



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

### HB2349

Introduced 2/14/2023, by Rep. Kelly M. Cassidy

#### SYNOPSIS AS INTRODUCED:

10 ILCS 5/9-25.1	from Ch. 46, par. 9-25.1; formerly Ch. 46, pars. 102, 103 and 104
10 ILCS 5/Art. 9A heading new	
10 ILCS 5/9A-5 new	
10 ILCS 5/9A-10 new	
10 ILCS 5/9A-15 new	
10 ILCS 5/9A-20 new	
10 ILCS 5/9A-25 new	
10 ILCS 5/9A-30 new	
10 ILCS 5/9A-35 new	
10 ILCS 5/9A-40 new	
10 ILCS 5/9A-45 new	
10 ILCS 5/9A-50 new	
10 ILCS 5/9A-55 new	
10 ILCS 5/9A-60 new	
10 ILCS 5/9A-65 new	
10 ILCS 5/9A-70 new	
10 ILCS 5/9A-75 new	
30 ILCS 105/5.990 new	

Amends the Election Code. Provides that the amendatory Act may be referred to as the Small Donor Democracy Matching System for Fair Elections Act. Creates a small donor campaign contribution matching system for candidates for the offices of Governor, Lieutenant Governor, Attorney General, State Comptroller, State Treasurer, Secretary of State, State Senator, and State Representative. Creates the Small Donor Democracy Matching Fund as a special fund in the State treasury. Sets forth requirements for accessing the small donor matching system. Sets forth provisions for the funding of the matching contributions. Imposes limits on the access to matching funds. Allows the General Assembly to increase various amounts, subject to public referendum. Provides for penalties for violations of the provisions. Sets forth disclosure requirements. Creates the Campaign Finance Board within the State Board of Elections to implement the campaign contribution matching system. Includes severability provisions. Effective immediately.

LRB103 26407 BMS 52770 b

1 AN ACT concerning elections.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. This Act may be referred to as the Small Donor  
5 Democracy Matching System for Fair Elections Act.

6 Section 5. The Election Code is amended by changing  
7 Section 9-25.1 and by adding Article 9A as follows:

8 (10 ILCS 5/9-25.1) (from Ch. 46, par. 9-25.1; formerly Ch.  
9 46, pars. 102, 103 and 104)

10 Sec. 9-25.1. Election interference.

11 (a) As used in this Section, "public funds" means any  
12 funds appropriated by the Illinois General Assembly or by any  
13 political subdivision of the State of Illinois.

14 (b) No public funds shall be used to urge any elector to  
15 vote for or against any candidate or proposition, or be  
16 appropriated for political or campaign purposes to any  
17 candidate or political organization. This Section shall not  
18 prohibit the use of public funds for dissemination of factual  
19 information relative to any proposition appearing on an  
20 election ballot, or for dissemination of information and  
21 arguments published and distributed under law in connection  
22 with a proposition to amend the Constitution of the State of

1 Illinois. However, this Section does not apply to funds  
2 expended in connection with the campaign contribution matching  
3 program established in Article 9A of this Code or similar  
4 systems of public financing for elections established by a  
5 home rule unit of government.

6 (c) The first time any person violates any provision of  
7 this Section, that person shall be guilty of a Class B  
8 misdemeanor. Upon the second or any subsequent violation of  
9 any provision of this Section, the person violating any  
10 provision of this Section shall be guilty of a Class A  
11 misdemeanor.

12 (Source: P.A. 87-1052.)

13 (10 ILCS 5/Art. 9A heading new)

14 ARTICLE 9A. CAMPAIGN CONTRIBUTION MATCHING

15 (10 ILCS 5/9A-5 new)

16 Sec. 9A-5. Legislative findings. The General Assembly  
17 finds that the current campaign finance system:

18 (1) discourages many otherwise qualified candidates  
19 from running for office because of the need to raise  
20 substantial sums of money to be competitive and to enable  
21 them to adequately get their message out to voters;

22 (2) forces candidates to raise larger and larger  
23 percentages of money from interest groups that have a  
24 specific financial stake in matters before State

1 government to keep pace with rapidly increasing campaign  
2 costs;

