

Minnesota Attorney General: Administrative Rules Proceedings

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

Version 3
August 20, 2018

MINNESOTA STATE REGULATION

Notice of filing by the Commissioner of Administration

We have received on this date, stamped and filed 2 copies of Rules and Regulations pertaining to the Minnesota State Ethics Commission
(Agency or Board)

Regulation No. EC 1 thru 100 new

Subject: Miscellaneous

Department of Administration
Publication, Central Services Division
Documents Section
140 Centennial Office Building
St. Paul, Minnesota 55155
Telephone: (612) 296-2874

FILED
RICHARD L. BRUBACHER
Commissioner of Administration

JUL 24 1974 10:20 am

BY Eda Staudenmaier EJ
AUTH. SIGNATURE

Stamped and filed with the Secretary of State 7-24-74

Rev. 9-72

ADMIN 1000

STATE OF MINNESOTA

DEPARTMENT Attorney General

Office Memorandum

TO : **Mike Berman**
Special Assistant Attorney General
160 State Office Building

DATE: **July 24, 1974**

FROM : Michael B. Miller
Special Assistant Attorney General

SUBJECT: Rules and Regulations - **EC1 - EC39**

Enclosed directly following this memorandum are the rules and regulations you have submitted for approval. These rules and regulations have been approved by the Attorney General, filed with the Secretary of State and with the Department of Administration.

Upon receipt and before transmittal to your agency, it is IMPERATIVE that you recheck these rules and regulations as to:

1. Are the stamps of the Attorney General, Secretary of State and Department of Administration affixed to the last page of the rules and/or regulations;

2. Are all rules and/or regulations submitted covered by these stamps;

3. Are all pages of the rules and/or regulations included in the approved set?

Directly following the approved rules and/or regulations is a complete set of required documents and transcript which MUST be retained with the approved rules and/or regulations by you or your agency.

Also enclosed are additional documents and transcripts not retained by the Secretary of State; these should also be retained with the rules and/or regulations by you or your agency.

If you have any questions in this regard, please contact me.

MBM/sr

Enclosures

MINNESOTA STATE ETHICS COMMISSION

RULES AND REGULATIONS

CHAPTER ONE: EC1-EC-39

EC1 PURPOSE OF THE RULES

It is the purpose of this chapter of these rules to give effect to the campaign financing provisions of the state ethics act of 1974, Minnesota Laws 1974, Chapter 470. These rules are adopted pursuant to the emergency powers of the state ethics commission conferred by the act. The six-member bi-partisan Minnesota ethics commission is responsible for monitoring compliance with the act and these rules.

EC2 APPLICABILITY OF THE CAMPAIGN FINANCING PROVISIONS OF THE ACT

The campaign financing provisions of the act apply to political committees, political funds, and individuals which receive contributions or make expenditures in excess of $100 in any year for the purpose of influencing the nomination for election or election of a candidate for the office of Governor, Lieutenant Governor, Attorney General, Secretary of State, State Auditor, State Senator, State Representative, Justice of the Supreme Court or Judge of District Court.

EC3 SPECIAL PROVISIONS FOR 1974

A. All political committees or political funds in existence on April 13, 1974 or established on or before June 30, 1974 and which have raised or spent an amount in excess of $100 shall file a Registration and Statement of Organization (EC FORM 1) with the commission on or before July 7, 1974. All political committees or political funds established after June 30, 1974 shall file a Registration and Statement of Organization (EC FORM 1) at the time prescribed in Rule EC6.

B. No report of Receipts and Expenditures (EC FORM 2) is required to be filed prior to July 7, 1974. The initial Report of Receipts and Expenditures to be filed on or before July 7, 1974 shall cover the period beginning and including April 13, 1974 through and including June 30, 1974. No report is required to show any contribution received or expenditure made prior to April 13, 1974.

C. The limits on campaign expenditures in 1974 shall apply to expenditures beginning and including April 13, 1974 through and including December 31, 1974. The limits on campaign expenditures in 1974 are:*

1. For Governor and Lieutenant Governor, running jointly, $600,000.
2. For Attorney General, $100,000.
3. For Secretary of State, State Treasurer and State Auditor, $50,000.
4. For State Senator, $15,000.
5. For State Representative, $7,500.

*These limitations may be modified in certain circumstances specified in the act. See Minnesota Statutes 10A.25 (1974)

EC4 FORMS AND INSTRUCTIONS

When an instruction on EC FORM 1 or EC FORM 2 contains a requirement not set forth in these rules, such requirement shall be deemed a rule.

EC5 DEFINITIONS

For the purposes of the act and these rules, and the forms prescribed by the commission, the following definitions are applicable in addition to the definitions stated in the act:

A. "Act" means Minnesota Laws 1974, Chapter 470, approved April 12, 1974, and effective April 13, 1974.

B. "Address" means street and number, (Post Office box or rural route, if appropriate),room number, (if any), city, state, (if other than Minnesota) and zip code.

C. "Calendar year" means: for 1974, the period from and including April 13, 1974 to and including December 31, 1974; for 1975 and subsequent years, the period from January 1 through December 31 inclusive.

D. "Candidate" means an individual who seeks nomination for election or election to the office of Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, State Auditor, State Senator, State Representative, Justice of the Supreme Court or Judge of District Court. For the purposes of the act and these rules, candidates for Justice of the Supreme Court or Judge of District Court are deemed statewide candidates.

E. "Cash" means money, balances on deposit in banks and other depositories, checks, negotiable instruments and other paper commonly accepted by a bank as a deposit.

F. "Commission" means the Minnesota State Ethics Commission.

G. "Contribution" means a gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate and includes the transfer of funds between political committees or political funds made for that purpose. Contribution does not include services provided without compensation by individuals volunteering their time.

H. "Earmark", "earmarked" and "earmarking" mean the designation of a contribution (including a transfer of funds) for use by any individual, committee or fund other than the individual,committee or fund to whom the contribution is originally directed.

I. "Expenditure" means a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination for election or election of a candidate.

J. "File", "Filed" and "Filing" mean delivery to the commission by midnight of the prescribed filing date or deposit as certified mail in an established U.S. Post Office, postage prepaid, no later than midnight two days before the filing date.

K. "Occupation and principal place of business" means, if self-employed, type of work or profession and city where self-employed; or, if employed type of work or title, name of employer or employing organization, and city of employment.

L. "Periodic Report" means the Report of Receipts and Expenditures required to be filed with the commission at the times prescribed in Rule EC6.

EC6 OBLIGATION TO REGISTER AND REPORT

A. Every political committee or political fund which receives contributions or makes expenditures in excess of $100 in any year to influence the nomination for election or election of a candidate to statewide or legislative office must register with the commission and file the required periodic reports of receipts and expenditures with the commission. The treasurer of the committee or fund is responsible for filing the registration statement (EC FORM 1) and periodic reports (EC FORM 2).

B. Every person who makes expenditures in excess of $100 in any year other than by contribution to a registered political committee or fund must register with the commission and file periodic reports.

EC7 TIME FOR FILING STATEMENTS AND REPORTS

A. The Registration and Statement of Organization (EC FORM 1) must be filed with the commission no later than 14 days after the date upon which the committee or fund has received contributions or made expenditures in excess of $100.

B. Reports of Receipts and Expenditures (EC FORM 2) must be filed with the commission on the following dates until the committee or fund has terminated its activities:

January 7 of every year

July 7 of every year

Five days before any primary election at which the candidate appears on the ballot

Five days before any general election at which the candidate appears on the ballot

*30 days before any special primary at which the candidate appears on the ballot

*Five days before any special primary at which the candidate appears on the ballot

*30 days before any special election at which the candidate appears on the ballot

*Five days before any special election at which the candidate appears on the ballot

30 days after last election at which a candidate appears on the ballot.

*NOTE: These reports apply only to special elections and do not apply in normal election years.

EC8 PLACE FOR FILING

A. Reports must be filed with the commission at the following address:

Minnesota State Ethics Commission
Room 74
State Office Building
St. Paul, Minnesota 55155

B. At the time of filing with the commission, the treasurer of the principal campaign committee of a legislative candidate shall also file a copy of each report or statement required by the act with the county auditor of each county in which the legislative district lies.

