Senate Counsel, Research, and Fiscal Analysis

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S.F. No. 1362 – Elections Policy Omnibus (As Amended by the A-8 Amendment)

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Article 1 – Campaign Finance

Article 1 includes various campaign finance policy provisions, including provisions on definitional changes, lobbyist and principal reporting, statements of economic interest, use of virtual currency, noncampaign disbursements, and electioneering communications. For purposes of this article, "Board" means the Campaign Finance and Public Disclosure Board. This article includes provisions from S.F. 66, S.F. 1508, S.F. 1580, S.F. 1943, S.F. 2051, S.F. 2107, S.F. 2121, and S.F. 2732.

Section 1 [Associated business] amends the definition of "associated business" to include the individual's spouse. Associated business also means a lobbyist, principal, or interested person who pays an individual more than \$250 in any month for providing services as an independent contractor or consultant. Defines "interested person."

Section 2 [Designated lobbyist] defines "designated lobbyist" as a lobbyist responsible for reporting lobbying disbursements and activities of the entity represented by the lobbyist.

Section 3 [General lobbying category] defines "general lobbying category" as an area of interest that a lobbyist is lobbying on for an entity. The Board maintains a list of categories.

Section 4 [Legislative action] defines "legislative action" as specified activities that are part of the legislative process.

Section 5 [Lobbyist] amends the definition of "lobbyist" by increasing the spending threshold from \$250 to \$3000 and specifies that it is the individual's personal funds.

Section 6 [Noncampaign disbursement] amends the definition of "noncampaign disbursement" to include costs to support the candidate's participation in a recount and costs to repair or replace lost or damaged campaign property. Specifies that security expenses must be for detection-related security monitoring.

Section 7 [Official action of metropolitan governmental units] defines "official action of metropolitan governmental units" as certain activities performed by elected local officials or metropolitan governmental units.

Section 8 [Political party unit or party unit] in the A-1 amendment amends the definition of "political party unit" or "party unit" for purposes of campaign finance laws. Strikes specific types of party organizations within various levels of government and inserts a reference to party organizations designated by the political party chair.

Section 9 [Specific subjects of interest] defines "specific subjects of interest" as a particular topic of lobbying within a general lobbying category.

Section 10 [Virtual currency] defines "virtual currency" as digital currency which is only available in an electronic form.

Section 11 [Investigation authority; complaint process] specifies that the deadline for the board to act on a written complaint includes issuing a probable cause determination, entering into a conciliation agreement, or issuing public findings.

Section 12 [Changes and corrections] specifies that when the board requests that a lobbyist provide more detailed information about a specific subject of interest disclosed on a disbursement report, it is treated as a change or correction. This means that the additional information must be reported in a timely manner and there is a penalty for willfully failing to report the change or correction.

Section 13 [Form] amends the lobbyist registration form to include the lobbying categories that the lobbyist expects to lobby on behalf of a client.

Section 14 [General lobbying categories and specific subjects of interest] requires the Board to maintain a list of general lobbying categories and specific subjects of interest. The Board must publish the list on its website.

Section 15 [Information to a lobbyist] amends the requirement about providing information to a lobbyist for purposes of reporting to refer to an entity or lobbyist instead of an employer or employee.

Section 16 [Content] amends the contents required in a lobbyist report. A lobbyist is required to report pm general lobbying categories and specific subjects of interest for each entity represented by the lobbyist and every state agency and metropolitan governmental unit that the lobbyist lobbied on behalf of an entity. The requirement to report on the lobbyist's total disbursements is stricken. This section is effective January 1, 2024.

Section 17 [Principal reports] amends the contents of a principal report. Requires principals to report total amounts spent by the principal. Some portions of the section are reorganized. Modifies the types of expenses that must be reported. The principal must report disbursements made over \$2,000 for paid advertising urging the public to contact elected officials to influence official actions. This section is effective January 1, 2024.

Section 18 [Reporting by multiple lobbyists representing the same entity] specifies that an entity represented by multiple lobbyists may only have one designated lobbyist at a time.

Section 19 [Form; general requirements] amends the requirements for a statement of economic interest. Except as otherwise provided, a statement of economic interest must include information for the person's spouse. The person must also include on the statement information on certain contracts, professional licenses, leases, or franchises held or entered into by the person or the person's spouse.

