



February 15, 2025

Honorable Duane Quam
Chair, Elections Finance and Government Operations Committee
Minnesota House of Representatives
Pat.Kaluza@house.mn.gov

RE: Statement in Support of House File 73

Chair Quam and Members of the Committee:

Clean Elections Minnesota (“CEM”) respectfully submits this statement in support of HF 73, a bill that would increase the maximum refund for political contributions in Minnesota elections. CEM is a nonprofit-nonpartisan organization working for a healthy and inclusive democracy. Our work promotes every American’s right to participate in the democratic process. We thank Representative Mike Freiberg for his leadership on campaign finance in our State and advancing voting rights generally, and for introducing this bill.

Updating the public financing program provides an opportunity to broaden public engagement in democracy and amplify the voices of ordinary Minnesotans in the electoral process. Modern public financing programs, such as publicly financed donor refund programs, empower individuals to make meaningful contributions to candidates they support and enhance voters’ ability to participate in electoral campaigns.

On one day in January 2010, the U.S. Supreme Court unleashed a flood of money into our political system, by overturning well-established precedents, by finding that corporations (and therefore political action committees) have a constitutional right to free speech, and to spend unlimited money to promote or defeat candidates for office. According to PublicCitizen.org, a consumer advocacy group, since then money has flooded into elections, much of it so-called “dark money” through groups that don’t disclose their donors.

Money may talk, but it must not be allowed to speak louder than a free press or the voice of the people. A clean election is financed in such a way that lack of wealth does not prevent qualified candidates from seeking and holding office. Excessive spending by special interests must not be allowed to overwhelm the flow of information to the public.



There are three important points we would like the Committee to consider regarding publicly financed political donor programs. And, CEM thanks our colleagues at the Campaign Legal Center for much of the research that follows below.

1. There is too much high-powered money in American politics today

To quote from a pending Senate bill authored by Senator John Marty, “Supreme Court rulings that have equated money as speech have enabled . . . entities to spend virtually unlimited money in support of favored candidates and interests, undermining the core First Amendment value of open and robust debate in the political process and the opportunity for voters to hear speech from all candidates and all perspectives”¹

According to OpenSecrets, a nonpartisan, independent nonprofit, that tracks money in American politics, the 2022 national midterm elections fundraising skyrocketed to \$8.9 billion, then a new record.² The U.S. Supreme Court’s Citizens United ruling made it legal for corporations to contribute unlimited amounts to campaigns in the name of free speech. Regardless of political affiliations, wealthy special interests look out for themselves, not everyday Americans. HF 73 can reduce candidates’ dependence on big money.

2. Publicly financed political donor programs are being implemented across our Nation

Today, over three dozen states, counties, and municipalities have enacted some type of public election financing for candidates, and the number continues to grow.³ In 2020, Washington, DC successfully implemented its new public financing program;⁴ in April 2023, Denver, Colorado will hold its first election under the city’s new small-dollar donor matching program;⁵ and, recently, Oakland, California adopted a voucher-style public financing program, which was implemented for the city’s 2024 elections.⁶ The state of New York also is currently in the process of implementing a statewide small-dollar donor matching program, building upon the successful longstanding program in New York City.⁷

¹ Senate File No. 569.

² www.opensecrets.org/outside-spending.

³ See Catherine Hinckley Kelley & Austin Graham, Campaign Legal Ctr., Buying Back Democracy: The Evolution of Public Financing in U.S. Elections 19-26 (2018), https://campaignlegal.org/sites/default/files/2018-10/2018-Building-Small-Dollar-Democracy_FINAL.pdf.

⁴ Catherine Hinckley Kelley et al., Campaign Legal Ctr., Democratizing the District: D.C.’s Fair Elections Program In 2020, 11 (2021), https://campaignlegal.org/sites/default/files/2021-10/CLC_DemocratizingTheDistrict%20%281%29.pdf

⁵ See Joel Rubino, Public funds are helping draw a stampede of Denver mayoral candidates, Denver Post (Dec. 2, 2022), <https://www.denverpost.com/2022/12/02/denver-mayor-candidate-field-tied-to-fair-elections-fund-matching-dollars>.

⁶ David Moore, Oakland Voters Approve ‘Democracy Dollars’ Program to Boost Participation in City Elections, SLUDGE (Dec. 15, 2022), <https://readsludge.com/2022/12/15/oakland-voters-approve-democracy-dollars-program-to-boost-participation-in-city-elections>.