EC9 PLACE TO OBTAIN FORMS

All statements and reports to be filed with the commission shall be filed on forms prescribed by the commission. Such forms may be obtained without cost upon request from:

Minnesota State Ethics Commission
Room 74
State Office Building
St. Paul, Minnesota 55155

EC10 ORGANIZATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS

A. Any group of two or more persons which raises or spends money to influence the nomination for election or election of a candidate for statewide or legislative office must establish a political committee or political fund. If the group has as its major purpose the influencing of elections, it shall establish a political committee. If the group is an association which has a major purpose other than the influencing of elections, such as a special interest group, it shall establish a political fund. Whe a person or a group merely solicits contributions which are made directly to a reporting committee or fund, such person or goup is not required to establish an additional committee or fund.

B. Every candidate shall designate a principal campaign committee. Such committee shall report on the Registration and Statement of Organization that it is the principal campaign committee of that candidate.

C. Every committee and fund shall have a chairman and treasurer, who may be the same person. A candidate may be his own chairman and/or treasurer.

D. No contribution shall be accepted and no expenditure shall be made by or on behalf of a committee or fund at a time when there is a vacancy in the office of treasurer.

E. All monetary assets of a committee or fund shall be kept in a designated depository in an account designated "Campaign Fund of_____"
(name of committee or fund)

F. The funds of a political committee or the contents of a political fund shll not be commingled with any other funds or with the personal funds of any officer or member of the committee or fund.

EC11 AGREEMENT TO MAKE LOANS

An agreement to make a loan to a committee or fund shall be made in writing, signed by the lendor (and endorsers, if any) and the recipient and reported on the appropriate schedule.

EC12 ALLOCATION OF JOINT EXPENDITURES

The treasurer of a committee or fund making an expenditure for or on behalf of more than one candidate shall allocate the expenditure among such candidates on a reasonable proportionate basis and report the allocation on schedule D of the Report of Receipts and Expenditures (EC FORM 2). He shall also send a written notification of the allocation to the treasurer of the principal campaign committee of the candidate(s) on whose behalf the expenditure was made. Such expenditures must be reported by the treasurer of the candidate's principal campaign committee on schedule J and are counted against the spending limits of the candidate.

EC13 AMENDMENTS

Amendments correcting any report or statement must be filed with the commission within 10 days following the date of the event prompting the change in reported information or the date upon which the person 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.

EC14 ANONYMOUS CONTRIBUTIONS

Any single contribution in excess of $20 for which no donor can be identified by the committee or fund shall be forwarded to the commission within 14 days after its receipt. When forwarding such anonymous contribution the treasurer of the committee or fund shall report to the commission the amount of the contribution and the date on which it was received.

EC15 AUTHORIZED EXPENDITURES

All expenditures in excess of $20 made with the expressed or implied consent of a candidate or his agent must be authorized by the treasurer of that candidate's principal campaign committee. For the purposes of making an authorized expenditure, a check signed by the treasurer or deputy treasurer of a candidate's principal campaign committee is sufficient for authorization. In the case of expenditures by an individual committee or fund other than the principal campaign committee, authorization by the treasurer of the principal campaign committee of the candidate on whose behalf the expenditure is made should be in the following form:

_____ _____

Date Amount of Expenditure

_____

Name of individual/committee/fund making the expenditure

_____

Purpose of the expenditure

_____

Candidate on whose behalf expenditure is made

I certify that the expenditure hereby authorized will not exceed the spending limit of the candidate on whose behalf the expenditure is made.

_____

Signature of treasurer or deputy treasurer of principal campaign committee.

EC16 CANCELLED DEBTS AND LOANS

If the reporting committee or fund cancels any debt or loan owed to it, the amount of the debt or loan unpaid at the time of cancellation shall be deemed a non-campaign expenditure for that period and reported on the appropriate schedule.

EC17 CERTIFICATION

For purposes of certification on forms prescribed by the commission for the signature of the treasurer shall be sufficient, and notarization is not required.

EC18 COMMITTEES AND FUNDS NOT ACTIVE

A committee or fund which receives no contributions and makes no expenditures during a reporting period shall so certify in the space provided on the report form and shall hereby satisfy its reporting requirement for that reporting period.

EC19 CONTRACTS FOR GOODS AND SERVICES

A contract for goods and/or services is an agreement to make payments on an expenditure over a specified period of time. All such contracts shall be made in writing, signed by the debtor and creditor, and reported on the appropriate schedule.

EC20 CONTRIBUTED SERVICES

The payment of compensation for the personal services of another person which are rendered to a candidate, committee or fund by any person other than that candidate, committee or fund are contributed services in kind by the person's employer and should be reported and identified as "contributed services." The value of such contribution in kind is the gross cost of such compensation.

EC21 CONTRIBUTION IN KIND

A contribution in kind is a contribution of goods or services other than cash. The treasurer of the committee or fund shall report the fair market value of the goods or services contributed as a contribution on the appropriate schedule. Fair market value is the amount at which a willing seller, under no compulsion and a willing buyer under no compulsion will trade. He shall identify the nature of the contribution and note that it is a contribution in kind. Each such contribution in kind shall be declared as an expenditure at the same market value and reported on the appropriate expenditure schedule, and identified as a contribution in kind. Contributions in kind valued at less than $20 need not be recorded or reported. The total amount of goods and services contributed in kind shall be deemed to have been consumed in the reporting period in which received.

EC23 DEBTS OUTSTANDING

For the purposes of the limits on expenditures imposed by the act, any debt owed by the reporting committee or fund still outstanding on December 31 shall be deemed a campaign expenditure for the reporting period ending December 31.

EC24 DISCLAIMER FOR UNAUTHORIZED EXPENDITURES

Any person, committee or fund which solicits or accepts contributions or makes expenditures on behalf of any candidate without the written authorization of that candidate must disclose its lack of authorization on all oral and written communications. Such disclosure shall state in conspicuous type or clear oral announcement on each communication, as follows:

"The actions of _____(name of person, committee or fund) are made on behalf of _____, but are made without his authorization or consent, express or implied, and he is not responsible for these activities."

EC25 DISCLOSURE REQUIREMENTS

All contributions in excess of $50 for legislative candidates and in excess of $100 for statewide candidates must be disclosed in accordance with the provisions of the act and these regulations. If any reporting committee or fund financially supports or opposes any candidate for the state legislature it must disclose all contributions received in excess of $50. If the reporting committee or fund financially supports or opposes only statewide candidates, it must disclose contributions received in excess of $100.

EC26 EARMARKED CONTRIBUTIONS

Each person, committee or fund which receives or makes an earmarked contribution (including any transfer of funds) that is subject to the reporting requirements of the act shall report: (a) the name, address, (and if an individual, employer or, if self-employed, occupation) of the donor who originally made the earmarked contribution; (b) the name and address of the candidate, committee or fund for whom the contribution is earmarked; (c) the amount of such contribution earmarked for each such candidate, committee or fund; and (d) the aggregate amount earmarked for such candidate, committee or fund during the calendar year.

EC27 EXEMPTIONS FROM DISCLOSURE

A. Any individual or association may seek an exemption from the disclosure requirements of the act if disclosure would expose that individual or any members of that association to economic reprisals, loss of employment or threat of physical coercion.

B. Any individual or association seeking such an exemption from the disclosure requirements shall submit a written application to the commission setting forth in detail the reasons justifying the claim for exemption. Such a claim must be filed no later than 30 days before the next applicable reporting date.

C. If an individual decides to proceed anonymously in seeking an exemption, he shall designate a representative to present the claim on his behalf. The commission shall establish such procedures as may be necessary in the particular case to protect the anonymity of the individual seeking the exemption.

EC28 IDENTIFICATION NUMBER

Upon receipt of a Registration and Statement of Organization (EC FORM 1) the commission shall assign an identification number to the registering committee or fund, acknowledge receipt of the statement and notify the committee or fund of the number assigned. This identification number shall be entered by the committee or fund on all subsequent statements or reports as well as on all communications with the commission.