Section 20 [Form; exceptions for certain officials] specifies that soil and water conservation district supervisors, watershed management district managers, and watershed management organization members, are required to provide more limited information than other public officials.

Section 21 [Permitted disbursements] authorizes independent expenditure political committees and funds and ballot question political committees and funds to make disbursements for electioneering communications. This section is effective January 1, 2024.

Section 22 [Penalty] includes ballot question political committees and ballot question political funds in the subdivision that provides penalties for improper independent expenditures.

Section 23 [Registration number on checks] adds a reference to local candidates in the subdivision that requires contributions to include the contributor's registration number.

Section 24 [Virtual currency contribution] regulates contributions in virtual currency. A principal campaign committee, political committee, political fund, or party unit may accept an in-kind donation of virtual currency. The value of the donation is the fair market value at the time of the donation. The virtual currency must be converted to U.S. currency within five business days.

Section 25 [Local election reports] specifies that the required pre-primary report is required regardless of whether the candidate or issue appears on the primary ballot.

Section 26 [Pre-election reports] specifies that loans or contributions required to be reported to the board must be reported by the end of the next business day (instead of within 24 hours). This section is effective January 1, 2024.

Section 27 [Electioneering communications; definitions] provides definitions relating to electioneering communication. This section is effective January 1, 2024.

Section 28 [Electioneering communication; reporting requirements] requires any person who has made an electioneering communication totaling more than \$10,000 during a calendar year to file a statement with the board. The content of the report is specified, including thresholds for when individual must be identified. A person who makes an electioneering communication or accepts donations for the purpose of making electioneering communications must maintain the records necessary to comply with this section. This section is effective January 1, 2024.

Section 29 [Voluntary inactive status; political funds] amends the section of law on voluntary inactive status for political funds to include disbursements for electioneering communications. This section is effective January 1, 2024.

Section 30 [Independent expenditures and electioneering communications] prohibits a candidate's principal campaign committee from making disbursements for electioneering communications. This section is effective January 1, 2024.

Section 31 [Notice to contributors] amends notice requirements for when political committees, political funds, political party units, or principal campaign committees sell goods or services as a fundraiser. For goods or services sold in person, the seller must verbally notify customers that the proceeds are a political contribution and to whom the contribution is made. A notice must also appear in writing within three feet of the point of sale. If goods or services are sold online, the notice must be prominently displayed on the page where payment information is entered.

Section 32 [Contributions during legislative session] prohibits legislative and statewide candidates from soliciting contributions for political parties from lobbyists, political committees, political funds, and associations not registered with the board. Prohibits additional types of contributions related to attending events or membership or access to a facility. This section is effective the day following final enactment.

Section 33 [Party and party unit solicitations] prohibits political parties from soliciting or receiving contributions at an event hosted by a candidate. Prohibits political parties and party units from using the images of candidates to promote the attendance of a candidate at an event to solicit contributions during session. This section is effective the day following final enactment.

Section 34 [Exceptions] eliminates the specific party unit requirement in the section on what is not considered a contribution to a candidate. Provides that expenditures for a booth at a community event that benefits three or more candidates is not a contribution to or expenditure on behalf of the candidates and must not be allocated to candidates.

Section 35 [Captioning of campaign advertisement] authorizes the Board to impose a civil penalty of up to \$1000 for a candidate who fails to comply with the requirements to provide captions of a campaign advertisement.

Section 36 [Repealer] repeals Minnesota Rules, part 4511.0600, subp. 5 (definition of specific disbursement categories) and Minnesota Rules, part 4511.0100, subp. 1a (definition of designated lobbyist).

Article 2 – Elections

Article 2 includes various election policy provisions, including provisions on student voting, absentee voting, election day voting, electronic voting systems, required notice to voters, activities near polling places, the national popular vote agreement among the states, and prohibiting certain contributions during the legislative session. This article includes provisions from S.F. 285, S.F. 516, S.F. 538, S.F. 611, S.F. 749, S.F. 1191, S.F. 1193, S.F. 1361, S.F. 1362, S.F. 1434, S.F. 1463, S.F. 1515, S.F. 2051.

Section 1 [Voting by program participant; absentee ballot] allows the secretary of state to prepare a ballot and mail it to a participant in the Safe at Home address confidentiality program.