3 (3) diminishes elected officials' accountability to  
4 their constituents by compelling them to be  
5 disproportionately accountable to the relatively small  
6 group of contributors who finance their election  
7 campaigns;

8 (4) diminishes the rights of all citizens to equal and  
9 meaningful participation in the democratic process;

10 (5) disadvantages challengers, because campaign  
11 contributors tend to give their money to incumbents, thus  
12 causing elections to be less competitive;

13 (6) burdens candidates with the incessant rigors of  
14 fundraising and thus decreases the time available to carry  
15 out their public responsibilities; and

16 (7) necessitates the creation of a Fair Elections  
17 Small Donor Democracy Matching System to address these  
18 concerns.

19 (10 ILCS 5/9A-10 new)

20 Sec. 9A-10. Scope. The program created under this Article  
21 applies to candidates for the offices of Governor, Attorney  
22 General, State Comptroller, State Treasurer, Secretary of  
23 State, State Senator, and State Representative. Candidates for  
24 these offices are eligible to participate in the matching  
25 funds program established by this Article.

1 (10 ILCS 5/9A-15 new)

2 Sec. 9A-15. Definitions. As used in this Article:

3 "Board" means the Campaign Finance Board of the State  
4 Board of Elections created under this Article.

5 "Candidate" means any person who seeks nomination for  
6 election, election to, or retention in public office as a  
7 Constitutional State Officer or a member of the Illinois  
8 Senate or General Assembly. A person seeks nomination for  
9 election, election, or retention if he or she (1) takes the  
10 action necessary under the laws of this State to attempt to  
11 qualify for nomination for election, election to, or retention  
12 in public office or (2) receives contributions or makes  
13 expenditures, or gives consent for any other person to receive  
14 contributions or make expenditures with a view to bringing  
15 about his or her nomination for election or election to or  
16 retention in public office.

17 "Contribution" has the meaning ascribed to it in Section  
18 9-1.4 of this Code, but does not include anything deemed an  
19 independent expenditure under this Article.

20 "Coordination" means an expenditure made in cooperation,  
21 consultation, or concert with or at the request or suggestion  
22 of a candidate, an authorized committee of a candidate, a  
23 political committee of a political party, or agents of the  
24 candidate or candidate political committee, or any payment for  
25 any communication which republishes, disseminates, or

1 distributes, in whole or in part, any broadcast or any  
2 written, graphic, or other form of campaign material prepared  
3 by the candidate or his or her candidate political committee  
4 or their agents.

5 "Election cycle" means the time beginning on the January 1  
6 following a general election and ending on the December 31  
7 following the next general election.

8 "Expenditure" means:

9 (1) a payment, distribution, purchase, loan, advance,  
10 deposit, gift of money, or anything of value, in  
11 connection with the nomination for election, election, or  
12 retention of any person to or in public office or in  
13 connection with any question of public policy; or

14 (2) a payment, distribution, purchase, loan, advance,  
15 deposit, gift of money, or anything of value that  
16 constitutes an electioneering communication made in  
17 concert or cooperation with or at the request, suggestion,  
18 or knowledge of a candidate, a political committee, or any  
19 of their agents; or a transfer of funds by a political  
20 committee to another political committee.

21 However, "expenditure" does not include:

22 (A) the use of real or personal property and the cost  
23 of invitations, food, and beverages, voluntarily provided  
24 by an individual in rendering voluntary personal services  
25 on the individual's residential premises for  
26 candidate-related activities; provided the value of the

1 service provided does not exceed an aggregate of \$150 in a  
2 reporting period as the Board may further define; or

3 (B) sale of any food or beverage by a vendor for use in  
4 a candidate's campaign at a charge less than the normal  
5 comparable charge, if such charge for use in a candidate's  
6 campaign is at least equal to the cost of such food or  
7 beverage to the vendor.

8 "Fund" means the Small Donor Democracy Matching Fund  
9 established under this Article.

10 "Immediate family" means a person's parents, siblings,  
11 spouse, and children.