EC29 JOINT CHECKS

When a contribution is given on a joint check, it shall be deemed a contribution by the signator(s) of the check unless otherwise specified by the signator(s). When a contribution is given on a joint check and specified as a joint contribution it shall be deemed a contribution by each of the contributors in an amount proportional to the total number of contributors.

EC30 LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

A. No individual, committee or fund, except a political party or the principal campaign committee of a candidate, shall make a contribution to or expenditure on behalf of a candidate in an aggregate amount in excess of ten percent of the applicable spending limit for that candidate.

B. No political party shall make a contribution to or expenditure on behalf of a candidate in an aggregate amount in excess of fifty percent of the applicable spending limit. For the purpose of this regulation, a political party includes a political party's organization within congressional districts, counties, legislative districts, municipalities, wards, precincts and any legislative body.

EC31 LOANS NOT REPAID

For the purposes of limits on contributions imposed by the act, any loans to the reporting committee or fund not repaid by December 31 shall be deemed a contribution for the reporting period ending December 31.

EC32 NON-CAMPAIGN EXPENDITURES

If an expenditure is not made for the purpose of purchasing goods or services used to influence the nomination for election or election of a candidate it shall be deemed to be a non-campaign expenditure and shall be reported on the appropriate schedule. The treasurer making the report shall provide upon request of the commission appropriate justification that the expenditure was not made for the purpose of purchasing goods or services used to influence the result of an election governed by this act.

EC33 PETTY CASH

Within any reporting period the treasurer of any reporting committee or fund may report as an expenditure for the purpose of "petty cash" an aggregate amount equal to $100 per week if the committee or fund is supporting a candidate for statewide office or $20 per week if the committee or fund is supporting a candidate for legislative office.

EC34 RECEIPTED BILLS

A copy of a cancelled check with an invoice stating the purpose of the expenditure shall be deemed a receipted bill. The treasurer shall keep all receipted bills and accounts for four years.

EC35 RECORDING CONTRIBUTIONS

Every individual, committee or fund that receives an individual contribution in excess of $20 (including individual cash contributions received in mass collections) shall record the name and address of the contributor of each such amount. On demand of the treasurer and in any event within 14 days after receipt of such contribution the record of each such contribution together with the contribution shall be transmitted to the treasurer responsible for filing reports of receipts and expenditures.

EC36 RECORDING EXPENDITURES

The treasurer shall keep a record of every expenditure made by the committee or fund. He shall obtain a receipted bill, stating the particulars, for every expenditure on behalf of the committee or fund of over $100 and for any expenditure in lesser amount if and when the aggregate amount of lesser expenditures to the same person during a year exceeds $100.

EC37 SUPPORT OF AND OPPOSITION TO A CANDIDATE

For the purpose of this act, these rules, and the forms prescribed by the commission, influencing the nomination for election or election of a candidate includes action in support of or opposition to a candidate. The reporting requirements extend to support of or opposition to any candidate.

When a committee or fund is established primarily to support a candidate it shall designate the name of the candidate being supported on the Registration and Statement of Organization (EC FORM 1). When a committee or fund is established primarily to oppose a candidate it shall designate the name of the candidate opposed in lieu of any designation of the name of candidate supported.

EC38 TERMINATION OF COMMITTEES AND POLITICAL FUNDS

After having filed a Registration and Statement of Organization with the commission, any committee or fund which determines that it will no longer receive contributions or make expenditures in support of any candidate for statewide or legislative office shall so notify the commission. Such notification shall consist of a Termination Report that covers the period from the closing date of the last previous report filed through the date of termination, together with a statement as to the disposition of residual funds, and both shall be signed and certified. A committee may not terminate if it has outstanding debts. Any terminated committee which subsequently becomes subject to the registration and reporting requirements of the act is required to re-register.

EC39 COMPLAINTS OF VIOLATIONS

A. Any person who believes a violation of the act or of these rules has occurred may file a written complaint in person or by certified mail with the commission. When a complaint is received, it shall be marked to show the date of receipt and acknowledged by letter within 5 days of receipt.

B. There is no prescribed form for a complaint, but all complaints shall be typewritten or handwritten legibly in ink. The name and address of the person making the complaint shall be typewritten or hand printed on the complaint and it shall be signed by such person and verified by the oath or affirmation of such person, taken before any officer authorized to administer oaths. A complaint shall name the alleged violator, describe in detail the alleged violation and shall be submitted together with any evidentiary material. Complaints will not be available for public inspection or copying.

C. Upon receipt of a complaint, the commission shall cause to be investigated the alleged violation and take appropriate action. No investigation shall be required if a complaint is frivolous on its face, illegible, too indefinite, does not identify the violator, is unsigned or is not notarized.

D. If upon investigation, the commission finds probable cause of criminal violation the matter shall be referred to the appropriate law enforcement authorities. The commission may commence action for injunctive relief in district court in appropriate cases.

E. Any meeting or portion of a meeting during which the commission is hearing testimony or taking action concerning any complaint or investigation shall be closed to the public and the minutes of such meeting kept confidential until the commission makes a finding that there is or is not probable cause to conclude that a violation of the criminal provision of the act or other campaign laws has occurred, or until the commission has determined that an action for injunctive relief should or should not be commenced, or until the commission has otherwise resolved the matter.

EC 100. STATEMENTS OF ECONOMIC INTEREST

(a) Form for Filing.

Every public official or candidate for elective office required to file a statement of economic interest shall set forth the required information on EC Form 3, as approved by the commission on June 6, 1974.

(b) Time for Filing by Candidates.

Every candidate for statewide or legislative office, excluding candidates for supreme court justice or district court judge, shall file a statement of economic interest within 14 days after filing an affidavit of candidacy or petition to appear on the ballot, provided that August 7, 1974, shall be the earliest date upon which any statement of economic interest must be filed.

(c) Time for Filing by Public Officials.

(1) Each public official in office on April 13, 1974, or any individual who accepts employment as a public official between April 13, 1974, and June 8, 1974, inclusive, and who is still in office on August 7, 1974, shall file a statement of economic interest with the commission on or before August 7, 1974. Each individual who accepts employment as a public official after June 8, 1974, shall file a statement of economic interest within 60 days after accepting employment, and if the advice and consent of the senate is required, prior to submission of his name to the senate. No individual shall be required to file more than one statement of economic interest in any year. An individual who holds more than one public office for which a statement of economic interest is required, shall include a listing of all such offices held.

(2) In 1975 and subsequent years, each public official who has previously filed a statement of economic interest shall file a supplementary statement of economic interest on or before April 15 of each year.

(3) In 1975 and subsequent years, a public official who has filed a statement of economic interest and who thereafter files as a candidate for statewide or legislative office shall file an amendment to the statement within 14 days after filing an affidavit of candidacy or submitting a petition to appear on the ballot.

(d) Occupation and Prinicpal Place of Business.

For statement of occupation, the individual shall state his principal occupation, i.e. the occupation at which he spends most of his working hours or which provides his major source of compensation. "Principal place of business" means the name of the entity providing the individual's principal occupation.

(e) Business with which the Individual is Associated.

Each individual who files a statement of economic interest shall state the name of each business with which he is associated and the nature of that association. For purposes of these rules, an individual is associated with a business in the following cases: (i) when he receives compensation, other than for actual and reasonable expenses, in excess of $50 in any month as a director, officer, owner, member, partner, employer or employee; or (ii) when he is a holder of securities worth $2,500 or more at fair market value.

(f) Compensation.

(1) "Compensation" includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position, or occupation.

(2) "Source of compensation" includes the name of the corporation, partnership or other entity from which the individual receives payment in compensation. An individual who is self-employed is required to list only the name of the proprietorship or description of the occupation in which the individual is self-employed (e.g. farming, practice of law as sole proprietor), and is not required to list the names of corporations, partnerships, or other entities making payments in compensation to the individual in his capacity as a self-employed individual.

(3) For purposes of an original statement of economic interest, "compensation in any month" includes compensation received only in the calendar month immediately preceding the date of appointment as a public official or filing as a candidate. For purposes of this rule, the calendar month for reporting compensation is July, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest to be filed on April 15, "compensation in any month" includes compensation received in any month between the end of the period covered in the preceding statement of economic interest and March 31, inclusive.

