



Vermont Legislative Research Shop

Minnesota's Public Campaign Finance Program

How does it work?

Minnesota's partial public campaign finance program, administered by The Minnesota Campaign Finance and Public Disclosure Board, allows eligible candidates to receive up to half of their campaign funding from the state government. For to qualify for this funding they must qualify by being a member of a major or minor party, collect a certain number of \$50 donations, win the primary election, and agree to the campaign expenditure limits.

The goal of the program is to provide confidence to citizens that the state government is curbing the influence of private and large donors and limiting the overall campaign expenditures of candidates. Additionally the program is also an attempt to promote first time candidates to run for office by helping them cover some of the expenses that may otherwise prevent them from running competitive campaigns.

In addition to the public financing program, the Public Contribution Refund Program (PCR) gives Minnesotans who make contribution(s) to a Minnesota political party or a candidate for state office or legislature, the ability to apply for a refund of a portion of the contribution amount. Only contributions to those who sign an agreement with the MN Campaign and Public Disclosure Board (formerly the Minnesota Ethical Practices Board) and observe the campaign spending limits are eligible for a refund. The maximum refund a contributor can receive is \$50 for single persons and \$100 for married couples. Only one refund with a single application per year can be claimed that filing cannot be amended. This refund program is in no way affiliated with the state income tax form; a claim can be filed immediately after making the contribution.¹

How is it funded?

The funding for the public subsidy program comes from two sources:

1. Minnesota residents may choose to assign \$5 to any established political party by checking a box on the state income tax form, or the homeowner or renter refund return form. Selecting the check off does not increase the individual's tax payment; it just directs money from the state general fund to a chosen political

The party account funds (from the tax check off) are distributed after the primary election to the qualifying nominees of each party. The general account funds (the \$1,250,000) are distributed after the primary election to qualifying candidates of a major political party. General account funds are distributed in equal shares, by office. A candidate who is unopposed in both the primary and general election may not receive direct public subsidy payments. Party account funds not paid to an unopposed candidate are paid to the candidate's political party. Ten percent (10%) of the money in each party account is paid to the d

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2. The candidate won the primary election
3. The candidate received fewer than twice as many votes as any one of the opponents in the primary.
4. The closely contested primary spending increase is available for use only after the primary election.⁴

Contribution Limits

In addition to the public funding program, Minnesota imposes limits on the amounts that may be contributed to candidates, parties and other committees. The contribution limits vary by year (election versus nonelection years), by office and are adjusted for inflation. Tables 2 and 3 show the 2006 – 2007 contribution limits. Contribution limits for political parties are set at 10 times the amount of individual or PAC limits. Corporations are banned from making any direct contributions.

Table 2: Contribution Limits from individuals, political committees and political funds (excluding political party units) and from the candidates personal fund			
Office	Individual, Political Committee or Fund Contribution Limit 2006	Individual, Political Committee or Fund Contribution Limit 2007 (non election year)	Candidate's personal funds contribution limit 2008 and 2009
Governor/Lt. Governor	\$2,000	\$500	\$20,000
Attorney General	\$1,000	\$200	\$10,000
Secretary of State, State Auditor	\$500	\$100	\$5,000
Senate	\$500	\$100	\$5,000
House of Representatives	\$500	\$100	\$5,000

Table 3: Contribution Limits for Political Party Units (including party caucuses in the legislature, state party, party units in legislative districts, congressional districts, counties, municipalities, and precincts, and terminating principal campaign committees in aggregate)		
Office	Contribution limit 2006	Contribution limit 2007
Governor/ Lt. Governor	\$20,000	\$5,000
Attorney General	\$10,000	\$2,000
Secretary of State, State Auditor	\$5,000	\$1,000
Senate	\$5,000	\$1,000
House of Representatives	\$5,000	\$5,000

Additionally, Minnesota has aggregate contribution limits, which are listed in Table 4. These limits apply to the aggregate of all contributions and loans from lobbyists, political committees, political funds, and individuals who contribute or loan more than one half the yearly contribution limit.