12 "Independent expenditure" means an expenditure by anyone,  
13 including, but not limited to, any individual, corporation,  
14 partnership, political action committee, association, or  
15 party, that would otherwise constitute a contribution or  
16 expenditure under this Article, but that is made without any  
17 cooperation, consultation, or agreement with any political  
18 candidate.

19 "Initial qualifying contribution" means a qualified  
20 contribution used for the purpose of determining whether a  
21 candidate has raised the minimum number of contributions to  
22 participate in the small donor matching funds system under  
23 this Article.

24 "Matching funds" means funds paid to a participating  
25 candidate under this Article.

26 "Matching funds program" means the campaign donation

1 matching funds program created under this Article.

2 "Nomination period" means the period specified under this  
3 Code during which candidates must submit nomination papers for  
4 any of the State offices covered by this Article.

5 "Non-participating candidate" means any candidate who is  
6 not a participating candidate, including any candidate who has  
7 not qualified for matching funds or who has elected not to  
8 participate in the matching funds program.

9 "Participating candidate" means a candidate who qualifies  
10 for matching funds under this Article and opts to participate  
11 in the matching funds program created under this Article.

12 "Qualified contribution" means a monetary contribution not  
13 less than \$25 and not greater than the initial \$150 of any  
14 contribution made by a qualified contributor.

15 "Qualified contributor" means a natural person resident in  
16 the State who will be eligible to vote within the current  
17 election cycle other than the candidate, members of the  
18 candidate's immediate family, and any political action  
19 committee controlled by the candidate.

20 "Qualifying period" means the period beginning the day  
21 after the date of the most recent general election for the  
22 specific office or seat that a candidate is seeking and ending  
23 on the day prior to the election (whether primary or general  
24 election) for which the matching funds are sought.



1       Sec. 9A-20. Small Donor Democracy Matching Fund.

2       (a) There is created a Small Donor Democracy Matching Fund  
3 as a special fund in the State treasury. The Fund is  
4 established for the purposes of:

5           (1) providing public financing for the election  
6 campaigns of participating candidates under this Article;  
7 and

8           (2) paying for the administrative and enforcement  
9 costs of the Board related to the matching funds program  
10 created by this Article.

11       (b) The General Assembly shall annually appropriate either  
12 \$1 per resident of this State or one-twentieth of 1% of the  
13 State's annual budget, whichever is greater, to the Fund. The  
14 General Assembly shall appropriate no more than \$50,000,000 to  
15 the Fund in any election cycle.

16       (c) Other revenue that shall be deposited into the Fund  
17 includes:

18           (1) any funds returned by any participating candidate  
19 that remain unspent by a participating candidate following  
20 the date of the election for which they were distributed,  
21 in accordance with subsection (c) of Section 9A-55 of this  
22 Code;

23           (2) fines levied by the Board or courts against  
24 candidates for violations of this Code, except as  
25 otherwise provided by this Code; and

26           (3) voluntary donations made directly to the Fund.

1 (10 ILCS 5/9A-25 new)

2 Sec. 9A-25. Eligibility for matching funds.

3 (a) To be eligible to be certified as a participating  
4 candidate, a candidate must:

5 (1) During the qualifying period for the election  
6 involved, choose to participate in the matching funds  
7 program by filing with the Board a written application for  
8 certification as a participating candidate in such form as  
9 may be prescribed by the Board, containing the identity of  
10 the participating candidate, the office that the  
11 participating candidate seeks, and the participating  
12 candidate's signature, under penalty of perjury,  
13 certifying that:

14 (A) the participating candidate has complied since  
15 the last election or the effective date of this  
16 amendatory Act of the 103rd General Assembly,  
17 whichever is most recent, and will continue to comply,  
18 with the restrictions of this Article during the  
19 applicable election cycle; a candidate who has  
20 accepted impermissible contributions prior to filing  
21 to participate in this program shall return any such  
22 impermissible contributions prior to filing to  
23 participate in this matching funds program to the  
24 extent practical, as determined by the Board in  
25 adopted rules; and

1           (B) the participating candidate's campaign  
2           committee has filed all campaign finance reports  
3           required by law during the applicable election cycle  
4           to date and that they are complete and accurate.