(5) For purposes of calculating the amount of compensation received from any single source in a single month, such amount shall include the total amount received from such source during the month, whether or not the amount covers compensation for more than one month.

(g) Securities.

(1) "Securities" includes any stock, share, bond, warrant, option, pledge, note, mortgage, debenture, lease, or commercial paper in any corporation, partnership, trust, or other association.

(2) A "holder of securities" or individual who "holds securities" is an individual having an ownership interest in any security as defined herein, or who is the trustee or beneficiary of any trust.

(3) For purposes of an original statement of economic interest, "securities" includes only securities held on the date of appointment as a public official or filing as a candidate. For purposes of this rule, "date of appointment" means July 31, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest to be filed on April 15, "securities" includes any security held at any time between the end of the period covered by the preceding statement of economic interest and March 31, inclusive.

(5) For purposes of indicating the address of the entity in which stock is held, the registered office or principal place of business shall be stated, except that if stock is listed on one of the national exchanges and the address of the entity is not known, the name of the exchange shall suffice.

(h) Real Property.

(1) A separate listing shall be made to indicate each deed or document pursuant to which the individual's interest was acquired, except that only one listing is required if there are multiple deeds or documents covering the same real property.

(2) For purposes of determining the individual's amount of interest in the real property, the value of the property shall be the market value shown on the property tax statement.

(3) For purposes of an original statement of economic interest, the individual shall indicate the location of only those real properties held on the date of appointment as a public official or filing as a candidate, and in which his interest is in excess of $2,500. For purposes of this rule, "date of appointment" means July 31, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest, the individual shall indicate the location of any real property held at any time between the end of the period covered by the preceding statement of economic interest and March 31, inclusive, in which his interest is in excess of $2,500.

APPROVED AS TO FORM AND LEGALITY
July 24 19 74
WARREN SPANNAUS, ATTORNEY GENERAL
BY Michael B Miller
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JUL 24 1974 - 9:45 a.m.
Arlen I. Erdahl
Secretary of State

FILED
RICHARD L. BRUBACHER
Commissioner of Administration
JUL 24 1974
BY Eda Staudenmaier
AUTH. SIGNATURE
10:20 A.M.

MINNESOTA STATE ETHICS COMMISSION

RULES AND REGULATIONS

CHAPTER ONE: EC1-EC-39

EC1 PURPOSE OF THE RULES

It is the purpose of this chapter of these rules to give effect to the campaign financing provisions of the state ethics act of 1974, Minnesota Laws 1974, Chapter 470. These rules are adopted pursuant to the emergency powers of the state ethics commission conferred by the act. The six-member bi-partisan Minnesota ethics commission is responsible for monitoring compliance with the act and these rules.

EC2 APPLICABILITY OF THE CAMPAIGN FINANCING PROVISIONS OF THE ACT

The campaign financing provisions of the act apply to political committees, political funds, and individuals which receive contributions or make expenditures in excess of $100 in any year for the purpose of influencing the nomination for election or election of a candidate for the office of Governor, Lieutenant Governor, Attorney General, Secretary of State, State Auditor, State Senator, State Representative, Justice of the Supreme Court or Judge of District Court.

EC3 SPECIAL PROVISIONS FOR 1974

A. All political committees or political funds in existence on April 13, 1974 or established on or before June 30, 1974 shall file a Registration and Statement of Organization (EC FORM 1) with the commission on or before July 7, 1974. All political committees or political funds established after June 30, 1974 shall file a Registration and Statement of Organization (EC FORM 1) at the time prescribed in Rule EC6.

B. No report of Receipts and Expenditures (EC FORM 2) is required to be filed prior to July 7, 1974. The initial Report of Receipts and Expenditures to be filed on or before July 7, 1974 shall cover the period beginning and including April 13, 1974 through and including June 30, 1974. No report is required to show any contribution received or expenditure made prior to April 13, 1974.

C. The limits on campaign expenditures in 1974 shall apply to expenditures beginning and including April 13, 1974 through and including December 31, 1974. The limits on campaign expenditures in 1974 are:*

1. For Governor and Lieutenant Governor, running jointly, $600,000.
2. For Attorney General, $100,000.
3. For Secretary of State, State Treasurer and State Auditor, $50,000.
4. For State Senator, $15,000.
5. For State Representative, $7,500.

*These limitations may be modified in certain circumstances specified in the act. See Minnesota Statutes 10A.25 (1974)

EC4 FORMS AND INSTRUCTIONS

When an instruction on EC FORM 1 or EC FORM 2 contains a requirement not set forth in these rules, such requirement shall be deemed a rule.

EC5 DEFINITIONS

For the purposes of the act and these rules, and the forms prescribed by the commission, the following definitions are applicable in addition to the definitions stated in the act:

A. "Act" means Minnesota Laws 1974, Chapter 470, approved April 12, 1974, and effective April 13, 1974.

B. "Address" means street and number, (Post Office box or rural route, if appropriate),room number, (if any), city, state, (if other than Minnesota) and zip code.

C. "Calendar year" means: for 1974, the period from and including April 13, 1974 to and including December 31, 1974; for 1975 and subsequent years, the period from January 1 through December 31 inclusive.

D. "Candidate" means an individual who seeks nomination for election or election to the office of Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, State Auditor, State Senator, State Representative, Justice of the Supreme Court or Judge of District Court. For the purposes of the act and these rules, candidates for Justice of the Supreme Court or Judge of District Court are deemed statewide candidates.

E. "Cash" means money, balances on deposit in banks and other depositories, checks, negotiable instruments and other paper commonly accepted by a bank as a deposit.

F. "Commission" means the Minnesota State Ethics Commission.

G. "Contribution" means a gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate and includes the transfer of funds between political committees or political funds made for that purpose. Contribution does not include services provided without compensation by individuals volunteering their time.

H. "Earmark", "earmarked" and "earmarking" mean the designation of a contribution (including a transfer of funds) for use by any individual, committee or fund other than the individual,committee or fund to whom the contribution is originally directed.

I. "Expenditure" means a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination for election or election of a candidate.

J. "File", "Filed" and "Filing" mean delivery to the commission by midnight of the prescribed filing date or deposit as certified mail in an established U.S. Post Office, postage prepaid, no later than midnight two days before the filing date.

K. "Occupation and principal place of business" means, if self-employed, type of work or profession and city where selfemployed; or, if employed type of work or title, name of employer or employing organization, and city of employment.

L. "Periodic Report" means the Report of Receipts and Expenditures required to be filed with the commission at the times prescribed in Rule EC6.

EC6 OBLIGATION TO REGISTER AND REPORT

A. Every political committee or political fund which receives contributions or makes expenditures in excess of $100 in any year to influence the nomination for election or election of a candidate to statewide or legislative office must register with the commission and file the required periodic reports of receipts and expenditures with the commission. The treasurer of the committee or fund is responsible for filing the registration statement (EC FORM 1) and periodic reports (EC FORM 2).

B. Every person who makes expenditures in excess of $100 in any year other than by contribution to a registered political committee or fund must register with the commission and file periodic reports.

EC7 TIME FOR FILING STATEMENTS AND REPORTS

A. The Registration and Statement of Organization (EC FORM 1) must be filed with the commission no later than 14 days after the date upon which the committee or fund has received contributions or made expenditures in excess of $100.

B. Reports of Receipts and Expenditures (EC FORM 2) must be filed with the commission on the following dates until the committee or fund has terminated its activities:

January 7 of every year

July 7 of every year

Five days before the convention at which the candidate stands for endorsement

Five days before any primary election at which the candidate appears on the ballot

Five days before any general election at which the candidate appears on the ballot

*30 days before any special primary at which the candidate appears on the ballot

*Five days before any special primary at which the candidate appears on the ballot

*30 days before any special election at which the candidate appears on the ballot

*Five days before any special election at which the candidate appears on the ballot

30 days after last endorsing convention or election at which a candidate appears on the ballot.

*NOTE: These reports apply only to special elections and do not apply in normal election years.

