

House Research Act Summary

CHAPTER: 156

SESSION: 2005 Regular Session

TOPIC: State Government Finance

Date: June 7, 2005

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Article 1: State Government Appropriations

For a summary of appropriations, see the fiscal analyst spreadsheet:

<http://www.house.leg.state.mn.us/fiscal/files/states05.pdf>

- 1** **State government appropriations.** Summarizes appropriations by fund.
- 2** **Legislature.** Provides that during the biennium ending June 30, 2007 revenues received by the House from sponsorship notices in broadcast or print media are appropriated to the

House. Requires that during the biennium, the LCC study and report to the legislature on specified matters relating to the economic status of women. Requires the LCC to coordinate efforts to provide wireless Internet services in the Capitol and the State Office Building.

3 **Governor and Lieutenant Governor.** Requires the commissioner of finance to report on personnel costs supported by appropriations to other agencies.

4 **State Auditor.**

5 **Attorney General.**

6 **Secretary of State.**

7 **Campaign Finance and Public Disclosure Board.**

8 **State Board of Investment.**

9 **Office of Enterprise Technology.**

10 **Office of Administrative Hearings.**

11 **Administration.**

12 **Capitol Area Architectural and Planning Board.**

13 **Finance.**

14 **Employee Relations.**

15 **Revenue.** Requires reporting of specified performance indicators.

16 **Military Affairs.**

17 **Veterans Affairs.**

18 **Gambling Control Board.**

19 **Racing Commission.**

20 **State Lottery.**

21 **Tort claims.**

22 **Minnesota State Retirement System.**

23 **Minneapolis Employees Retirement Fund.**

24 **Minneapolis Teachers Retirement Fund.**

25 **St. Paul Teachers Retirement Fund.**

26 **Amateur Sports Commission.**

27 **Council on Black Minnesotans.**

28 **Council on Chicano-Latino Affairs.**

29 **Council on Asian-Pacific Minnesotans.**

30 **Indian Affairs Council.**

31 **General Contingent Accounts.**

32 **Racing commission appropriation.** Makes a supplemental appropriation to the Racing Commission, to defray costs associated with a new class A license. Specifies limits on use of this money.

33 **Public safety.**

Article 2: State Government Operations

1 **Statewide voter registration system.** Authorizes the Secretary of State to sell intellectual property rights associated with the statewide voter registration systems to other states or units of local government in other states.

2 **Reports to the legislature.** Provides that State Auditor reports to the legislature must be made by filing copies with the secretary of senate, chief clerk of the house, and legislative reference library, as is the case for other reports to the legislature.

3 **State mandates.** Provides that units of local government may file written resolutions with the state auditor objecting to state mandates or making recommendations for reform of mandates. Requires the auditor's web site to list mandates cited under this section and the name of the unit citing the mandate.

Rule and law waiver requests.

Subd. 1. Generally. Establishes a process for one or more local governments to request a waiver or exemption from a state law or rule procedural requirement governing local government service delivery. Provides that this process does not apply to school districts seeking variances under another statute. Requires that a local government follow the process for exemptions from administrative rules and have been denied before using this process.

Subd. 2. Application. Requires a written application and specifies contents. Requires a copy of the application be given to the exclusive bargaining representative of the employees affected by the waiver or exemption requested.

Subd. 3. Review Process. Requires dismissal of the application if granting it would violate the state or federal constitution, violate federal law, or result in loss of services to people entitled to those services.

Requires the state auditor to determine if the law from which an exemption is sought is procedural and not substantive. Lists considerations in making this determination.

Provides for the Metropolitan Council to review and comment on applications made in the metropolitan area.

Requires notice to affected state agencies, or if none to the attorney general. Agencies have 60 days to object or are deemed to agree with the waiver or exemption. State auditor must decide in 60 days.

Subd. 4. Hearing. Provides for the state auditor to hold a hearing if an agency or the exclusive representative of affected employees object to the waiver or exemption request.

Subd. 5. Conditions of agreements. Lists factors that should be considered in deciding whether to grant a waiver or exemption request. Requires an agreement between the state auditor and the local government if the waiver or exemption is granted that provides for the delivery of the service or program, including the means by which success will be measured, the duration of the waiver or exemption (not less than two years or more than four years, subject to renewal).

Requires a report to appropriate legislative committees.

Subd. 6. Enforcement. Permits the state auditor to rescind the agreement if the local government fails to comply with the terms of the agreement.

Subd. 7. Access to data. Provides that data retains its classification, notwithstanding access to it by other local governments under an agreement authorized by this section.

Private attorneys. Provides that before entering into a contract for legal services over \$1 million, the Attorney General must submit the proposed contract to the Legislative Advisory Commission and wait 20 days for a possible recommendation from the Commission.