5           (2) Sign a participating candidate contract signifying  
6           the candidate's prior compliance and continuing commitment  
7           to comply with the requirements of this Article, to comply  
8           with the contribution limits set forth in this Article and  
9           in that contract, and to comply with any other  
10          requirements set forth in that contract.

11          (3) Meet all requirements of applicable law to be  
12          listed on the ballot.

13          (4) Before the close of the qualifying period, collect  
14          at least the following number of initial qualifying  
15          contributions for the following offices: 1,000 for  
16          candidates for Governor; 500 for candidates for Lieutenant  
17          Governor, Attorney General, State Comptroller, State  
18          Treasurer, and Secretary of State; 200 for candidates for  
19          State Senator; and 100 for candidates for State  
20          Representative.

21          Each initial qualifying contribution shall:

22               (A) have the initial qualified contributor's  
23               signature, or an electronic equivalent for any  
24               donations received on-line, signifying that the  
25               initial qualified contributor understands that the  
26               purpose of the initial qualifying contribution is to

1 help the candidate qualify for the matching funds  
2 program and that the contribution is made without  
3 coercion or reimbursement; and

4 (B) be acknowledged by a written receipt, or the  
5 electronic equivalent for any donation received  
6 on-line, to the initial qualified contributor, with a  
7 copy retained by the candidate; the receipt shall  
8 include the initial qualified contributor's signature,  
9 printed name, home address, and telephone number, if  
10 any, and the name of the candidate on whose behalf the  
11 contribution is made.

12 A contribution for which a candidate has not obtained  
13 a signed and fully completed receipt, or its electronic  
14 equivalent, shall not be counted as an initial qualifying  
15 contribution for the purpose of satisfying this  
16 qualification requirement.

17 (b) In addition to the requirements of subsection (a) of  
18 this Section, in order for a candidate for Governor or  
19 Lieutenant Governor to be eligible to be certified as a  
20 participating candidate, the other member of the team of  
21 candidates for the offices of Governor and Lieutenant Governor  
22 must also be a participating candidate.

23 (c) To remain eligible to continue to receive matching  
24 funds under this Article, a candidate must:

25 (1) maintain records of all contributions, receipts,  
26 and expenditures as required by the Board;

1           (2) obtain and furnish to the Board any information it  
2           may request relating to his or her campaign expenditures,  
3           contributions, and qualified contributions and furnish any  
4           documentation and other proof of compliance with this  
5           Article as may be requested by the Board; and

6           (3) remain in compliance with the requirements set  
7           forth in this Article.

8           (d) At the earliest practicable time after a candidate  
9           files a written application for certification as a  
10           participating candidate with the Board, in no event more than  
11           10 business days, the Board shall certify in writing that the  
12           candidate is or is not eligible. Eligibility may be revoked if  
13           the Board determines, after appropriate due process, that a  
14           candidate has committed a substantial violation of the  
15           requirements of this Article, in which case all matching funds  
16           granted to the candidate shall be repaid to the Fund. A  
17           determination shall be made by the Board after an appropriate  
18           hearing, affording due process to the aggrieved party, under  
19           rules adopted by the Board that further define what  
20           constitutes a "substantial violation" and that set forth the  
21           procedures to be followed in connection with any such hearing.

22           (10 ILCS 5/9A-30 new)

23           Sec. 9A-30. Matching funds payments.

24           (a) A candidate who is certified as a participating  
25           candidate shall receive payment of matching funds equal to 6

1 times the amount of qualified contributions received by the  
2 participating candidate during the election cycle with respect  
3 to a single election subject to the aggregate limit on the  
4 total amount of matching funds payments to a participating  
5 candidate specified in subsection (b) of this Section, unless  
6 the candidate has no opposition on the ballot. Unopposed  
7 candidates shall not be eligible to receive matching funds  
8 unless and until they cease to be unopposed; however, any  
9 candidate who had already received matching funds under this  
10 Article prior to becoming unopposed shall be entitled to  
11 retain those funds and spend those funds in accordance with  
12 Section 9A-50 of this Code.