EC8 PLACE FOR FILING

A. Reports must be filed with the commission at the following address:

Minnesota State Ethics Commission
Room 74
State Office Building
St. Paul, Minnesota 55155

B. At the time of filing with the commission, the treasurer of the principal campaign committee of a legislative candidate shall also file a copy of each report or statement required by the act with the county auditor of each county in which the legislative district lies.

EC9 PLACE TO OBTAIN FORMS

All statements and reports to be filed with the commission shall be filed on forms prescribed by the commission. Such forms may be obtained without cost upon request from:

Minnesota State Ethics Commission
Room 74
State Office Building
St. Paul, Minnesota 55155

EC10 ORGANIZATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS

A. Any group of two or more persons which raises or spends money to influence the nomination for election or election of a candidate for statewide or legislative office must establish a political committee or political fund. If the group has as its major purpose the influencing of elections, it shall establish a political committee. If the group is an association which has a major purpose other than the influencing of elections, such as a special interest group, it shall establish a political fund. Whe a person or a group merely solicits contributions which are made directly to a reporting committee or fund, such person or goup is not required to establish an additional committee or fund.

B. Every candidate shall designate a principal campaign committee. Such committee shall report on the Registration and Statement of Organization that it is the principal campaign committee of that candidate.

C. Every committee and fund shall have a chairman and treasurer, who may be the same person. A candidate may be his own chairman and/or treasurer.

D. No contribution shall be accepted and no expenditure shall be made by or on behalf of a committee or fund at a time when there is a vacancy in the office of treasurer.

E. All monetary assets of a committee or fund shall be kept in a designated depository in an account designated "Campaign Fund of_____"
(name of committee or fund)

F. The funds of a political committee or the contents of a political fund shll not be commingled with any other funds or with the personal funds of any officer or member of the committee or fund.

EC11 AGREEMENT TO MAKE LOANS

An agreement to make a loan to a committee or fund shall be made in writing, signed by the lendor (and endorsers, if any) and the recipient and reported on the appropriate schedule.

EC12 ALLOCATION OF JOINT EXPENDITURES

The treasurer of a committee or fund making an expenditure for or on behalf of more than one candidate shall allocate the expenditure among such candidates on a reasonable proportionate basis and report the allocation on schedule D of the Report of Receipts and Expenditures (EC FORM 2). He shall also send a written notification of the allocation to the treasurer of the principal campaign committee of the candidate(s) on whose behalf the expenditure was made. Such expenditures must be reported by the treasurer of the candidate's principal campaign committee on schedule J and are counted against the spending limits of the candidate.

EC13 AMENDMENTS

Amendments correcting any report or statement must be filed with the commission within 10 days following the date of the event prompting the change in reported information or the date upon which the person 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.

EC14 ANONYMOUS CONTRIBUTIONS

Any single contribution in excess of $20 for which no donor can be identified by the committee or fund shall be forwarded to the commission within 14 days after its receipt. When forwarding such anonymous contribution the treasurer of the committee or fund shall report to the commission the amount of the contribution and the date on which it was received.

EC15 AUTHORIZED EXPENDITURES

All expenditures in excess of $20 made with the expressed or implied consent of a candidate or his agent must be authorized by the treasurer of that candidate's principal campaign committee. For the purposes of making an authorized expenditure, a check signed by the treasurer or deputy treasurer of a candidate's principal campaign committee is sufficient for authorization. In the case of expenditures by an individual committee or fund other than the principal campaign committee, authorization by the treasurer of the principal campaign committee of the candidate on whose behalf the expenditure is made should be in the following form:

_____ _____

Date Amount of Expenditure

_____

Name of individual/committee/fund making the expenditure

_____

Purpose of the expenditure

_____

Candidate on whose behalf expenditure is made

I certify that the expenditure hereby authorized will not exceed the spending limit of the candidate on whose behalf the expenditure is made.

_____

Signature of treasurer or deputy treasurer of principal campaign committee.

EC16 CANCELLED DEBTS AND LOANS

If the reporting committee or fund cancels any debt or loan owed to it, the amount of the debt or loan unpaid at the time of cancellation shall be deemed a non-campaign expenditure for that period and reported on the appropriate schedule.

EC17 CERTIFICATION

For purposes of certification on forms prescribed by the commission for the signature of the treasurer shall be sufficient, and notarization is not required.

EC18 COMMITTEES AND FUNDS NOT ACTIVE

A committee or fund which receives no contributions and makes no expenditures during a reporting period shall so certify in the space provided on the report form and shall hereby satisfy its reporting requirement for that reporting period.

EC19 CONTRACTS FOR GOODS AND SERVICES

A contract for goods and/or services is an agreement to make payments on an expenditure over a specified period of time. All such contracts shall be made in writing, signed by the debtor and creditor, and reported on the appropriate schedule.

EC20 CONTRIBUTED SERVICES

The payment of compensation for the personal services of another person which are rendered to a candidate, committee or fund by any person other than that candidate, committee or fund are contributed services in kind by the person's employer and should be reported and identified as "contributed services." The value of such contribution in kind is the gross cost of such compensation.

EC21 CONTRIBUTION IN KIND

A contribution in kind is a contribution of goods or services other than cash. The treasurer of the committee or fund shall report the fair market value of the goods or services contributed as a contribution on the appropriate schedule. Fair market value is the amount at which a willing seller, under no compulsion and a willing buyer under no compulsion will trade. He shall identify the nature of the contribution and note that it is a contribution in kind. Each such contribution in kind shall be declared as an expenditure at the same market value and reported on the appropriate expenditure schedule, and identified as a contribution in kind. Contributions in kind valued at less than $20 need not be recorded or reported. The total amount of goods and services contributed in kind shall be deemed to have been consumed in the reporting period in which received.

EC22 CONVENTIONS FOR WHICH REPORTING IS REQUIRED

Any registered committee fund financially supporting or opposing a candidate who stands for endorsement for nomination at a convention of a political party must file a Report of Receipts and Expenditures with the commission 5 days prior to the convention.

A candidate stands for formal endorsement for nomination at only one convention. A resolution of support passed at any other convention is not an endorsement by that convention.

EC23 DEBTS OUTSTANDING

For the purposes of the limits on expenditures imposed by the act, any debt owed by the reporting committee or fund still outstanding on December 31 shall be deemed a campaign expenditure for the reporting period ending December 31.

EC24 DISCLAIMER FOR UNAUTHORIZED EXPENDITURES

Any person, committee or fund which solicits or accepts contributions or makes expenditures on behalf of any candidate without the written authorization of that candidate must disclose its lack of authorization on all oral and written communications. Such disclosure shall state in conspicuous type or clear oral announcement on each communication, as follows:

"The actions of _____(name of person, committee or fund) are made on behalf of _____, but are made without his authorization or consent, express or implied, and he is not responsible for these activities."

EC25 DISCLOSURE REQUIREMENTS

All contributions in excess of $50 for legislative candidates and in excess of $100 for statewide candidates must be disclosed in accordance with the provisions of the act and these regulations. If any reporting committee or fund financially supports or opposes any candidate for the state legislature it must disclose all contributions received in excess of $50. If the reporting committee or fund financially supports or opposes only statewide candidates, it must disclose contributions received in excess of $100.

EC26 EARMARKED CONTRIBUTIONS

Each person, committee or fund which receives or makes an earmarked contribution (including any transfer of funds) that is subject to the reporting requirements of the act shall report: (a) the name, address, (and if an individual, employer or, if self-employed, occupation) of the donor who originally made the earmarked contribution; (b) the name and address of the candidate, committee or fund for whom the contribution is earmarked; (c) the amount of such contribution earmarked for each such candidate, committee or fund; and (d) the aggregate amount earmarked for such candidate, committee or fund during the calendar year.

EC27 EXEMPTIONS FROM DISCLOSURE

A. Any individual or association may seek an exemption from the disclosure requirements of the act if disclosure would expose that individual or any members of that association to economic reprisals, loss of employment or threat of physical coercion.

B. Any individual or association seeking such an exemption from the disclosure requirements shall submit a written application to the commission setting forth in detail the reasons justifying the claim for exemption. Such a claim must be filed no later than 30 days before the next applicable reporting date.