6 Public website and publications. Provides that the purpose of public websites and publications is to provide information about the duties and jurisdiction of public agencies and to facilitate access to public services and information. Specifies information that may and may not be included on public websites. Allows public entities to adopt stricter standards. This section is effective for state agencies on July 1, 2005 and for political subdivision on July 1, 2006.

7 Investment data. Designates as “nonpublic” financial, business, or proprietary data maintained by the State Board of Investment (SBI) in connection with its venture capital, real estate, and resource investments.

Defines “financial, business, or proprietary” to mean information (i) of a financial or proprietary nature; and (ii) if released, would cause competitive harm to the SBI or the entity the SBI is investing in or has considered investing in.

Specifies SBI data in connection with these investments that is public, even if considered financial, business, or proprietary: the name and industry group classification of the investment entity; the SBI commitment amount and the funded amount of that commitment; the market value of the investment; the internal rate of return; and the age of the investment in years.

8 Cross-reference. Adds a subdivision to the data practices chapter of Minnesota Statutes, referencing the data classification in the prior section of this bill.

9 Legislative approval required.

Subd. 1. Cost. Requires a state agency proposing rules to determine if the initial year’s cost of complying with proposed rules will exceed \$25,000 for any one business that has less than 50 full-time employees or any one city that has less than ten full-time employees.

Subd. 2. ALJ review. Requires an administrative law judge to review and approve the agency determination made in subdivision 1.

Subd. 3. Legislative approval. If it is determined that the cost of the rules exceeds a threshold in subdivision 1, a business or city subject to subdivision 1 may provide that the rules do not take effect with respect to that city or business until the rules are approved by a law enacted after the agency determination.

Subd. 4. Exceptions. Specifies that legislative approval requirements do not apply: (a) if the legislature has appropriated money sufficient to fund the expected cost of the rule upon the business or city proposed to be regulated; (b) if the rule has been proposed pursuant to a specific federal mandate; (c) if the rule is adopted under the “good cause” exemption from rulemaking, or under a law specifying that chapter 14 rulemaking does not apply; (d) to Public Utilities Commission rules; or (e) if the governor waives application of the requirement for legislative approval (the governor’s waiver can occur either before or after the rule would take effect but for the requirement of legislative approval.)

Subd. 5. Severability. Provides that if part of a rule exceeds a threshold in subdivision 1, but a severable part of the rule does not, the severable part that does not exceed the threshold can take effect without legislative approval.

- 10** **Deadline to complete rulemaking.** Under current law, an agency must complete rulemaking within 180 days after the administrative law judge issues a report on the rules. This section provides that the 180-day limit does not include days during which the rule cannot be adopted because legislative approval is required.
- 11** **Public employee purchase of surplus vehicle.** Allows a public employee to purchase one surplus state vehicle at any one auction, instead of being limited to buying one vehicle in any 12-month period.
- 12** **Public safety officers; American flag.** Provides that public employers may not forbid peace officers or firefighters from wearing a patch or pin depicting the flag of the United States on the employees uniform, according to customary and standard flag etiquette. Specifies enforcement mechanism.
- 13** **Report on expenditure increases.** Requires the commissioner of finance to report by January 10 of each odd-numbered year on programs for which expenditures are projected to increase more than 15 percent. Requires the report to include an analysis of the factors causing the increases.
- 14** **Statewide systems appropriation.** Current law appropriates money transferred to the statewide systems account to the commissioner of finance to pay for the statewide systems. This section strikes language providing that the money is only to pay for services during the biennium in which it is appropriated.
- 15** **Litigation proceeds.** Provides that the law requiring deposit of certain litigation proceeds in the general fund does not apply to recoveries or settlements of less than \$750,000. The sunset of this section of law is repealed in a later section of this bill.
- 16** **Additional revenues.** Amends the section of law dealing with commissioner of finance forecasts of an unrestricted budgetary general fund balance. Current law provides for allocating the amount necessary to increase the aid payment schedule to school districts to not more than 90 percent. This section provides that amount must be rounded to the nearest tenth of a percent, without exceeding the amount available. Current law provides that that appropriations under this section must be made “any transfer is made under section 16A.1522”. This section amends the language so that appropriations under this section must be made before “section 16A.1522 takes effect”.
- 17** **Forecast.** Strikes language that applied between 1998 and 2001 relating to proceeds from the tobacco settlement.
- 18** **Legislative carryforward.** Provides that legislative carryforward funds can be used for any session activity, not just special session.
- 19** **Transfer of real property.** Provides that notwithstanding any law to the contrary, real property purchased with state money may not be transferred for less than the appraised value or the fair market value. Does not apply to state departments, MnSCU, the University of Minnesota or political subdivisions.
- 20** **Designer selection board.** Provides that if there is a tie vote, the member who otherwise is a nonvoting member must vote for the selection of the primary designer.
- 21** **Cost-benefit analysis.** Provides that the Commissioner of Administration or other executive agency official may not approve a contract or purchase of more than \$50 million unless a cost-benefit analysis has been completed and shows a positive benefit to the public. Requires the management analysis division of the Department of Administration to perform or direct performance of the analysis. If a cost-benefit analysis does not show a positive benefit to the public, allows the Governor to approve a contract or purchase if a cost-effectiveness study shows the project is the most effective way to provide a necessary public good. This section applies to goods or services expected to have a useful life of more than three years. The section does not apply to purchases in response to a natural disaster if the Governor has declared an emergency. This section is sunset July 1, 2008.