13 (b) Subject to the requirements of subsection (a) of  
14 Section 9A-40 of this Code, the aggregate amount of matching  
15 funds payments that may be made to a participating candidate  
16 during an election cycle may not exceed the following:

17 (1) \$5,000,000 for candidates for Governor;

18 (2) \$1,000,000 for candidates for Lieutenant Governor,  
19 Attorney General, State Comptroller, State Treasurer, and  
20 Secretary of State;

21 (3) \$300,000 for candidates for State Senator; and

22 (4) \$150,000 for candidates for State Representative.

23 (c) A participating candidate's application for matching  
24 funds, including an initial request submitted with an  
25 application for certification as a participating candidate,  
26 shall be made using a form prescribed by the Board and shall be

1 accompanied as necessary by initial qualifying contribution  
2 receipts and any other information the Board requires by rule.  
3 This application shall be accompanied by a signed statement  
4 from the participating candidate indicating that all  
5 information on the initial qualifying contribution receipts is  
6 complete and accurate to the best of the participating  
7 candidate's knowledge. The Board shall verify that a  
8 participating candidate's qualified contributions meet all of  
9 the requirements and limitations of this Article prior to the  
10 disbursement of matching funds to the participating candidate.

11 (d) The Board shall make an initial payment of the  
12 matching funds within 10 business days of the Board's  
13 certification of a participating candidate's eligibility in  
14 accordance with the provisions of this Article, or as soon  
15 thereafter as is practicable.

16 (e) The Board shall establish a schedule for the  
17 submission of matching funds payment requests, permitting a  
18 participating candidate to submit a matching funds payment  
19 request at least once per month, in accordance with a schedule  
20 established by the Board.

21 (f) When 90% of the existing Fund has been distributed,  
22 the Board shall give notice within 24 hours to all candidates  
23 that only 10% of the Fund remains. Thereafter, the Board shall  
24 make no further matching funds payments until after election  
25 day and it shall only pay any requests submitted after notice  
26 has been distributed under this subsection (f) proportionally,

1 spread over all candidates and requests equally, in a manner  
2 to be determined in greater detail pursuant to rules adopted  
3 by the Board.

4 (10 ILCS 5/9A-35 new)

5 Sec. 9A-35. Limits on contributions.

6 (a) Subject to the requirements of subsection (a) of  
7 Section 9A-40 of this Code, no candidate shall accept,  
8 directly or indirectly, any contribution (or combination of  
9 contributions) from the same person, corporation, partnership,  
10 political party, political action committee, or other legal  
11 entity in excess of \$500. However, if a candidate in the  
12 participating candidate's race exceeds the self-funding  
13 thresholds established in subsection (h) of Section 9-8.5 of  
14 this Code for that race, the limitation under this subsection  
15 (a) is increased to \$2,500.

16 (b) No participating candidate shall accept any  
17 contribution (or combination of contributions) from any  
18 person, corporation, partnership, or other legal entity who  
19 lobbies members of the State executive or legislative  
20 branches, within the meaning of the Lobbyist Registration Act,  
21 or does business with the State. No participating candidate  
22 shall encourage, support, cooperate, or coordinate with any  
23 independent expenditure committee or any individual engaging  
24 in independent expenditures, whether in support of the  
25 candidate or in opposition to the candidate's opponent. The



1 Board may adopt additional rules defining who constitutes a  
2 "lobbyist" and who is deemed to be "doing business" with the  
3 State within the meaning of this Article.

4 (c) No participating candidate shall make expenditures  
5 from or use his or her own personal funds or the personal funds  
6 or property held jointly with members of his or her immediate  
7 family in connection with his or her nomination for election  
8 or election, except as a contribution to his or her political  
9 committee in an amount that does not exceed 10 times the  
10 maximum contribution applicable under subsection (a) of this  
11 Section. No participating candidate shall make expenditures  
12 from or use other personal funds or property of his or her  
13 immediate family in furtherance of his or her own campaign.

14 (10 ILCS 5/9A-40 new)

15 Sec. 9A-40. Adjustment.

16 (a) The Board shall revise the limits on contributions and  
17 on overall contributions at least one year prior to the next  
18 general primary election. The Board shall adjust them by an  
19 amount equal to the change in the Consumer Price Index for all  
20 Urban Consumers for all items published by the United States  
21 Department of Labor for the 12-month calendar year preceding  
22 readjustment. Amounts shall be rounded to the nearest \$10. The  
23 revised overall limits shall be published no later than one  
24 year prior to the date of the next general primary election.