C. If an individual decides to proceed anonymously in seeking an exemption, he shall designate a representative to present the claim on his behalf. The commission shall establish such procedures as may be necessary in the particular case to protect the anonymity of the individual seeking the exemption.

EC28 IDENTIFICATION NUMBER

Upon receipt of a Registration and Statement of Organization (EC FORM 1) the commission shall assign an identification number to the registering committee or fund, acknowledge receipt of the statement and notify the committee or fund of the number assigned. This identification number shall be entered by the committee or fund on all subsequent statements or reports as well as on all communications with the commission.

EC29 JOINT CHECKS

When a contribution is given on a joint check, it shall be deemed a contribution by the signator(s) of the check unless otherwise specified by the signator(s). When a contribution is given on a joint check and specified as a joint contribution it shall be deemed a contribution by each of the contributors in an amount proportional to the total number of contributors.

EC30 LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

A. No individual, committee or fund, except a political party or the principal campaign committee of a candidate, shall make a contribution to or expenditure on behalf of a candidate in an aggregate amount in excess of ten percent of the applicable spending limit for that candidate.

B. No political party shall make a contribution to or expenditure on behalf of a candidate in an aggregate amount in excess of fifty percent of the applicable spending limit. For the purpose of this regulation, a political party includes a political party's organization within congressional districts, counties, legislative districts, municipalities, wards, precincts and any legislative body.

EC31 LOANS NOT REPAID

For the purposes of limits on contributions imposed by the act, any loans to the reporting committee or fund not repaid by December 31 shall be deemed a contribution for the reporting period ending December 31.

EC32 NON-CAMPAIGN EXPENDITURES

If an expenditure is not made for the purpose of purchasing goods or services used to influence the nomination for election or election of a candidate it shall be deemed to be a non-campaign expenditure and shall be reported on the appropriate schedule. The treasurer making the report shall provide upon request of the commission appropriate justification that the expenditure was not made for the purpose of purchasing goods or services used to influence the result of an election governed by this act.

EC33 PETTY CASH

Within any reporting period the treasurer of any reporting committee or fund may report as an expenditure for the purpose of "petty cash" an aggregate amount equal to $100 per week if the committee or fund is supporting a candidate for statewide office or $20 per week if the committee or fund is supporting a candidate for legislative office.

EC34 RECEIPTED BILLS

A copy of a cancelled check with an invoice stating the purpose of the expenditure shall be deemed a receipted bill. The treasurer shall keep all receipted bills and accounts for four years.

EC35 RECORDING CONTRIBUTIONS

Every individual, committee or fund that receives an individual contribution in excess of $20 (including individual cash contributions received in mass collections) shall record the name and address of the contributor of each such amount. On demand of the treasurer and in any event within 14 days after receipt of such contribution the record of each such contribution together with the contribution shall be transmitted to the treasurer responsible for filing reports of receipts and expenditures.

EC36 RECORDING EXPENDITURES

The treasurer shall keep a record of every expenditure made by the committee or fund. He shall obtain a receipted bill, stating the particulars, for every expenditure on behalf of the committee or fund of over $100 and for any expenditure in lesser amount if and when the aggregate amount of lesser expenditures to the same person during a year exceeds $100.

EC37 SUPPORT OF AND OPPOSITION TO A CANDIDATE

For the purpose of this act, these rules, and the forms prescribed by the commission, influencing the nomination for election or election of a candidate includes action in support of or opposition to a candidate. The reporting requirements extend to support of or opposition to any candidate.

When a committee or fund is established primarily to support a candidate it shall designate the name of the candidate being supported on the Registration and Statement of Organization (EC FORM 1). When a committee or fund is established primarily to oppose a candidate it shall designate the name of the candidate opposed in lieu of any designation of the name of candidate supported.

EC38 TERMINATION OF COMMITTEES AND POLITICAL FUNDS

After having filed a Registration and Statement of Organization with the commission, any committee or fund which determines that it will no longer receive contributions or make expenditures in support of any candidate for statewide or legislative office shall so notify the commission. Such notification shall consist of a Termination Report that covers the period from the closing date of the last previous report filed through the date of termination, together with a statement as to the disposition of residual funds, and both shall be signed and certified. A committee may not terminate if it has outstanding debts. Any terminated committee which subsequently becomes subject to the registration and reporting requirements of the act is required to re-register.

EC39 COMPLAINTS OF VIOLATIONS

A. Any person who believes a violation of the act or of these rules has occurred may file a written complaint in person or by certified mail with the commission. When a complaint is received, it shall be marked to show the date of receipt and acknowledged by letter within 5 days of receipt.

B. There is no prescribed form for a complaint, but all complaints shall be typewritten or handwritten legibly in ink. The name and address of the person making the complaint shall be typewritten or hand printed on the complaint and it shall be signed by such person and verified by the oath or affirmation of such person, taken before any officer authorized to administer oaths. A complaint shall name the alleged violator, describe in detail the alleged violation and shall be submitted together with any evidentiary material. Complaints will not be available for public inspection or copying.

C. Upon receipt of a complaint, the commission shall cause to be investigated the alleged violation and take appropriate action. No investigation shall be required if a complaint is frivolous on its face, illegible, too indefinite, does not identify the violator, is unsigned or is not notarized.

D. If upon investigation, the commission finds probable cause of criminal violation the matter shall be referred to the appropriate law enforcement authorities. The commission may commence action for injunctive relief in district court in appropriate cases.

E. Any meeting or portion of a meeting during which the commission is hearing testimony or taking action concerning any complaint or investigation shall be closed to the public and the minutes of such meeting kept confidential until the commission makes a finding that there is or is not probable cause to conclude that a violation of the criminal provision of the act or other campaign laws has occurred, or until the commission has determined that an action for injunctive relief should or should not be commenced, or until the commission has otherwise resolved the matter.

EC 100. STATEMENTS OF ECONOMIC INTEREST

(a) Form for Filing.

Every public official or candidate for elective office required to file a statement of economic interest shall set forth the required information on EC Form 3, as approved by the commission on June 6, 1974.

(b) Time for Filing by Candidates.

Every candidate for statewide or legislative office, excluding candidates for supreme court justice or district court judge, shall file a statement of economic interest within 14 days after filing an affidavit of candidacy or petition to appear on the ballot, provided that August 7, 1974, shall be the earliest date upon which any statement of economic interest must be filed.

(c) Time for Filing by Public Officials.

(1) Each public official in office on April 13, 1974, or any individual who accepts employment as a public official between April 13, 1974, and June 8, 1974, inclusive, and who is still in office on August 7, 1974, shall file a statement of economic interest with the commission on or before August 7, 1974. Each individual who accepts employment as a public official after June 8, 1974, shall file a statement of economic interest within 60 days after accepting employment, and if the advice and consent of the senate is required, prior to submission of his name to the senate. No individual shall be required to file more than one statement of economic interest in any year. An individual who holds more than one public office for which a statement of economic interest is required, shall include a listing of all such offices held.

(2) In 1975 and subsequent years, each public official who has previously filed a statement of economic interest shall file a supplementary statement of economic interest on or before April 15 of each year.

(3) In 1975 and subsequent years, a public official who has filed a statement of economic interest and who thereafter files as a candidate for statewide or legislative office shall file an amendment to the statement within 14 days after filing an affidavit of candidacy or submitting a petition to appear on the ballot.

(d) Occupation and Prinicpal Place of Business.

For statement of occupation, the individual shall state his principal occupation, i.e. the occupation at which he spends most of his working hours or which provides his major source of compensation. "Principal place of business" means the name of the entity providing the individual's principal occupation.

(e) Business with which the Individual is Associated.

Each individual who files a statement of economic interest shall state the name of each business with which he is associated and the nature of that association. For purposes of these rules, an individual is associated with a business in the following cases: (i) when he receives compensation, other than for actual and reasonable expenses, in excess of $50 in any month as a director, officer, owner, member, partner, employer or employee; or (ii) when he is a holder of securities worth $2,500 or more at fair market value.

(f) Compensation.

(1) "Compensation" includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position, or occupation.