- 22 **Reverse auction.** Strikes authority to use a reverse auction process to acquire engineering design services.
- 23 **Energy forward pricing.** Authorizes the Commissioner of Administration to use forward pricing mechanism transaction to purchase energy (other than electricity) for state facilities.
- 24 **Guaranteed savings agreement.** Amends current law under which the state may enter into guaranteed energy savings contracts.

Subd. 1. Definitions. Re-writes several definitions, including “utility cost savings”, and “operation and maintenance cost savings”. Adds new definitions of “baseline” and “inflation adjustment”.

Subd. 2. Agreements. Extends the maximum terms of a guaranteed energy savings agreement from ten to 15 years. Provides that this limit is measured from date of final installation. Provides that the cost of the engineering report may be considered part of implementation costs.

Subd. 3. Lease purchase agreement. Extends the maximum length of a lease purchase agreement in accordance with a guaranteed energy savings agreement from ten to 15 years, measured from date of final installation.

Subd. 4. Capitol costs avoidance. Changes terms to refer to the term “guaranteed energy savings agreement” that is used throughout this section.

Subd. 5. Report. Changes terms to refer to the term “guaranteed energy savings agreement” that is used throughout this section.

Subd. 6. Strikes the current provision stating that contracts may not be entered into under this section after June 30, 2007.

- 25 **Small business procurement.** Requires the Commissioner of Administration to solicit and encourage small businesses to submit responses or bids when the commissioner is entering into master contracts. Provides that when cost-effective, the Commissioner must attempt to negotiate contract terms that allow agencies the option of purchasing from small businesses, particularly those proximate to the entity making the purchase.
- 26 **Surplus property.** Allows the Commissioner of Administration to sell a surplus gun used by a state trooper to the trooper.
- 27 **Construction contracts.** Increases from \$15,000 to \$25,000 the threshold for soliciting bids on state construction contracts. Specifies requirements that apply to contracts over \$50,000.
- 28 **Construction contracts.** Provides that informal bids may be used for state building, construction, and repair contracts estimated at less than \$50,000.
- 29 **Contracts.** Specifies methods for dealing with alterations and erasures on bids for state construction and building contracts.
- 30 **Support our troops.** Provides for the commissioner of public safety to issue “Support our Troops” license plates. The cost would include a \$10 fee for DPS handling and manufacturing costs, plus a minimum \$30 donation to the Support Our Troops Account.
- 31 **Support our Troops Account.** Establishes the account to consist of private contributions and any state appropriations that may be made. Provides that money in the account may be used for grants to eligible individuals, eligible foundations, and veterans’ services. (See sections of article 1 appropriating money to the Department of Military Affairs and the

Department of Veterans Affairs from this account.)

