

1.1 ..... moves to amend H.F. No. 2793 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2022, section 10A.25, subdivision 1, is amended to read:

1.4 Subdivision 1. **Limits are voluntary.** The expenditure limits imposed by this section  
1.5 apply only to a candidate who has signed an agreement under section 10A.322 to be bound  
1.6 by them as a condition of receiving a ~~public subsidy~~ state match under section 10A.305 for  
1.7 eligible contributions to the candidate's campaign.

1.8 Sec. 2. Minnesota Statutes 2022, section 10A.25, subdivision 2, is amended to read:

1.9 Subd. 2. **Amounts.** (a) In ~~a segment~~ of an election cycle, the principal campaign  
1.10 committee of the candidate must not make campaign expenditures nor permit approved  
1.11 expenditures to be made on behalf of the candidate that result in aggregate expenditures in  
1.12 excess of the following:

1.13 (1) for governor and lieutenant governor, running together, ~~\$4,232,700 in the election~~  
1.14 ~~segment and \$1,697,400 in the nonelection segment~~ \$10,000,000;

1.15 (2) for attorney general, ~~\$725,800 in the election segment and \$226,400 in the nonelection~~  
1.16 ~~segment~~ and secretary of state, separately, \$3,000,000;

1.17 (3) for ~~secretary of state and~~ state auditor, separately, ~~\$483,900 in the election segment~~  
1.18 ~~and \$113,300 in the nonelection segment~~ \$500,000;

1.19 (4) for state senator, ~~\$109,100 in the election segment and \$32,800 in a nonelection~~  
1.20 ~~segment~~ \$300,000;

1.21 (5) for state representative, ~~\$72,700 in the election segment~~ \$150,000.

2.1 (b) In addition to the amount in paragraph (a), clause (1), a candidate for endorsement  
2.2 for the office of lieutenant governor at the convention of a political party may make campaign  
2.3 expenditures and approved expenditures of five percent of that amount to seek endorsement.

2.4 (c) If a special election cycle occurs during a general election cycle, expenditures by or  
2.5 on behalf of a candidate in the special election do not count as expenditures by or on behalf  
2.6 of the candidate in the general election.

2.7 (d) The expenditure limits in this subdivision for an office are increased by ten percent  
2.8 for a candidate who has not previously held the same office, whose name has not previously  
2.9 been on the primary or general election ballot for that office, and who has not in the past  
2.10 ten years raised or spent more than \$750 in a run for any other office whose territory now  
2.11 includes a population that is more than one-third of the population in the territory of the  
2.12 new office. Candidates who qualify for first-time candidate status receive a ten percent  
2.13 increase in the campaign expenditure limit in all segments of the applicable election cycle.  
2.14 In the case of a legislative candidate, the office is that of a member of the house of  
2.15 representatives or senate without regard to any specific district.

2.16 Sec. 3. Minnesota Statutes 2022, section 10A.25, subdivision 10, is amended to read:

2.17 Subd. 10. **Effect of opponent's conduct.** (a) After the deadline for filing a spending  
2.18 limit agreement under section 10A.322, a candidate who has agreed to be bound by the  
2.19 expenditure limits imposed by this section as a condition of receiving a public subsidy for  
2.20 the candidate's campaign may choose to be released from the expenditure limits but remain  
2.21 eligible to receive a public subsidy if the candidate has an opponent who has not agreed to  
2.22 be bound by the limits and has received contributions or made or become obligated to make  
2.23 expenditures during that election cycle in excess of the following limits:

2.24 (1) up to the close of the reporting period before the primary election, receipts or  
2.25 expenditures equal to 20 percent of the ~~election segment~~ expenditure limit for that office  
2.26 as set forth in subdivision 2; or

2.27 (2) after the close of the reporting period before the primary election, cumulative receipts  
2.28 or expenditures during that election cycle equal to 50 percent of the election cycle expenditure  
2.29 limit for that office as set forth in subdivision 2.