(2) "Source of compensation" includes the name of the corporation, partnership or other entity from which the individual receives payment in compensation. An individual who is self-employed is required to list only the name of the proprietorship or description of the occupation in which the individual is self-employed (e.g. farming, practice of law as sole proprietor), and is not required to list the names of corporations, partnerships, or other entities making payments in compensation to the individual in his capacity as a self-employed individual.

(3) For purposes of an original statement of economic interest, "compensation in any month" includes compensation received only in the calendar month immediately preceding the date of appointment as a public official or filing as a candidate. For purposes of this rule, the calendar month for reporting compensation is July, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest to be filed on April 15, "compensation in any month" includes compensation received in any month between the end of the period covered in the preceding statement of economic interest and March 31, inclusive.

(5) For purposes of calculating the amount of compensation received from any single source in a single month, such amount shall include the total amount received from such source during the month, whether or not the amount covers compensation for more than one month.

(g) Securities.

(1) "Securities" includes any stock, share, bond, warrant, option, pledge, note, mortgage, debenture, lease, or commercial paper in any corporation, partnership, trust, or other association.

(2) A "holder of securities" or individual who "holds securities" is an individual having an ownership interest in any security as defined herein, or who is the trustee or beneficiary of any trust.

(3) For purposes of an original statement of economic interest, "securities" includes only securities held on the date of appointment as a public official or filing as a candidate. For purposes of this rule, "date of appointment" means July 31, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest to be filed on April 15, "securities" includes any security held at any time between the end of the period covered by the preceding statement of economic interest and March 31, inclusive.

(5) For purposes of indicating the address of the entity in which stock is held, the registered office or principal place of business shall be stated, except that if stock is listed on one of the national exchanges and the address of the entity is not known, the name of the exchange shall suffice.

(h) Real Property.

(1) A separate listing shall be made to indicate each deed or document pursuant to which the individual's interest was acquired, except that only one listing is required if there are multiple deeds or documents covering the same real property.

(2) For purposes of determining the individual's amount of interest in the real property, the value of the property shall be the market value shown on the property tax statement.

(3) For purposes of an original statement of economic interest, the individual shall indicate the location of only those real properties held on the date of appointment as a public official or filing as a candidate, and in which his interest is in excess of $2,500. For purposes of this rule, "date of appointment" means July 31, 1974, for any individual who holds public office as of April 13, 1974, or at any time thereafter through July 31, 1974, and who is still in office on the date of filing.

(4) For purposes of a supplementary statement of economic interest, the individual shall indicate the location of any real property held at any time between the end of the period covered by the preceding statement of economic interest and March 31, inclusive, in which his interest is in excess of $2,500.

STATE OF MINNESOTA

STATE ETHICS COMMISSION

COUNTY OF RAMSEY

- - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

ORDER ADOPTING RULES

- - - - - - - - - - - - - - - - - -

The above-entitled matter came on for hearing before the Minnesota State Ethics Commission on the 23rd day of July, 1974, at 6:30 P.M. in Room 107 of the State Capitol, Saint Paul, Minnesota, after proper notice required by Minnesota Statutes 1971, Section 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above-captioned rules.

NOW, THEREFORE, IT IS ORDERED that these rules identified as EC1-EC39 and EC100 are adopted this 23rd day of July, 1974, pursuant to authority vested in the Commission by Laws of Minnesota 1974, chapter 470, section 2, subdivision 13.

MINNESOTA STATE ETHICS COMMISSION

By /s/
Spencer Sokolowski, Chairman

STATE OF MINNESOTA

COUNTY OF RAMSEY

STATE ETHICS COMMISSION

- - - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC 39) and Statements of Economic Interest (EC100)

ORDER FOR HEARING

- - - - - - - - - - - - - - - - - - -

To effectively implement Minnesota Laws 1974, Chapter 470, the Minnesota State Ethics Commission deems it necessary to consider adoption of the proposed rules captioned above pursuant to the authority vested in the Commission by said Chapter 470, Section 2, subd. 13.

NOW, THEREFORE, IT IS ORDERED this 24th day of May, 1974, that a public hearing on the proposed rules captioned above be held in Room 107, State Capitol, Saint Paul, Minnesota, on July 2, 1974, commencing at 9:30 A. M., and continuing until all representatives of associations or other interested groups or persons have had an opportunity to be heard.

IT IS FURTHER ORDERED, that notice of said hearing be given to all representatives of associations or other interested groups or persons who have registered their names with the Secretary of State for that purpose and all persons who are presently members of the Minnesota Legislature.

STATE OF MINNESOTA
ETHICS COMMISSION

By /s/
Spencer Sokolowski
Chairman

STATE OF MINNESOTA

COUNTY OF RAMSEY

STATE ETHICS COMMISSION

- - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

NOTICE OF HEARING

- - - - - - - - - - - - - - - - - -

NOTICE IS HEREBY GIVEN that a public hearing will be held pursuant to Minnesota Statutes Section 15.0412 (1973) and Minnesota Laws 1974, Chapter 470, in the above-entitled matter, in Room 107 of the State Capitol, Saint Paul, Minnesota, on July 2, 1974, commencing at 9:30 a.m., and continuing until all representatives or other interested groups of persons have had an opportunity to be heard concerning adoption of the proposed rules captioned above by submitting either oral or written data, statements or arguments. Statements or briefs may be submitted in writing without appearing at the hearing by mailing to the Minnesota State Ethics Commission, Room 74, State Office Bldg., Saint Paul, Minnesota 55155, at any time prior to closing of the record. The record shall close at 4:30 p.m. on July 22, 1974.

The Commission proposes to adopt rules relating to the following matters:

EC1-EC39: Filing and reporting requirements for political committees and political funds, including requirement applicable to Registration and Statement of Organization (EC Form 1) and Reports of Receipts and Expenditures (EC Form 2); and

EC100: Filing and reporting requirements for Statements of Economic Interest to be filed by candidates and public officials (EC Form 3).

A description index of the proposed rules is attached to this Notice of Hearing.

Proposed Rules EC1-EC39 were adopted by the Commission as emergency rules on May 24, 1974. Proposed Rule EC100 is scheduled for adoption as an emergency rule. Copies of the proposed rules and forms are now available and may be obtained by writing to the office of the Commission at the address below. Additional copies will be available at the door on the date of the hearing.

These rules are proposed rules only and are subject to alterations or modifications as the Agency deems necessary and appropriate from its consideration of all the evidence adduced at the public hearing and all statements entered into the record.

Dated this 28th day of May, 1974.

MINNESOTA STATE ETHICS COMMISSION

By Spencer Sokolowski, Chairman

Minnesota State Ethics Commission
Room 74, State Office Building
Saint Paul, Minnesota 55155

Telephone: 612-296-5148
612-296-5149

MINNESOTA STATE ETHICS COMMISSION

Chapter One: EC1-EC39

EC1 Purpose of the Rules
EC2 Applicability of the Campaign Financing Act
EC3 Special Provisions for 1974
EC4 Forms and Instructions
EC5 Definitions
EC6 Obligation to Register and Report
EC7 Time for Filing Statements and Reports
EC8 Place for Filing
EC9 Place to Obtain Forms
EC10 Organization of Political Committees and Political Funds
EC11 Agreement to Make Loans
EC12 Allocation of Joint Expenditures
EC13 Amendments
EC14 Anonymous Contributions
EC15 Authorized Expenditures
EC16 Cancelled Debts and Loans
EC17 Certification
EC18 Committees and Funds Not Active
EC19 Contracts for Goods and Services
EC20 Contributed Services
EC21 Contribution in Kind
EC22 Conventions for which Reporting is Required
EC23 Debts Outstanding
EC24 Disclaimer for Unauthorized Expenditures
EC25 Disclosure Requirements
EC26 Earmarked Contributions
EC27 Exemptions from Disclosure
EC28 Identification Number
EC29 Joint Checks
EC30 Limitations on Contributions and Expenditures
EC31 Loans not Repaid
EC32 Non-Campaign Expenditures
EC33 Petty Cash
EC34 Receipted Bills
EC35 Recording Contributions
EC36 Recording Expenditures
EC37 Support of and Opposition to a Candidate
EC38 Termination of Committees and Political Funds
EC39 Complaints of Violations

Chapter Two: EC100

EC100 Statements of Economic Interest
(a) Form for Filing
(b) Time for Filing by Candidates
(c) Time for Filing by Public Officials
(d) Sources of Compensation and Securities
(e) Definitions
(f) Stock Address
(g) Listing of Real Property
(h) Value of Real Property

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the Proposed Adoption of Rules of the State Ethics Commission

AFFIDAVIT

OF MAILING

Elayne Blazick, being first duly sworn, deposes and says:

That on the 29th day of May, 1974, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Hearing by depositing in the United States mail at said City of St. Paul, a true and correct copy thereof, properly enveloped, with postage prepaid, to all persons and associations at the addresses listed on the attached Certificate of the Secretary of State as well as to all persons listed on the attached sheet as presently being members of the Minnesota Legislature.