- 32 **Amateur Sports.** Provides that property tax exemption for amateur sports facilities property does not apply to land leased to others by the Amateur Sports Commission.
- 33 **Amateur Sports.** Requires the Amateur Sports Commission to report to the legislature on the commission's finances, including lease revenue.
- 34 **IRRRB.** Authorizes a targeted early separation program for IRRRB employees who are at least 60 years old and have at least five years of MSRS service credit or have at least 30 years of MSRS service credit. Provides that the incentive program may include cash, insurance, or both. This section and the next section expire June 30, 2006.
- 35 **IRRRB.** Provides that implementation of the prior section is not an unfair labor practice,
- 36 **Lottery expenses.** Provides that maximum amount credited to lottery operations account is nine rather than 15 percent of gross lottery revenue.
- 37 **Notary application.** Authorizes Secretary of State to prepare notary application form and request specified information.
- 38 **Travel.** Provides that units of local government (other than towns) must adopt polities on out-of-state travel.
- 39 **Salary data.** Requires a city or county with a population over 15,000 to annually notify residents of the positions and base salaries of its three highest-paid employees. This may be done on a website, in a publication, or as part of truth-in-taxation notices.
- 40 **Recorded documents.** Allows counties that participated in an electronic recording pilot project to continue to record or file documents electronically under specified conditions.
- 41 **ERER task force.** Creates a 17-member task force on electronic real estate recording, to continue work of a prior group. Specifies membership and duties and provides for 2008 expiration.
- 42 **Recorded documents.** Similar to section 40.
- 43 **National sports center.** Amends section of the 2005 bonding bill to require the Amateur Sports Commission to submit proposed leases to legislative committee chairs for review, and to limit to \$300,000 per year, the amount of lease payments appropriated to the Commission.
- 44 **Building lease.** Authorizes the Commissioner of Administration, without approval of the state executive council, to enter into a lease of up to ten years with a private tenant for use of the state-owned building at 168 Aurora Avenue in St. Paul.
- 45 **Sale of state land.** Requires sale of at least \$6.4 million of state-owned land by June 30, 2007, and requires deposit of proceeds in the general fund. Requires the Governor to reduce executive agency operating budgets if deposits in the general fund do not meet the target specified in this section.
- 46 **Ford building.** Provides that the Ford Building may not be demolished during the biennium ending June 30, 2007. Requires the Commissioner of Administration to study and report to the legislature on potential uses for the building.
- 47 **State Health Care Purchasing Authority.** Authorizes DOER, in consultation with other commissioners to enter into interagency agreements regarding formation of the Minnesota Health Care Purchasing Authority, for the purpose of implementing a unified strategy and joint purchasing of health care services for the state. Specifies principles, purchasing and coverage guidelines, and provides for definition of a secure benefit set.
- 48 **Training services.** During the biennium ending June 30, 2007, encourages state agencies to consider using services provided by the Government Training Services before contracting with other outside vendors for similar services.
- 49 **Study of water and sewer billing.** Establishes a working group to study issues relating to collection of delinquent water and sewer bills from owners, lessees and occupants of rental property. Requires a report to the legislature by January 15, 2006.

- 50 **Portraits.** Requires the CAAPB, in consultation with the Historical Society, to request the Smithsonian Institution to extend the loan period for the portraits of Julia Finch Gilbert and Cass Gilbert.
- 51 **Coya Knutson memorials.** Requires the Commissioner of Administration to establish a memorial in the Capitol honoring Coya Knutson.
- 52 **Repealers.**

- 3.9222: Council on Economic Status of Women
- 16A.151, subdivision 5: Sunset of law governing deposit of litigation proceeds
- 16A.30: Executive agency may not apply for nonstate funds without getting approval of the Commissioner of Finance on the original of the application
- 16B.52: State publications
- 471.68, subd. 3 (local govt publications; effective 7/1/06)

Article 3: Public Employment

- 1 **Contracts.** In the law governing the state employee group insurance plan (SEGIP), strikes references to specific types of carriers (health insurance carriers, nonprofit health service plan corporations, and health maintenance organization). Instead, provides generally that DOER may enter into contracts with parties that the commissioner believes are best qualified to provide services.
- 2 **Postretirement option.**

Subd. 1. Definition. Defines “state employee” as a person occupying a civil service position in the executive branch, the Minnesota State Retirement System (MSRS), the Office of Legislative Auditor, or a person employed by the Metropolitan Council.

Subd. 2. Eligibility. This section applies to a state or Metropolitan Council employee who: (1) has worked at least 1044 hours in a position covered by an MSRS or PERA pension plan for each of the five years immediately preceding termination; (2) terminates state or Metropolitan Council service; (3) at the time of termination is old enough to receive an unreduced retirement annuity and satisfies requirements for commencing payments; and (4) agrees to accept a postretirement option position with the state or council, working a reduced schedule that is at least 25 percent less than the employee’s prior schedule and is not more than half-time.

Subd. 3. Positions unclassified. Provides that post-retirement positions under this section are in the unclassified service.

Subd. 4. No annuity reduction. Under current law, a state employee who retires and begins to receive a state pension and who returns to state employment has their annuity suspended after reaching a specified earning level (Current law provides that the amount of the suspended annuity is put in a special deferred account that the employee can access after leaving state service). This section provides that the

annuity suspension would not apply to people who return to work under the provisions of this section.

Subd. 5. Appointing authority discretion. Provides that the appointing authority has sole discretion to determine if the postretirement option in this section is available to an employee. Forbids the employer from requiring an employee to waive rights under a collective bargaining agreement or compensation plan as a condition of participation.

Subd. 6. Initial option period. Provides that employment under this section shall be for an initial period of up to one year. The appointing authority has sole discretion to renew or terminate the agreement at the end of the initial period. The option may be renewed for periods of up to one year, not to exceed a total duration of five years for a person.

Subd. 7. Copy to fund. Requires an appointing authority to give the pension fund a copy of an agreement under this section.

Subd. 8. No future service credit. Provides that a person employed under this section does not earn MSRS or PERA service credit for that employment.