⁴ Minnesota Campaign Finance and Public Disclosure Board, "Contribution Limits - Calendar Years 2008 And

Office	Aggregate limits 2006*
Governor/Lt. Governor	\$478,800
Attorney General	\$79,800
Secretary of State, State Auditor	\$39,950
Senate	\$12,000
House of Representatives	\$6,000

***These limits do not increase for first time candidates, candidates in a contested primary or first time candidates in a contested primary and are applicable regardless of whether the candidate signed a public subsidy agreement.**

Effectiveness

There are a number of ways to assess the effectiveness of Minnesota’s public financing program, including: the relative success of publicly financed candidates, participation rates, levels of electoral competition, the vulnerability of incumbents, campaign spending levels, and public attitudes about government and the role of money in elections.

Electoral Success of Publicly Finance Candidates

The success of publicly financed candidates compared to private candidates is a non issue for most races in Minnesota, because almost all candidates sign a public subsidy agreement (i.e., they participate in the public funding program; see Figure below). Yet there are a few contests that do involve publicly financed candidates running against privately financed candidates. In those cases, candidates who sign public financing agreements do well compared to non participating candidates—except when they run against non participating incumbents who spend large sums of money in defense of their seats.⁵

Participation Rates

Historically, the Minnesota Public Financing Program has had very high participation rates (see Figure 1), higher than the “Clean Election” programs in Arizona and Maine (see Figures 2 and 3 for participation rates of state house and senate candidates by chamber and by political party). And, 2006 represented an historic high for participation in the Minnesota Public Financing program. Table 5 provides some specific numbers for Minnesota, showing the number and percent of state house and senate candidates who participated in the public financing program broken down by party.⁶ Table 6 shows the amounts paid out.

5

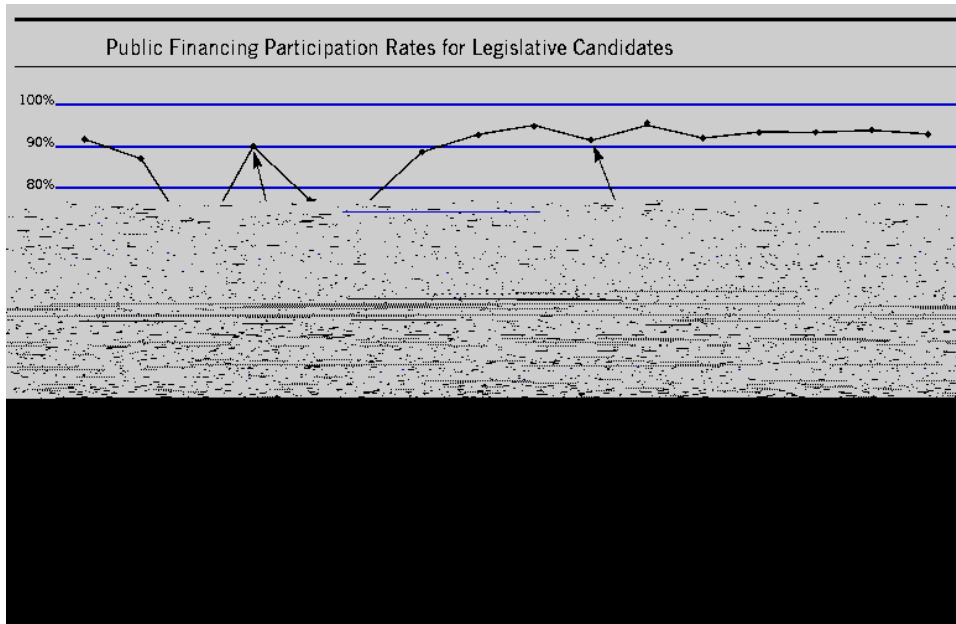


Figure 1: Percent of Legislative Candidates who participated in the Public Funding Program, 1976 to 2006. (Source: see bottom of chart.)