Section 2 [Residential housing list] requires all postsecondary institutions that enroll students accepting state financial aid to prepare a list of students that reside in the institution's housing or in

the city in which the campus is situated, if available. The lists must include the student's address, unless the student is enrolled in the Safe at Home address confidentiality program.

Section 3 [Prior to election day] allows the secretary of state to provide a feature for online voter registration that allows third parties to connect application programming interfaces that assist in individual's submitting voter registration applications.

Section 4 [Election day registration] amends the definition of "residential facility" to include assisted living facilities, residential treatment program facilities, and adult foster care program facilities. This is for purposes of election day registration.

Section 5 [Additional proofs of residence permitted for students] allows an eligible voter to prove residency by presenting a current photo ID issued by a postsecondary educational institution if the voter's name, ID number (if available), and address also appear on the residential housing list. The institution must certify the lists to the county auditor. If the institution fails to do so, students are not permitted to use this method to prove residency.

Section 6 [School district assistance] replaces "resides" with "maintains residence."

Section 7 [Moved within state] replaces "resides" with "maintains residence."

Section 8 [Entry of registration information] specifies that when the county auditor sends a notice of incomplete registration to a voter, the auditor must change the voter's status to "challenged" (instead of "incomplete"). Makes a conforming change to refer to clearing the challenge.

Section 9 [Use of change of address system] replaces "resided" with "maintained residence."

Section 10 [Commissioner of corrections report] strikes the requirement for the court administrator to report to the secretary of state on individuals who have been convicted of a felony. Amends the commissioner of correction's report to the secretary of state to require information only on individuals who are incarcerated for felony sentences.

Section 11 [Reports; restoration of right to vote] strikes the requirements for the state court administrator to report on individuals previously convicted of a felony whose civil rights have been restored. Amends the commissioner of corrections report to only include individuals who are incarcerated for a felony and have been released from incarceration.

Section 12 [Forms] requires certain postsecondary institutions to provide voter registration applications at specified times. The institutions must report to the secretary of state on voter registrations. The secretary of state must report this data to the legislature. Replaces "reside" with "maintains residence."

Section 13 [Voter information] requires certain postsecondary institutions to provide specified information about voting to students.

Section 14 [Challenges] amends the law on challenging voter eligibility prior to election day. Establishes a process for making the challenge, provides for a hearing, and allows for the appeal of a decision.

Section 15 [Technology requirements] allows a voter to electronically sign a voter registration application or voter signature certificate on an electronic roster (often called an e-poll book). The application or certificate must be printed at the polling place. Replaces "resides" with "maintains residence."

Section 16 [Preference ballot for governor] specifies that the requirement to distribute a preference ballot for governors at a caucus only applies in years when the governor is on the ballot.

Section 17 [Delivery of envelopes, directions] makes a technical change in describing an absentee ballot envelope.

Section 18 [Design of envelopes] makes a technical change in describing an absentee ballot envelope.

Section 19 [Eligibility certificate] makes a technical change in describing an absentee ballot envelope.

Section 20 [Marking and return by voter] extends the deadline for an agent to return an absentee ballot from 3 p.m. to 8 p.m. on election day.

Section 21 [Procedures on receipt of ballot] provides that all absentee ballots received after 8 p.m. on election day must be marked late. Strikes language referencing the 3 p.m. deadline that was stricken in a previous section.

Section 22 [Generally] requires election judges to deliver absentee ballots to veterans homes in the same manner as they are delivered to health care facilities. A municipality may choose to have election judges deliver absentee ballots to battered women shelters or assisted living facilities.

Section 23 [Thirty days before an election] increases the time period from 20 to 30 days before the election for delivering absentee ballots to voters in the facilities described the previous section.

Section 24 [Agent delivery of ballots] extends the deadline for agent returns of absentee ballots. Voters who have difficulty getting to the polls may designate an agent before 8 p.m. on election day (instead of 2 p.m. as allowed by current law). The agent must deliver the ballot by 8 p.m. (instead of 3 p.m. allowed by current law).

Section 25 [Duties of ballot board; absentee ballots] makes a technical change in describing an absentee ballot envelope.

Section 26 [Record of voting] strikes the provision that said that the record of a voter whose absentee ballot was received after the close of business on the 7th business day before the election is not required to be marked on the roster or included in the supplemental report of absentee voters. This section is effective the day following final enactment.