Subd. 9. Insurance. Requires the employer to make an insurance contribution on behalf of an employee under this section who is not receiving any other state-paid employer insurance contribution. The amount is the percent worked in the postretirement position (hours scheduled to be worked divided by 2088) times 1.5 the full employer contribution for employee-only health and dental coverage. Requires the employer to contribute that amount to a health reimbursement arrangement.

Subd. 10. No subsequent pension credit. Provides that a person employed under this section who later is employed by the state or Metropolitan Council outside of this section may not earn further MSRS or PERA service credit.

3 Voluntary hour reduction plan. Authorizes state employers to enter into agreements with state employees to work a reduced schedule, but continue to make contribution to the applicable pension plan as if the employee were not working a reduced schedule. The employer would continue to make the incremental employer contribution under these agreements. This section applies to work through June 30, 2007.

4 Voluntary unpaid leave of absence. Authorizes state appointing authorities to allow each employee to take unpaid leaves of absence for up to 1040 hours during the biennium ending June 30, 2007. Employees taking unpaid leave under this section: continue to accrue vacation and sick leave; are eligible for paid holidays and insurance benefits; accrue seniority, and may accrue pension credit by making specified payments (the employee is responsible for making these payments, but the employer may agree to pay the employer contributions). Participation under this section is at the discretion of the appointing authority, but the appointing authority must attempt to grant requests consistent with agency needs.

5 Labor agreements and compensation plans. Ratifies state employee labor agreements, compensation plans and salaries covering AFSCME unit 8 (correctional guards), the Minnesota Law Enforcement Association (troopers, game wardens, BCA agents), the Higher Education Services Office, the Inter Faculty Organization (state university faculty),

and the Minnesota Nurses Association. Ratifies salary increases for the executive directors of the Teachers Retirement Association, the Minnesota State Retirement System, and the Public Employees Retirement Association (These three salaries were increased from \$95,640 to \$99, 950).

Article 4: Military and Veterans

- 1 Authorizing rental of facilities at Camp Ripley.** Any proceeds from rental would be directed toward operation and maintenance of the camp.
- 2 Authorizing increased pay for retired military ordered to active military service.** The Adjutant General is authorized to pay retired military members who voluntary accept temporary reinstatement in or employment by the Guard at a rate higher than their pay grade upon retiring. Current law limits the compensation level to the person's pay grade at the time of retirement.
- 3 and 9 Clarifying vacation and sick leave accrual for public employees ordered to active military service.** Using language from a WWII era interpretation by the Attorney General, the bill clarifies that for a state or local public employee who is ordered to active military service, vacation and sick leave from the public employer accrues from the day the person's military leave commences until the day the person returns to the former public employment. This benefit applies only for public employees who are reinstated in their former positions of public employment, or in comparable positions..
- 4 Extending time frame for using National Guard tuition reimbursement grant program.** For a current or former National Guard member who has served in federal active service or federally funded state active service, other than for strictly training purposes or certain full-time administrative positions, the time frame for using the Guard's tuition reimbursement benefits is extended by two years plus the amount of time the person has served in such active military service.

The time frame for using the benefit is extended by eight years for any National Guard member who has been separated or discharged with a service-connected disability.

All of these authorizations are subject to the tuition reimbursement program's current limit of 144 semester credit hours of support.
- 5-7 Armory boards.** Clarifying that eligibility for appointment to armory boards includes warrant officers and enlisted personnel, in addition to officers.
- 8 County veteran service office grant program.** Authorizes the commissioner of veterans affairs to use any unexpended funds from this technical assistance program for the training and education of county veteran service officers (CVSOs). .
- 10 Military buy-back.** Extends sunset date on purchase of prior military service from public pension funds to May 16, 2007.
- 11 Memorial plaque authorized to honor Gulf War veterans.** Authorizes placement of a plaque in the Court of Honor on the Capitol Grounds in honor of Gulf War veterans. Funding must be provided by nonstate sources. Design is subject to approval by the CAAP Board and the commissioner of veterans affairs.
- 12 Veterans preference.** Repeals the prohibition of veterans preference in state and local government hiring for retired military personnel.

Article 5: Office of Enterprise Technology

Overview

Article 5 makes the Office of Enterprise Technology (OT) an independent agency, instead of an office within the Department of Administration. The office will be under the direction of the state Chief Information Officer (CIO), who will be appointed by the Governor. Certain duties of the new office are stronger than those assigned to the former office. Various coordination and planning duties previously assigned to the commissioner of administration are transferred to the OT. Transfers operations of state telecommunications systems, state information infrastructure, and electronic conduct of state business from the commissioner of administration to OT.

Article 6: Elections and Campaign Finance

This article contains changes in various provisions of campaign finance and disclosure law, and changes in election administration law.