25 (b) The General Assembly shall review the amounts and

1 numbers of required initial qualifying contributions, the  
2 ratio of matching funds, the additional limits on  
3 contributions, and the limits on overall contributions in the  
4 6-month period following each general election to determine if  
5 they shall stay the same, after any adjustment for inflation  
6 under subsection (a) of this Section, or be increased for the  
7 next general primary election and general election.

8 (c) If the General Assembly determines that any of the  
9 figures specified in subsection (b) of this Section should  
10 change, then any proposed change, other than an adjustment for  
11 inflation under subsection (a) of this Section, shall be  
12 adopted for the next general election by a majority vote of  
13 each chamber of the General Assembly and shall also be  
14 submitted to the voters via a binding referendum for  
15 ratification at the next consolidated election for approval or  
16 rejection with respect to any future general elections.

17 (10 ILCS 5/9A-45 new)

18 Sec. 9A-45. Campaign accounts for participating  
19 candidates. During an election cycle, each participating  
20 candidate shall conduct all campaign financial activities  
21 through a single political action committee, consistent with  
22 subsection (b) of Section 9-2 of this Code, and shall comply  
23 with any additional recordkeeping requirements imposed under  
24 this Article by the Board.

1 (10 ILCS 5/9A-50 new)

2 Sec. 9A-50. Expenditures of matching funds.

3 (a) A participating candidate shall use matching funds  
4 only for direct campaign purposes. The Board may further  
5 define the phrase "direct campaign purposes" by rule.

6 (b) Neither a participating candidate nor anyone acting on  
7 his or her behalf shall use matching funds for:

8 (1) costs of legal defense in any campaign law  
9 enforcement proceeding;

10 (2) indirect campaign purposes, including, but not  
11 limited to:

12 (A) the participating candidate's personal support  
13 or compensation to the participating candidate or the  
14 participating candidate's immediate family;

15 (B) clothing, haircuts, and other items related to  
16 the participating candidate's personal appearance;

17 (C) a contribution or loan to the campaign  
18 committee of another candidate, a party committee, or  
19 other political committee;

20 (D) an independent expenditure;

21 (E) automobile purchases, tuition payments, or  
22 childcare costs;

23 (F) dues, fees, or gratuities at a country club,  
24 health club, recreational facility, or other  
25 nonpolitical organization unless part of a specific  
26 fundraising event that takes place on the

1 organization's premises;

2 (G) admission to a sporting event, theater,  
3 concert, or other entertainment event not part of a  
4 specific campaign activity; or

5 (H) gifts, except for brochures, buttons, signs,  
6 and other campaign materials and token gifts valued at  
7 not more than \$50 that are for the purpose of  
8 expressing gratitude, condolences, or congratulations.

9 (10 ILCS 5/9A-55 new)

10 Sec. 9A-55. Disclosure requirements and procedures; return  
11 of funds.

12 (a) Each participating candidate shall file reports of  
13 contribution receipts and of expenditures of matching funds  
14 and other campaign funds at such times and in such manners as  
15 the Board may prescribe by rule, including, but not limited  
16 to, reports containing information necessary to verify that  
17 the qualified contributions received by participating  
18 candidates and that the matching funds spent by participating  
19 candidates comply with the restrictions and requirements of  
20 this Article.

21 (b) The Board by rule shall adopt procedures for auditing  
22 any reports filed with it as well as related reports filed with  
23 the State Board of Elections and issuing a public report  
24 summarizing the election results, the campaign expenditures  
25 made in connection with offices covered by this Article, and

1 the level and amount of matching funds provided to each  
2 campaign.