Section 27 [Indefinite residence outside United States] replaces "resided" with "maintained residence."

Section 28 [Form] makes a technical change in describing an absentee ballot envelope.

Section 29 [Back of signature envelope] makes a technical change in describing an absentee ballot envelope.

Section 30 [Duties] makes a technical change in describing an absentee ballot envelope.

Section 31 [Check of voter eligibility; proper execution of certificate] makes a technical change in describing an absentee ballot envelope.

Section 32 [Transmission of ballots under certain circumstances] allows emergency responders or utility workers who are deployed during the absentee voting period and voters with print disabilities to request a ballot to be delivered to the voter electronically. The voter must print the ballot and eligibility certificate and return it to the county auditor.

Section 33 [Form of affidavit] amends the affidavit of candidacy to strike the various exceptions to the prohibition on filing for more than one office. The stricken language was moved to a later section.

Section 34 [Address, electronic mail address, and telephone number] provides that a candidate is not required to provide an email address on an affidavit of candidacy if the candidate does not have an email address.

Section 35 [State and local offices] specifies that on an affidavit of candidacy for a judge, the candidate must state that the candidate will not turn 70 before the term starts. Replaces "resided" with "maintained residence."

Section 36 [Multiple affidavits of candidacy] specifies the situations in which a person may file for more than one office.

Section 37 [Candidates in state and county general elections] replaces "resides" with "maintains residence."

Section 38 [Candidates for federal office] specifies that the vacancy in nomination in partisan offices section of law does not apply to federal offices.

Section 39 [Separate precincts; combined polling places] requires the county auditor to notify the secretary of state when polling places are combined or when combined polling places are separated.

Section 40 [Authority; location] requires local governments to pass an ordinance or resolution establishing polling places only if there are changes from the previous year. Otherwise, the designations from the previous year continue in effect.

Section 41 [Trainee election judges] allows a high school student who is a trainee election judge to continue serving after graduation until the student turns 18. Replaces "resides" with "maintains residence."

Section 42 [Appointing authority; powers and duties] replaces "reside" with "maintain residence."

Section 43 [Allocation of election expenses] includes a cross-reference to the required published notice to voters. This section is effective December 31 or upon the secretary of state's approval of the notice, whichever is earlier.

Section 44 [Electronic voting systems] allows jurisdictions to use voting systems that prepare blank paper ballots to be marked using a touch screen. The ballot may be a different size than other ballots.

Section 45 [Right to be absent] allows employees to be absent from work to vote during the absentee voting period.

Section 46 [Restrictions on conduct] provides that challengers in the polling place must not converse with voters. Strikes the allowance for challengers to speak to voters about eligibility to vote.

Section 47 [Physical assistance in marking ballots] allows a candidate to assist a voter in marking a ballot. Eliminates the cap on the number of voters a person may assist in filling out ballots.

Section 48 [Information requirements] requires summary statements to include the number of voters who used an electronic voting system that creates a marked paper ballot, the number of election judges that worked in the precinct on election day, and the number of voting booths in that precinct.

Section 49 [County auditor] states if the sealed envelopes containing ballots are opened pursuant to court order or statute, the auditor must re-seal the envelope and sign them.

Section 50 [State canvass] requires the State Canvassing Board to declare the candidate duly elected who received the highest number of votes.

Section 51 [Challenged ballot] allows a canvassing board to direct a recount official to make images of challenged ballots available to the public.

Section 52 [Manner of correction] amends the process for what occurs when a county canvassing board determines there was an obvious error made. The county canvassing board must instruct the county auditor to ask the court for an order determining whether an obvious error was made. Under current law, candidates are notified and they have the option to ask the court for an order.

Section 53 [State and county nonpartisan primary ballot] requires city and school district offices to be placed on the state and county nonpartisan primary ballot.

Section 54 [Sample ballot] requires the county auditor to publish the required notice to voters.

Section 55 [Order of candidates for president and vice president] specifies that the current practice of determining candidate order on the general election ballot only applies to candidates for president and vice president. (The current practice places candidates on the ballot based on the number of votes the party received at the last state general election.) Other candidates for president and vice president are placed below the major party candidates and the order is determined by drawing lots.