- 1 **Associated business.** Amends 10A.01, subd. 5 to add corporations, partnerships, limited liability companies, limited liability partnerships, or other organized business entities to the definition of associated business for the Campaign Finance and Public Disclosure law.
- 2 **Noncampaign disbursement** Adds new items to be treated as noncampaign disbursements: costs of preparing and distributing a suggestion or idea solicitation to constituents; payment for food and beverage consumed by a candidate while campaigning; payment for food and beverage consumed while attending a meeting or reception related to legislative duties; and payment for funeral gifts or memorials.
- 3 **Electronic filing.** Amends §10A.025 to add a new subdivision. Allows electronic filing of reports required under chapter 10A.
- 4 **Exception.** Amends the momento exception to the legislative gift ban. Changes “of insignificant value” to “costing \$5 or less.”
- 5 **Representation disclosure.** Amends §10A.08, which requires a public official who represents a client in a chapter 14 hearing to file a disclosure under chapter 10A. Adds the same late notice penalties that were adopted a few years ago for other reports required under chapter 10A.
- 6 **Preelection reports.** Amends §10A.20, subd. 5, to provide the option of electronic reporting for contributions received after the preelection report is filed.
- 7 **Contribution limits.** Amends §10A.27, subd. 1. Adds lobbyists and party units to the current list of entities prohibited from making a contribution that a candidate is prohibited from receiving.
- 8 **Exceeding contribution limits.** Amends §10A.28, subd. 2. Adds lobbyists and party units to the current list of entities that are subject to a civil penalty for violating contribution limits.
- 9 **Appropriation.** Reduces the standing appropriation to the state elections campaign fund from \$1.5 million to \$1.25 million.
- 10 **Allocation.** Amends the allocation of the check-off money to the party account. Provides the lesser of ten percent or \$50,000 goes to the state committee of a party. Any excess is allocated to the party’s legislative candidates.

- 11 **Major political party.** Amends §200.02, subd. 7. Adds a new way of qualifying as a major party: run candidates for all constitutional offices, four congressional offices, 23 senate seats, and 46 house seats.

Specifies when a party must submit a petition to the secretary of state to get on the state primary ballot: by the time filings close for the state primary. Clarifies how long a party retains major party status: for at least two state general elections. Provides that if a party does not get the required minimum vote by either the first or second general election after the party first achieves major party status, it loses major party status in December 31 after the later of the two consecutive general elections.

- 12 **Minor political party.** Amends §200.02, subd. 23. Specifies that a party seeking to get its candidates on the ballot by nominating petition must file nominating petitions by the close of filing for the state primary. Clarifies how long a party retains minor party status: for at least two state general elections. Provides that if a party does not get the required minimum vote by either the first or second general election after the party first achieves major party status, it loses minor party status in December 31 after the later of the two consecutive general elections.

Provides that if a major party loses major status, it can become a minor party if it meets that test.

- 13 **Metropolitan area.** Amends §200.02 by adding a subd.24. Defines “metropolitan area” for purposes of the election code. In addition to the traditional seven counties, this term includes Wright, Sherburne, Isanti, and Chisago.

- 14 **Not eligible.** First of a series of technical amendments that clarifies the voter eligibility status of a person under guardianship (under guardianship law, that depends on the court’s order).

- 15 **Election day registration.** Amends §201.061, subd. 3 on election day registration. Conforms to a court decision that requires acceptance of tribal identification cards whether or not a tribe member lives on a reservation. Also puts a limit of 15 on the number of election day registrants an individual can vouch for. Requires a record of the individuals a voter vouches for. A voucher must sign under oath and state he or she personally knows the individual.

Allows an employee of a residential facility to vouch for facility residents registering on election day. Requires the facility to give the auditor a list of employees.

- 16 **Form.** Amends §201.071, subd. 1. Requires acceptance of (1) the federal voter registration postcard application form if the form is not deficient and the voter is eligible to register in the state; and (2) forms authorized by the National Voter Registration Act. defines “residential facility” to mean battered women’s shelters and various licensed residential facilities.

Makes technical clarifying amendments related to guardianship status and completion of felony sentences.

- 17 **Public information lists.** Amends current law, which omits from the public list of registered voters, individuals with a court order. Instead, allows anyone with a security concern be omitted at the individual’s request.

- 18 **Copy of list to registered voter.** Amends §201.091, subd. 5. Requires the county auditor and secretary of state to accept electronic requests for copies of the public information list of registered voters.

- 19 **District judge.** Another guardianship technical amendment.