3 (c) Within 90 days after the consolidated or general  
4 election, every participating candidate who received matching  
5 funds under this Article shall repay the Fund any unused  
6 matching funds, calculated as follows: any unused campaign  
7 funds shall be multiplied by a ratio consisting of the total  
8 amount of matching funds received by the campaign in the  
9 numerator and the total amount of campaign funds raised by the  
10 campaign in the denominator. The amount of any repayment under  
11 this subsection (c) shall not exceed the total amount of  
12 matching funds paid to the campaign.

13 (10 ILCS 5/9A-60 new)

14 Sec. 9A-60. Joint campaign contributions and expenditures.  
15 Where multiple candidates are otherwise permitted under State  
16 law to engage in joint efforts to raise campaign contributions  
17 or in joint campaign expenditures, any contribution received  
18 at a joint fundraising event and any joint campaign  
19 expenditures shall be appropriately allocated among the  
20 participating candidates in a reasonable manner to be agreed  
21 upon by those candidates participating in the activity. The  
22 Board may review the reasonableness of any allocation under  
23 this Section.

24 (10 ILCS 5/9A-65 new)

1       Sec. 9A-65. Application of contribution and expenditure  
2 limitations to certain political activities. Nothing in this  
3 Article shall be construed to restrict candidates or their  
4 agents from making appearances at events sponsored or paid for  
5 by persons, political committees, or other entities that are  
6 not in any way affiliated with the candidate or any agent of  
7 the candidate. The costs of these events shall not be  
8 considered contributions to or expenditures by the candidate  
9 for purposes of this Article simply because the candidate or  
10 agent appears at such an event. However, this provision does  
11 not apply to events at which contributions are solicited on  
12 behalf of the participating candidate.

13       (10 ILCS 5/9A-70 new)

14       Sec. 9A-70. Campaign Finance Board; general powers and  
15 duties.

16       (a) A Campaign Finance Board is created within the State  
17 Board of Elections, consisting of 5 members appointed by the  
18 Governor with the advice and consent of the Senate. Each party  
19 or caucus represented in the General Assembly shall have at  
20 least one member on the Board. However, the Chairperson of the  
21 Board shall not be affiliated with any political party. The  
22 initial appointments required under this subsection (a) shall  
23 be made within 6 months of the effective date of this  
24 amendatory Act of 103rd General Assembly, and their terms  
25 shall commence on the January 1 following appointment. The

1 terms of office for the initial appointees shall be, except  
2 for the Chairperson, determined by lot as follows:

3 (1) one member shall serve a term of one year;

4 (2) one member shall serve a term of 2 years;

5 (3) one member shall serve a term of 3 years;

6 (4) one member shall serve a term of 4 years; and

7 (5) the initial Chairperson shall serve a term of 5  
8 years.

9 Thereafter, each member shall be appointed for a term of 5  
10 years, according to the original manner of appointment. In the  
11 case of a vacancy in the office of a member, a member shall be  
12 selected to serve the remainder of the unexpired term in the  
13 same manner the vacating member was selected. Members shall  
14 serve no more than 3 consecutive terms. No member of the Board  
15 may be removed from office except for cause, after notice and a  
16 hearing by the Senate.

17 (b) To be eligible to serve as a member of the Board, an  
18 individual must meet all of the following qualifications  
19 throughout the period of his or her service:

20 (1) the member must be a resident of Illinois,  
21 eligible and registered to vote;

22 (2) the member must agree that he or she and any  
23 members of his or her immediate family will not make any  
24 contributions to any candidate for any of the offices  
25 eligible to receive matching funds during his or her term  
26 of service;

1           (3) the member must agree not to (i) serve as an  
2           officer of a political party or (ii) be a candidate or  
3           participate in any capacity in a campaign by a candidate  
4           for any of the offices eligible to receive public matching  
5           funds under this Article during his or her term of  
6           service;

7           (4) the member may not otherwise be an officer or  
8           employee of the State, nor a lobbyist engaged in lobbying  
9           any elected officials of the State; and

10           (5) the member must agree to undergo training under  
11           the supervision of the Chairperson of the Board.

12           (c) Subject to appropriations, the members of the Board  
13           shall be compensated at a rate specified by law while  
14           performing the work of the Board.