2.30 Before the primary election, a candidate's "opponents" are only those who will appear  
2.31 on the ballot of the same party in the primary election.

2.32 (b) A candidate who has not agreed to be bound by expenditure limits, or the candidate's  
2.33 principal campaign committee, must file written notice with the board and provide written

3.1 notice to any opponent of the candidate for the same office within 24 hours of exceeding  
3.2 the limits in paragraph (a). The notice must state only that the candidate or candidate's  
3.3 principal campaign committee has received contributions or made or become obligated to  
3.4 make campaign expenditures in excess of the limits in paragraph (a).

3.5 (c) Upon receipt of the notice, a candidate who had agreed to be bound by the limits  
3.6 may file with the board a notice that the candidate chooses to be no longer bound by the  
3.7 expenditure limits. A notice of a candidate's choice not to be bound by the expenditure limits  
3.8 that is based on the conduct of an opponent in the state primary election may not be filed  
3.9 more than one day after the State Canvassing Board has declared the results of the state  
3.10 primary.

3.11 (d) A candidate who has agreed to be bound by the expenditure limits imposed by this  
3.12 section and whose opponent in the general election has chosen, as provided in paragraph  
3.13 (c), not to be bound by the expenditure limits because of the conduct of an opponent in the  
3.14 primary election is no longer bound by the limits but remains eligible to receive a public  
3.15 subsidy.

3.16 Sec. 4. Minnesota Statutes 2022, section 10A.257, subdivision 1, is amended to read:

3.17 Subdivision 1. **Unused funds.** After all campaign expenditures and noncampaign  
3.18 disbursements for an election cycle have been made, an amount up to 25 percent of the  
3.19 election cycle expenditure limit for the office may be carried forward. Any remaining amount  
3.20 up to the total amount of the ~~public subsidy~~ state match from the state elections campaign  
3.21 fund must be returned to the state treasury for credit to the general fund under section  
3.22 10A.324. Any remaining amount in excess of the total ~~public subsidy~~ state match must be  
3.23 contributed to the state elections campaign account or a political party for multicandidate  
3.24 expenditures as defined in section 10A.275.

3.25 Sec. 5. **[10A.305] SMALL DONOR CONTRIBUTION MATCH PROGRAM.**

3.26 Subdivision 1. **State match program established.** Subject to the eligibility requirements  
3.27 provided in subdivision 2, a candidate's principal campaign committee is eligible to receive  
3.28 a state match for each contribution received by the committee from a contributor who is a  
3.29 Minnesota resident, as follows:

3.30 (1) a contribution made by a contributor residing in the district that the candidate seeks  
3.31 to represent must be matched with a state contribution equal to four times the amount of  
3.32 the contribution; and

4.1 (2) a contribution made by a contributor who does not reside in the district that the  
4.2 candidate seeks to represent must be matched with a state contribution equal to two times  
4.3 the amount of the contribution.

4.4 Subd. 2. **Eligibility.** (a) To be eligible to receive a state match under subdivision 1, the  
4.5 contribution must have been made by a Minnesota resident who is not a lobbyist, and the  
4.6 contributor must not contribute more than \$50 to the candidate's principal campaign  
4.7 committee during the election cycle.

4.8 (b) An individual may make eligible contributions to multiple principal campaign  
4.9 committees during an election cycle, but only the first \$250 in contributions are eligible to  
4.10 be matched under this section.

4.11 (c) If a contributor's contributions exceed \$50 to the candidate's principal campaign  
4.12 committee during the election cycle after a contribution qualifies for a state match under  
4.13 this section, the candidate must:

4.14 (1) refund the excess contribution to the contributor;

4.15 (2) return the match on the original contributions to the board; or

4.16 (3) transfer the excess contribution to the board for deposit in the state elections campaign  
4.17 account.

4.18 Subd. 3. **Maximum amount of state match.** The maximum amount of state matching  
4.19 funds an eligible candidate may receive in an election cycle is 50 percent of the election  
4.20 cycle expenditure limit for the office provided in section 10A.25, subdivision 2.

