate shall be prosecuted by the attorney general in the district court of Ramsey County.

Sec. 18. LOCAL ORDINANCES AND CHARTERS SUPERSEDED. Except as provided in this section, sections 1 to 17 supersede the provisions of any ordinance or resolution of a jurisdiction governed by sections 1 to 18 or any existing special law or home rule charter provision requiring disclosure of information related to the financing of election campaigns or requiring disclosure of economic interests by candidates and elected officials of that jurisdiction. The governing body of Hennepin County, and the governing body of any home rule charter city or statutory city located wholly in Hennepin County may adopt or continue in force ordinances or resolutions that:

(a) Impose limits on the amount that any individual or association may contribute to any candidate for elected office in that jurisdiction;

(b) Require disclosure of economic interests in addition to those required to be disclosed under section 13; or

(c) Require other public officials of that jurisdiction to make such disclosure. Any home rule charter city that adopts a charter provision modifying or superseding any provision of sections 1 to 17 shall file a copy of the charter provision with the ethical practices board within 60 days of its adoption.

Sec. 19. APPLICATION. Sections 1 to 18 apply to the county of Hennepin.

Sec. 20. REPEALER. Laws 1977, Chapter 131, is repealed.

Sec. 21. EFFECTIVE DATE. This act is effective the day following its final enactment but shall apply only to elections as defined in section 2 for which the filing period opens on or after July 1, 1980.

Approved March 18, 1980

CHAPTER 363—S.F.No. 1215

An act relating to public safety; prohibiting scuba or skin diving during certain hours and under certain conditions; amending Minnesota Statutes 1978, Section 361.085.

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

Section 1. Minnesota Statutes 1978, Section 361.085, is amended to read:

361.085 SCUBA DIVING; FLAGS REQUIRED. Subdivision 1. All persons who swim in any waters of the state, except in legally designated swimming areas, pursuant to Minnesota Statutes 1974, Section 361.08, while wearing or carrying any apparatus, except a snorkel not attached to any artificial container of oxygen,

Changes or additions indicated by underline deletions by ~~strikeout~~