- 20 **Military.** Amends §203B.01, subd. 1, the definition of “military” for purposes of the military and overseas voters absentee voting law. Adds reference to all uniformed services as defined in federal law.
- 21 **Application procedures.** Amends §203B.04, subd. 1. Over-rides rules on absentee ballot application forms. Requires county auditors to prepare forms according to the format provided by the secretary. Requires the secretary to get the form to auditors through electronic means by January 1 of each even-numbered year.
- 22 **Registration at time of application.** Amends §203.04, subd. 4. Allows a military voter to register to vote by absentee ballot under regular absentee law or the procedures that apply to military and overseas voters.
- 23 **Ongoing absentee status; termination.** Amends §203B.04 by adding a new subdivision. Allows an eligible voter to apply for ongoing absentee status if the voter reasonably expects to be absent from the polling place on election day. Requires noting this status on the voter’s registration card. Requires automatically providing the voter with an absentee ballot for subsequent elections, except those conducted by mail. Provides for ending this status if the voter so request, dies, is no longer eligible to vote, has a ballot returned as undeliverable, or the voter’s registration is placed on inactive status.
- 24 **Design of envelopes.** Amends §203B.07, subd. 2. Overrides rules and specifies that an absentee ballot must provide either an additional flap on the return envelope or a third privacy envelope to conceal the signature, identification, and other information. Allows election officials to open the flap or additional envelope after receiving the ballot to inspect the returned voter certificate or get other information.
- 25 **Generally.** Amends §203B.11, subd. 1. Requires school district clerks to deliver absentee ballots to individuals in health care facilities. Requires auditors to designate election judges to do this as well.
- 26 **Examination of return envelopes.** Amends §203B.12, subd. 2. Specifies that if a person other than the voter applied for military absentee ballots for the voter, the applicant’s signature need not match the voter’s signature. States that the express reasons for rejecting an absentee ballot are the only reasons. Specifies that failure to place the ballot within the security envelope before putting it in the outer white envelope is not a reason to reject the ballot.
- 27 **Challenges.** Amends §203B.20. States that if a military absentee ballot application was submitted on behalf of a voter by someone authorized by law to do so, the auditor must notify the person who submitted the application, if the voter’s eligibility or residence is challenged. Allows the auditor to contact other registered voters for information that may resolve discrepancies in an application.
- 28 **Form.** Amends §203B.21, subd. 1. Amends the military and overseas voter law. Specifies that an absentee ballot must provide either a return envelope with an additional flap that seals or a third envelope to conceal the signature, identification, and other information. Requires the flap or additional envelope to be perforated so election officials can open the flap after receiving the ballot to inspect the returned voter certificate or get other information without opening the return envelope.
- 29 **Back of return envelope.** Amends §203B.21, subd. 3. Requires that if a military or overseas voter needs certification of an individual authorized to administer oaths, that authorization may be based in federal law or the law of the place where the oath is administered. States the substance of the oath the voter is required to take.
- 30 **Check of voter eligibility.** Amends §203B.24, subd. 1. Specifies four things election judges must check when determining whether to accept a military or overseas absentee ballot. States that ballots can be rejected for no other reason, and in particular not for failure to put the ballot inside the security envelope before putting it in the outer white

envelope. Requires election judges to note the reason for rejection on the back of the envelope.

31 **Form of affidavit.** Cross reference.

32 **Federal offices.** Clarifies different eligibility provisions applicable to candidates for state versus federal office.

33 **Ineligible voter.** Amends §204B.10, subd. 6. Excludes candidates for federal office from current law that requires the filing officer to notify persons who have filed an affidavit of candidacy/nominating petition that they cannot be on the ballot if under guardianship, legally incompetent, or if the individual has not completed a sentence after conviction of felony or treason. Conforms to federal constitution.

Another guardianship technical amendment.

34 **Separate precincts.** Amends §204B.14, subd. 2. Currently, this provision allows creating one combined polling place for up to four contiguous municipalities located entirely outside the metropolitan area. The change in the definition of metropolitan area (amendment to §200.02, adding a new subd.24) means that municipalities in Wright, Isanti, Sherburne, and Chisago would no longer be able to do this.

35 **Authority; location.** Amends §204B.16, subd. 1. Current law requires a polling place for a precinct for a city or school district in the metropolitan area to be in the precinct or within 3,000 feet of a boundary of the precinct. The change in the definition of metropolitan area (amendment to §200.02, adding a new subd.24) means that this would now apply to cities and school districts in Wright, Isanti, Sherburne, and Chisago counties.

36 **Access by elderly.** Amends §204B.16, subd. 5. Stylistic. Also, requires polling place doorways to be 32, rather than 31, inches wide.

37 **Booths; voting stations.** Amends §204B.18, subd. 1. Requires that polling places have one system that complies with the federal Help America vote Act by letting disabled voters voter privately and independently (1) in federal and state elections held after December 31, 2005 and (2) in county, municipal, and school elections held after December 31, 2007. Requires providing stable flat writing surfaces for voters who are completing election forms.

38 **Election judges; oath.** Adds to the election judge's oath a promise to perform duties impartially and not attempt to create an advantage for the judge's party or any candidate.