4.21 Subd. 4. **Distribution of funds.** Amounts deposited in the state elections campaign  
4.22 account must be used for the purpose of providing matching funds under this section.  
4.23 Amounts designated in the account for each separate political party may only be used to  
4.24 provide matching funds for candidates of that political party. The board must distribute state  
4.25 matching funds to qualifying candidates on a first-come, first-served basis until all funds  
4.26 are exhausted. Any balance remaining in an account after funds for all eligible match requests  
4.27 are distributed carry over for distribution in the next general election year. Matching funds  
4.28 must be released within 30 days of application by a principal campaign committee. The  
4.29 board may prescribe a form for this purpose and may require the committee to submit  
4.30 documentation demonstrating each contribution's eligibility to receive a match. A distribution  
4.31 to a candidate must be in the form of a check made "payable to the campaign fund of ....  
4.32 (name of candidate....)."

5.1 Subd. 5. **Rulemaking.** The board may adopt rules using the expedited process in section  
5.2 14.389 as necessary to implement the program established by this section.

5.3 Sec. 6. Minnesota Statutes 2022, section 10A.31, subdivision 4, is amended to read:

5.4 Subd. 4. **Appropriation.** (a) The amounts designated by individuals for the state elections  
5.5 campaign account, less three percent, are appropriated from the general fund, must be  
5.6 transferred and credited to the appropriate account in the state elections campaign account,  
5.7 and are annually appropriated ~~for distribution as set forth in subdivisions 5, 5a, 6, and 7~~ for  
5.8 distribution under section 10A.305, subdivision 4. The remaining three percent must be  
5.9 kept in the general fund for administrative costs.

5.10 (b) In addition to the amounts in paragraph (a), \$1,020,000 for each general election is  
5.11 appropriated from the general fund for transfer to the general account of the state elections  
5.12 campaign account.

5.13 Sec. 7. Minnesota Statutes 2022, section 10A.322, subdivision 1, is amended to read:

5.14 Subdivision 1. **Agreement by candidate.** (a) As a condition of receiving a ~~public subsidy~~  
5.15 small donor match under section 10A.305, a candidate must sign and file with the board a  
5.16 written agreement in which the candidate agrees that the candidate will comply with sections  
5.17 10A.25; 10A.27, subdivision 10; 10A.324; and 10A.38.

5.18 (b) Before the first day of filing for office, the board must forward agreement forms to  
5.19 all filing officers. The board must also provide agreement forms to candidates on request  
5.20 at any time. The candidate must file the agreement with the board at least three weeks before  
5.21 the candidate's state primary. An agreement may not be filed after that date. An agreement  
5.22 once filed may not be rescinded.

5.23 (c) The board must notify the commissioner of revenue of any agreement signed under  
5.24 this subdivision.

5.25 (d) Notwithstanding paragraph (b), if a vacancy occurs that will be filled by means of  
5.26 a special election and the filing period does not coincide with the filing period for the general  
5.27 election, a candidate may sign and submit a spending limit agreement not later than the day  
5.28 after the close of the filing period for the special election for which the candidate filed.

5.29 (e) Notwithstanding paragraphs (b) and (d), if a vacancy occurs that will be filled by  
5.30 means of a special election called under section 204B.13, subdivision 2, paragraph (c), a  
5.31 candidate may sign and submit a spending limit agreement not later than eight calendar  
5.32 days after the general election.