15           (d) The Board may employ necessary staff, including  
16           attorneys and accountants, and may utilize the services of  
17           employees of the State Board of Elections to assist the Board  
18           in carrying out its duties. Subject to appropriations, the  
19           total budget for the Board's operations shall not be less than  
20           .01% of the overall State budget.

21           (e) The Board shall have the authority to adopt rules and  
22           provide forms as it deems necessary to administer the matching  
23           funds system created by this Article. The Board shall adopt  
24           rules concerning the form in which contributions and  
25           expenditures are to be reported, the periods during which such  
26           reports must be filed, the measures for auditing and reporting



1 on campaign contributions and expenditures, and the  
2 verification required.

3 (f) The Board shall have the power to investigate all  
4 matters relating to the performance of its functions and any  
5 other matter relating to the proper administration of this  
6 Article. It shall have the power to require the attendance of  
7 witnesses, to examine and take testimony under oath of any  
8 persons as it shall deem necessary, and to require the  
9 production of books, accounts, papers, and any other relevant  
10 evidence relative to such investigation.

11 (g) The Board shall develop a program for informing  
12 candidates and the public about the small donor matching funds  
13 system created by this Article. The Board may prepare and make  
14 available educational materials, including compliance manuals  
15 and summaries of the relevant provisions of this program. The  
16 Board shall prepare and make available materials including, to  
17 the extent feasible, computer software, to facilitate the task  
18 of compliance with the disclosure and recordkeeping  
19 requirements under this Article.

20 (h) The Board shall have the power to render advisory  
21 opinions with respect to questions arising under this Article.  
22 These opinions may be requested in writing by any candidate,  
23 political committee, or member of the general public. The  
24 Board shall adopt rules regarding submissions and responses to  
25 such requests, including response times. The Board shall make  
26 public its response to any such requests, as well as to any

1 other formal rulings or interpretations it makes, including by  
2 posting them on its website, if practicable.

3 (i) The Board shall have the authority to implement any  
4 system established for the regulation of inauguration and  
5 transition donations and expenditures, including any related  
6 penalties. It shall also have the authority to adopt and  
7 implement a system for handling the transition from the  
8 existing campaign finance system and any pre-existing  
9 political committees and contributions to the small donor  
10 matching funds system implemented by this Article.

11 (j) The Board may take such other actions as are necessary  
12 and proper to carry out its functions and the purposes of  
13 adoption of a small donor matching funds system. The specific  
14 grants of power under this Section do not constitute and shall  
15 not be construed as limitations on the other proper and  
16 necessary powers of the Board.

17 (k) All final administrative decisions under this Article  
18 are subject to judicial review under the Administrative Review  
19 Law.

20 (10 ILCS 5/9A-75 new)

21 Sec. 9A-75. Public campaign financing program penalties.

22 (a) If a participating candidate knowingly accepts or  
23 spends matching funds in violation of this Article, then the  
24 candidate shall repay to the Fund a civil fine in an amount  
25 equal to twice the value of the funding unlawfully accepted or

1 spent.

2 (b) The Board shall, after a hearing affording the  
3 aggrieved party due process, have the authority to impose the  
4 fine created by this Section, to order repayment of  
5 overpayments that were not knowingly received, and to take any  
6 other appropriate action, pursuant to any additional rules  
7 concerning such hearings as the Board shall adopt.

8 (c) Any member of the public, as well as the Board on its  
9 own initiative, shall have standing to file a complaint with  
10 the Board alleging a violation of this Article. If a complaint  
11 is filed by an opposing candidate, or in coordination with an  
12 opposing candidate's campaign, the Board shall have the option  
13 of awarding costs and attorneys' fees if the complaint is  
14 found to have been lacking a reasonable basis.

15 (d) The Board shall adopt appropriate rules guaranteeing  
16 notice and due process to anyone accused of violating this  
17 Article and setting forth the process the Board will follow in  
18 investigating and adjudicating any such complaint.

19 Section 10. The State Finance Act is amended by adding  
20 Section 5.990 as follows:

21 (30 ILCS 105/5.990 new)

22 Sec. 5.990. The Small Donor Democracy Matching Fund.

23 Section 97. Severability. The provisions of this Act are

1 severable under Section 1.31 of the Statute on Statutes.

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.