39 **Blank forms.** Amends §204B.27, subd. 1. Changes from 25 days to 14 days before the state election, the time when the secretary of state will give auditors blank forms needed for the election. Allows the secretary to give the auditors county abstract forms electronically at least one week before the election.

40 **Elections; organized town.** Amends §204C.05, subd. 1a, which deals with setting voting hours in towns located outside the metropolitan area. References the new definition of metropolitan area.

41 **Individuals allowed in polling place.** Requires officials in the polling place to wear a badge showing their role in the election process. Prohibits showing party affiliation.

42 **Residence.** A challenger must be a resident of this state.

43 **Restrictions on conduct.** Prohibits an election judge being a challenger.

44 **Voter's bill of rights.** Technical guardianship and felony conviction language.

45 **Permanent registration.** Guardianship technical amendment.

46 **Statement of grounds.** Specifies a form challengers must sign. Requires a challenge to be on oath and based on personal knowledge.

47 **Information requirements.** Amends §204C.24, subd. 1. Requires election judges to complete three copies of the precinct summary statements for all elections. Current law requires three copies only for state elections.

- 48 **County auditor.** Amends §204C.28. Requires auditors to make a record, in the presence of municipal clerks or election judges who deliver returns, of all materials delivered, time of delivery, and names of individuals who made the delivery, Requires the auditor to keep the record and all ballots in a secure place with envelope seals unbroken. Requires strict control of access to the materials. Requires keeping records of who accessed these materials during the time a contest can be filed or while one is pending, if filed. Requires keeping the materials for as long as ballots are required to be kept.
- 49 **Selection for review; notice.** Amends §204C.50. Clarifies that postelection review under this section applies only to the election of federal, constitutional, and legislative offices.
- 50 **Scope and conduct of review.** Amends §204C.50, subd. 2. Inserts reference to “electronic ballot marker” record in the process to be followed for postelection reviews.
- 51 **State primary.** Amends §204D.03, subd. 1. Specifies that if in a municipality or county there are no partisan or nonpartisan offices for which nominees must be selected, the governing body may decide that no state primary will be held in the municipality or county. Requires the clerk or auditor to post a notice if this happens and also notify the secretary of state.
- 52 **Uncontested judicial office.** Amends §204D.14, subd. 3. Current law places uncontested judicial offices at the end of the canary ballot. This section clarifies that judicial offices are still grouped by court (e.g. uncontested supreme court offices would precede contested court of appeals offices, etc.).
- 53 **Canvass; special primary; state canvassing board.** Amends §204D.27, subd. 5. Requires the secretary of state to prepare notice of nomination after the canvass of a special primary.
- 54 **Metropolitan area municipalities.** Amends §205.175. Applies the expanded definition of “metropolitan area” to the law that lets a metro area municipality set the hours when polling places will be open.
- 55 **Metropolitan area school districts.** Amends §205A.09, subd. 1. Inserts the expanded definition of metropolitan area in the provision that allows school boards to designate polling place hours.
- 56 **Voting system for disabled voters.** Amends §206.57, subd. 5. Requires assistive voting methods in all precincts at federal and state elections after December 31, 2005, and all county, municipal, and school district elections after December 31, 2007.
- 57 **Nomination of presidential electors.** . Amends §208.03. Specifies that an alternate must be named for each presidential elector.
- 58 **Form of presidential ballot.** Amends §208.04. Technical.
- 59 **State canvassing board.** Amends §208.05. Technical.
- 60 **Electors to meet at the capitol.** Amends §208.06. Specifies that an alternate will be chosen by lot to serve if an elector does not appear.
- 61 **Certificate of electors.** Amends §208.07. Technical.
- 62 **Electors to meet at the capitol.** Amends §208.08. Requires each elector to vote for the presidential and vice-presidential candidates in whose name the elector was elected. Requires electors to vote by public ballot and state aloud or affirm nonverbally the candidates for whom the elector is voting. Invalidates the vote of an elector who fails to follow this requirement. Invalidation does not apply if the presidential or vice-presidential candidates release the elector, die, or become mentally disabled.
- 63 **Bribery.** Amends the Fair Campaign Practices Act to exempt from the bribery law: refreshments valued at up to \$5 at a meeting.
- 64 **Financial interest.** Amends Hennepin County law to add a clarifying reference to the gift ban law.

- 65** **Candidates, ballots, certifying election.** Amends §447.32, subd. 4. Changes the filing period for hospital district candidates from eight to ten weeks before the primary to eight to ten weeks before the general election.
- 66** **Exceptions.** Amends the local government gift ban. Allows officials to accept a memento costing \$5 or less.
- 67** **Findings.** Guardianship technical amendment.
- 68** **Repealer.** Repeals the sunset on the post-election review process.

Repeals various obsolete campaign finance board rules.