6.1 Sec. 8. Minnesota Statutes 2022, section 10A.323, is amended to read:

6.2 **10A.323 AFFIDAVIT OF CONTRIBUTIONS.**

6.3 (a) In addition to the requirements of section 10A.322, to be eligible to receive a ~~public~~  
6.4 ~~subsidy under section 10A.31~~ small donor match under section 10A.305 a candidate or the  
6.5 candidate's treasurer must:

6.6 (1) between January 1 of the previous year and the cutoff date for transactions included  
6.7 in the report of receipts and expenditures due before the primary election, accumulate  
6.8 contributions from individuals eligible to vote in this state in at least the amount indicated  
6.9 for the office sought, counting only the first \$50 received from each contributor, excluding  
6.10 in-kind contributions:

6.11 (i) candidates for governor and lieutenant governor running together, \$35,000;

6.12 (ii) candidates for attorney general, \$15,000;

6.13 (iii) candidates for secretary of state and state auditor, separately, \$6,000;

6.14 (iv) candidates for the senate, \$3,000; and

6.15 (v) candidates for the house of representatives, \$1,500;

6.16 (2) file an affidavit with the board stating that the principal campaign committee has  
6.17 complied with this paragraph. The affidavit must state the total amount of contributions that  
6.18 have been received from individuals eligible to vote in this state, excluding:

6.19 (i) the portion of any contribution in excess of \$50;

6.20 (ii) any in-kind contribution; and

6.21 (iii) any contribution for which the name and address of the contributor is not known  
6.22 and recorded; and

6.23 (3) submit the affidavit required by this section to the board in writing by the deadline  
6.24 for reporting of receipts and expenditures before a primary under section 10A.20, subdivision  
6.25 2.

6.26 (b) A candidate for a vacancy to be filled at a special election for which the filing period  
6.27 does not coincide with the filing period for the general election must accumulate the  
6.28 contributions specified in paragraph (a) and must submit the affidavit required by this section  
6.29 to the board within five days after the close of the filing period for the special election for  
6.30 which the candidate filed.

7.1 (c) Notwithstanding paragraphs (a) and (b), a candidate for a vacancy to be filled at a  
 7.2 special election called under section 204B.13, subdivision 2, paragraph (c), must accumulate  
 7.3 the contributions specified in paragraph (a) and must submit the affidavit required by this  
 7.4 section to the board within 12 calendar days after the general election.

7.5 (d) A candidate or the candidate's treasurer must be able to electronically file the affidavit  
 7.6 required under this section in the same manner as other reports required by this chapter.  
 7.7 The board must not require the candidate or candidate's treasurer to notarize the affidavit  
 7.8 of contribution.

7.9 **Sec. 9. STATE ELECTIONS CAMPAIGN ACCOUNT.**

7.10 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are transferred from the general  
 7.11 fund to the general account of the state elections campaign account in the special revenue  
 7.12 fund.

7.13 **EFFECTIVE DATE.** This section is effective July 1, 2023.

7.14 **Sec. 10. REPEALER.**

7.15 Minnesota Statutes 2022, sections 10A.31, subdivisions 5, 5a, 6, 6a, 7, 7a, 7b, 10, 10a,  
 7.16 10b, and 11; 10A.315; 10A.321; and 10A.324, subdivisions 1 and 3, are repealed.

7.17 **Sec. 11. EFFECTIVE DATE; RULEMAKING.**

7.18 Except where otherwise provided, this act is effective January 1, 2024, except that the  
 7.19 Campaign Finance and Public Disclosure Board may proceed to propose and adopt  
 7.20 administrative rules required by this article beginning the day following final enactment."

7.21 Delete the title and insert:

7.22 "A bill for an act  
 7.23 relating to campaign finance; regulating small donor political committees and  
 7.24 funds; establishing a small donor state match program; exempting certain candidate  
 7.25 expenditures from aggregate expenditure limits; repealing the campaign public  
 7.26 subsidy program; transferring money; amending Minnesota Statutes 2022, sections  
 7.27 10A.25, subdivisions 1, 2, 10; 10A.257, subdivision 1; 10A.31, subdivision 4;  
 7.28 10A.322, subdivision 1; 10A.323; proposing coding for new law in Minnesota  
 7.29 Statutes, chapter 10A; repealing Minnesota Statutes 2022, sections 10A.31,  
 7.30 subdivisions 5, 5a, 6, 6a, 7, 7a, 7b, 10, 10a, 10b, 11; 10A.315; 10A.321; 10A.324,  
 7.31 subdivisions 1, 3."