Elayne Blazick

Subscribed and sworn to before me this 30th day of May, 1974.

Sharon Rachner

SHARON RACHNER
Notary Public, Ramsey Co., Minn.
MY COMMISSION EXPIRES
June 11, 1980

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

SHARON J. RACHNER, being first duly sworn upon oath, deposes and says:

1. That she is a legal secretary in the Office of the Solicitor General for the State of Minnesota.

2. That on the 23rd day of May, 1974, she went to the Secretary of State's office for the State of Minnesota and requested a current list of all representatives of associations or other interested groups or persons who had registered their names with the Secretary of State for the purpose of obtaining notices of public hearings relating to the promulgation of rules pursuant to Minn. Stat. § 15.0412.

3. That on the 23rd day of May, 1974, in response to the above request, the Secretary of State provided her with such a list, a copy of which is attached hereto and incorporated by reference.

Further affiant sayeth not.

Sharon J. Rachner
SHARON J. RACHNER

Subscribed and sworn to before me
This 23rd day of May, 1974.

Cecilia Loughrey
Notary Public

CECILIA LOUGHREY
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires July 16, 1980

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

CERTIFICATE

In the matter of the Proposed
Adoption of Rules and Regulations
to be promulgated by the State
Ethics Commission

I hereby certify that the attached 359 labels constitute the complete list of persons, associations, and other interested groups who as of 11:30 o'clock 4 .m., this 23rd day of May, 1974, have requested, pursuant to M.S. 1969, § 15,0421, that their names be placed on file with the Secretary of State for the purpose of receiving notice of public hearing on proposed rules on the subject captioned above.

Arlen I. Erdahl
ARLEN I. ERDAHL
Secretary of State
State of Minnesota

By Gail Dion

STATE OF MINNESOTA

STATE ETHICS COMMISSION

COUNTY OF RAMSEY

- - - - - - - - - - - - - - - - -

In the matter of the proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

FINDINGS OF FACT

- - - - - - - - - - - - - - - - -

The above-entitled matter came on for hearing before the Minnesota State Ethics Commission [hereinafter the Commission] on the 2nd day of July, 1974, at 9:30 a.m. in Room 107 of the State Capitol, Saint Paul, Minnesota, after proper notice required by Minnesota Statute § 15.0412 (1971) was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose and upon all members of the Minnesota Legislature.

After affording all persons an opportunity to present written and oral data, statements and arguments, having considered all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, the Commission finds the following:

1. There are a large number of political committees and political funds who are required to and desire to comply with the reporting requirements of Laws of Minn. 1974, ch. 470.

2. Compliance with these reporting requirements will be facilitated by the adoption of rules establishing uniform procedures and forms for reporting and clarifying possible confusion regarding reporting procedures.

3. Expenditures by political committees and funds on behalf of more than one candidate, loans to committees and funds, cancellations of loans and debts to committees and funds, anonymous contributions, contributions of services, contributions in kind, earmarking of contributions, contributions by joint check, and other practices which would be regulated by the proposed rules are common occurrences in political campaigns.

4. Compliance with the reporting requirements of Laws of Minn. 1974, ch. 470 will be facilitated by the adoption of rules specifying reporting procedures for the matters referred to in paragraph 3.

5. The Ethics Commission may be called upon in the future to grant exemptions from the reporting requirements and to investigate complaints of violations of Laws of Minn. 1974, ch. 470. Rules establishing procedures regarding these matters will facilitate the Commission's execution of its statutory duties.

6. Many individuals are required to and desire to file statements of economic interest with the Commission. Compliance with this requirement will be facilitated by the adoption by the Commission of uniform forms, schedules, and procedures for these statements.

MINNESOTA STATE ETHICS COMMISSION

by /s/
Spencer Sokolowski, Chairman

STATE OF MINNESOTA

COUNTY OF RAMSEY

STATE ETHICS COMMISSION

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

STATEMENT OF NEED

The above captioned rules are not amendments to existing rules of the State Ethics Commission.

The need to adopt these rules arises because of the State Ethics Commission's duty to implement the reporting requirements established by Minn. Laws 1974, ch. 470, and to make permanent the emergency rules promulgated under the authority of the Commission on May 24, 1974.

Dated: July 2, 1974.

MINNESOTA STATE ETHICS COMMISSION

By Spencer Sokolowski

Spencer Sokolowski, Chairman

STATE OF MINNESOTA

STATE ETHICS COMMISSION

COUNTY OF RAMSEY

- - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

CERTIFICATE OF COMMISSION'S ADOPTION OF RULES RESOLUTION

- - - - - - - - - - - - - - - - - -

I, Rosemary Davis, do hereby certify that I am secretary of the Minnesota State Ethics Commission, a commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Commission duly and properly called and held on the 23rd day of July, 1974; that a quorum was present at said meeting; that a majority of those present voted for the resolution; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that the rules governing campaign financing (EC1-EC39) and statements of economic interest (EC100) be and they hereby are approved and adopted, pursuant to authority vested in us by Laws of Minnesota 1974, chapter 470, section 2, subdivision 13, and that Spencer Sokolowski, Chairman of the Minnesota State Ethics Commission, be and hereby is authorized to sign an order adopting those rules."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 23rd day of July, 1974.

/s/
Rosemary Davis, Secretary

/s/
Attest by one other Officer.

STATE OF MINNESOTA

COUNTY OF RAMSEY

STATE ETHICS COMMISSION

- - - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC 39) and Statements of Economic Interest (EC100)

CERTIFICATE OF COMMISSION'S AUTHORIZING RESOLUTION

- - - - - - - - - - - - - - - - - - -

I, ROSEMARY DAVIS, do hereby certify that I am secretary of the Minnesota State Ethics Commission, a commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Commission duly and properly called and held on the 24th day of May, 1974; that a quorum was present at said meeting; that a majority of those present voted for the resolution; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

> "RESOLVED, that Spencer Sokolowski, Chairman of the Minnesota State Ethics Commission, be and he hereby is granted the authority and directed to call a hearing for the purpose of promulgating rules of the Commission governing campaign financing and statements of economic interest, as well as perform any and all acts incidental thereto, including but without being limited thereto, signing an order for hearing and notice of hearing as well as acting as presiding officer at all hearings."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24th day of May, 1974.

MINNESOTA STATE ETHICS COMMISSION

Rosemary Davis

Rosemary Davis, Secretary

/s/

Attest by one other officer

STATE OF MINNESOTA

STATE ETHICS COMMISSION

COUNTY OF RAMSEY

- - - - - - - - - - - - - - - - - -

In the matter of the Proposed Adoption of Rules of the State Ethics Commission Governing Campaign Financing (EC1-EC39) and Statements of Economic Interest (EC100)

STATEMENT OF COMPLIANCE WITH MANUAL OF RULE MAKING PROCEDURES

- - - - - - - - - - - - - - - - - -

I, Special Assistant Attorney General Michael P. Berman, do hereby declare that I have examined the proposed rules and all related documents and that, based on them and my personal familiarity with the applicable procedures, the Manual of Rule Making Procedures has been followed. Any exceptions are noted below.

/s/

Michael P. Berman
Special Assistant Attorney General

Dated: July 23, 1974.