Section 56 [Rotation of names; other partisan offices] provides that all partisan candidates, except president and vice president, are rotated on the state general election ballot so that each candidate appears roughly the same number of times in each position on the ballot for that office.

Section 57 [Nominees by petition; political party or principles] strikes language relating to placing the names of candidates nominated by petition for partisan office on the state general election. This is replicated in an earlier section as it applies to candidates for president and vice president. Other partisan candidates nominated by petition are governed by the previous section.

Section 58 [Sample general election ballots; posting; publication] requires the secretary of state, in collaboration with stakeholders, to design the required published notice to voters. This section is effective December 31 or upon the secretary of state's approval of the notice, whichever is earlier.

Section 59 [Special election when legislature will be in session] amends the timing for a legislative vacancy when the vacancy occurs between the last day of session in an odd-numbered year and the 54th day before the opening day of session in the following even-numbered year. This date is two weeks earlier than current law. The prohibition on special elections four days before or after a holiday is stricken.

Sections 60 [Notice of special election] and **61 [Time of filing]** make timeline changes to conform to the previous section.

Section 62 [Form] references the requirements for the required published notice to voters. This section is effective December 31 or upon the secretary of state's approval of the notice, whichever is earlier.

Section 63 [Nominating petition; cities of the first class] replaces "resides" with "maintains residence."

Section 64 [Sample ballot, publication] references the requirements for the published notice to voters. This section is effective December 31 or upon the secretary of state's approval of the notice, whichever is earlier.

Section 65 [Other municipalities] requires municipal clerks to notify the secretary of state when polling place hours are changed for municipal elections.

Section 66 [Other school districts] requires the school district clerk to notify the secretary of state when polling place hours are changed for school district elections.

Section 67 [School district canvassing board] replaces "reside" with "maintain residence."

Section 68 [Board elections] replaces "resides" with "maintains residence."

Section 69 [Municipalities] requires municipalities to continue to use electronic voting systems once they have started using them.

Section 70 [Counties] requires counties to continue to use electronic voting systems once they have started using them.

Section 71 [Official responsible for providing ballots] requires precincts that use electronic voting systems that create marked paper ballots to also allow voters to use a regularly printed optical scan ballot.

Section 72 [Electronic voting systems] allows the use of electronic voting systems that create a marked paper ballot. The ballot must include specified information. Using multiple ballot formats in a jurisdiction is not a violation of the voter's right to vote in secret.

Section 73 [Testing of voting systems] requires the election official to conduct the public accuracy testing of voting equipment at least 3 days before the equipment is used.

Section 74 [Cast vote records] specifies that textual data from automatic tabulating equipment is public with some specific exceptions.

Section 75 [Ballots in precincts with multiple styles of voting system] provides for recounts and post-election reviews in precincts that use electronic voting systems that create a marked paper ballot. If there were fewer than 10 voters who used the system, election judges from that precinct are not eligible to participate in the recount or postelection review of that precinct.

Section 76 [Counting write-in votes] specifies that write-in votes will only be counted if the corresponding vote target is filled in.

Section 77 [Conducting presidential nomination primary] specifies that an eligible voter who is enrolled in the Safe at Home address confidentiality program is permitted to vote in the presidential nominating primary.

Section 78 [Reimbursable local expenses] references the requirements for the published notice to voters. This section is effective December 31 or upon the secretary of state's approval of the notice, whichever is earlier.

Section 79 [State canvassing board] makes a conforming change. If the national popular vote agreement becomes effective, the State Canvassing Board is required to abide by the requirements of the compact.

Section 80 [Agreement among the states to elect the president by national popular vote] is the agreement among the states to elect the president by national popular vote. Provides the process for selecting presidential electors if the agreement becomes effective.

Section 81 [Conflict of laws] provides that when the national popular vote agreement is in effect, the agreement supersedes any conflicting state law.

Section 82 [Notice filed with court] replaces "resides" with "maintains residence."

Section 83 [Permitted activity; political party] corrects a cross-reference.

Section 84 [Prohibition] requires candidates who are admitted to a multiunit residential facility to be able to knock on doors and speak with residents in the building.

Section 85 [Vacancies] replaces "resided" with "maintained residence."

Section 86 [Candidates; ballots, certifying election] replaces "resides" with "maintains residence."

Section 87 [Repealer] repeals Minn. Stat. 202A.16 (governing who may participate in a caucus).