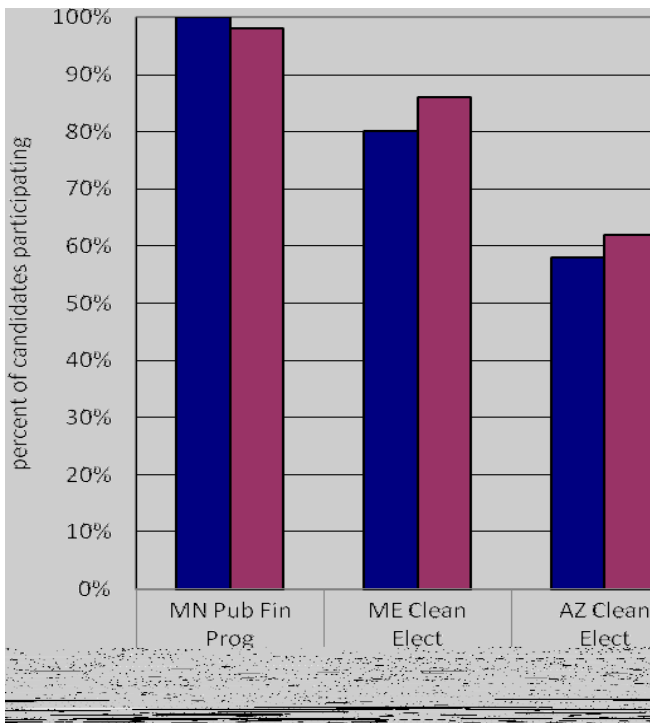


Figure 2: Percent of state house and senate candidates participating in public funding programs by state for 2006.

Sources:

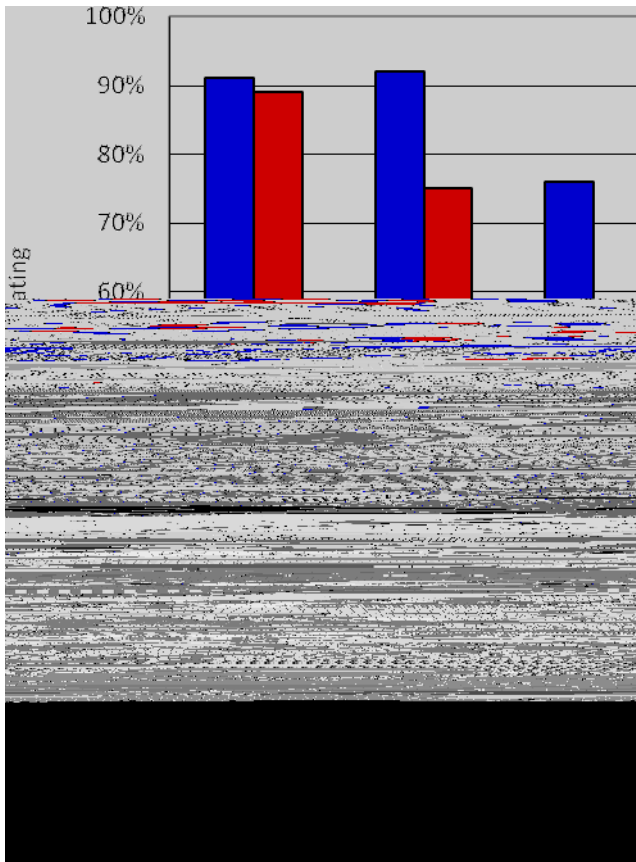


Figure 3: Percent of state house and senate candidates participating in

Table 6: Distribution of Minnesota General Account Public Subsidy by Office, 2006

	Total Paid	Number of Candidates	Payments Per Candidate
Governor	\$735,864	2	\$367,932
Attorney General	\$147,172	3	\$49,057
Secretary of State	\$84,098	3	\$28,032
State Auditor	\$84,098	3	\$28,032
State Senate	\$817,526	122	\$6,701
House of Representatives	\$760,793	247*	\$3,080

*The Green Party of Minnesota candidate for the House of

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Concern with the Influence of Money in State Politics



Figure 4: Percent of respondents concerned with the influence of money in state politics