⁷ Ian Vandewalker et al., Analysis Shows Amplification of Small Donors Under New NY State Public Financing Program, Brennan Center for Justice & OpenSecrets (Jan. 30, 2023), <https://www.brennancenter.org/our-work/research-reports/analysis-shows-amplification-small-donors-under-new-ny-state-public>.



The experiences of states and cities around the country demonstrate that public financing augments political participation among the electorate at large, reduces opportunities for political corruption, and enables more candidates to run for and win public office.

3. Publicly financed political donor programs are popular among voters generally

Modern public financing programs also foster political engagement among a broader and more demographically representative portion of the electorate. By providing candidates with a direct incentive to maximize outreach to eligible residents as a potential source of meaningful contributions, small-dollar donor matching programs and voucher programs can galvanize campaigns' engagement of the electorate at large.

Studies following Seattle's enactment of its Democracy Voucher Program show local participation in the city's campaign finance system reached historic levels in the 2017 and 2019 election cycles. According to an analysis of Seattle's election data the number of Seattle residents who assigned vouchers in the city's election doubled from one cycle to the other.⁸ The use of vouchers, alone, represented a nearly three-fold increase over the number of contributors in Seattle elections from before the Democracy Voucher Program was implemented.⁹ The swell in local participation facilitated by the Democracy Voucher Program was a citywide phenomenon, with residents of each of the city's council districts giving vouchers to candidates in 2017,¹⁰ 2019,¹¹ and 2021.¹²

Public financing programs help candidates run competitive campaigns fueled by small-dollar contributions, even in the face of huge spending by corporations and special interest groups. Instead of calling lists of rich donors, candidates can fundraise in the community with house parties and barbecues.¹³

⁸ Jennifer Heerwig & Brian McCabe, Mccourt Sch. Of Pub. Pol'y, Georgetown Univ., Building A More Diverse Donor Coalition 2 & n.5 (2020), <https://georgetown.app.box.com/s/r2skgxfnc230ukkb3dfqgm4576phzabd> [hereinafter DIVERSE DONOR COALITION].

⁹ Jennifer Heerwig & Brian McCabe, Diversifying the Donor Pool: How Did Seattle's Democracy Voucher Program Reshape Participation in Municipal Campaign Finance?, 18 Election L.J. 323, 331 & n.15 (2019) (comparing 2017 voucher users to 2013 cash contributors).

¹⁰ Seattle Ethics & Elections Comm'n, Democracy Voucher Program Biennial Report 2017, at 16 (2018), https://www.seattle.gov/documents/Departments/EthicsElections/DemocracyVoucher/Biennia%20Reports/Final%20-%20Biennial%20report%20-%202003_15_2018%280%29.pdf.

¹¹ Seattle Ethics & Elections Comm'n, Democracy Voucher Program Biennial Report 2019, at 16 (2019), https://www.seattle.gov/documents/Departments/EthicsElections/DemocracyVoucher/Outreach%20Fund/2019_Biennial_Report.pdf.

¹² Seattle Ethics & Elections Comm'n, Democracy Voucher Program Biennial Report 2021, at 12 (2021), https://www.seattle.gov/documents/Departments/EthicsElections/DemocracyVoucher/Biennia%20Reports/2021_Biennial_Report_FINAL.pdf.

¹³ See, Faces of Small Donor Public Financing 2021, Brennan Center for Justice, www.brennancenter.org/our-work/research-reports/faces-small-donor-public-financing-2021.



Americans across the country and the political spectrum agree that the outsize influence of the wealthy few in our politics harms our democracy, and they demand change. A recent Pew study found that reducing the influence of money in politics is a top policy priority for a majority of Americans regardless of race, age, or political party affiliation.¹⁴ A 2019 Gallup poll found that only one in five Americans is satisfied with our campaign finance laws. These figures reveal a nationwide appetite for campaign finance reform.¹⁵

In conclusion, CEM submits that although these programs cannot squeeze private money out of politics, well-designed and enhanced programs will increase the importance of small donors to candidates and increase participation by an economically and geographically more representative group of citizens. They combat the influence of megadonors. According to the Brennan Center for Justice this is the most powerful reform available to counter the outsize influence of the wealthy and corporations.

Clean Elections Minnesota urges the House Elections Finance and Government Operations Committee to vote to advance H.F. 73. Thank you for your consideration.

Respectfully submitted,

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¹⁴ Economy Remains the Public's Top Policy Priority; COVID-19 Concerns Decline Again, www.pewresearch.org/politics/2023/02/06/economy-remains-the-publics-top-policy-priority-covid-19-concerns-decline-again/

¹⁵ Americans Most Satisfied with Nation's Military, Security; <https://news.gallup.com/poll/246254/americans-satisfied-nation-military-security.aspx>