



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3712

by Rep. Kelly M. Cassidy

SYNOPSIS AS INTRODUCED:

See Index

Creates the Small Donor Democracy Matching System for Fair Elections Act. Amends the Election Code. 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.

LRB101 08487 SMS 53564 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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. Short title. This Act may be referred to as the
5 Small Donor Democracy Matching System for Fair Elections Act.

6 Section 5. The Election Code is amended by changing Section
7 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 funds
12 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 home
5 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 any
9 provision of this Section, the person violating any provision
10 of this Section shall be guilty of a Class A misdemeanor.

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

12 (10 ILCS 5/Art. 9A heading new)

13 ARTICLE 9A. CAMPAIGN CONTRIBUTION MATCHING

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

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

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

21 (2) forces candidates to raise larger and larger
22 percentages of money from interest groups that have a
23 specific financial stake in matters before State
24 government to keep pace with rapidly increasing campaign

1 costs;

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

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

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

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

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

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

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

24 (10 ILCS 5/9A-15 new)

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

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

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

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

19 "Coordination" means an expenditure made in cooperation,
20 consultation, or concert with or at the request or suggestion
21 of a candidate, an authorized committee of a candidate, a
22 political committee of a political party, or agents of the
23 candidate or candidate political committee, or any payment for
24 any communication which republishes, disseminates, or
25 distributes, in whole or in part, any broadcast or any written,
26 graphic, or other form of campaign material prepared by the

1 candidate or his or her candidate political committee or their
2 agents.

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

6 "Expenditure" means:

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

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

19 However, "expenditure" does not include:

20 (A) the use of real or personal property and the cost
21 of invitations, food, and beverages, voluntarily provided
22 by an individual in rendering voluntary personal services
23 on the individual's residential premises for
24 candidate-related activities; provided the value of the
25 service provided does not exceed an aggregate of \$150 in a
26 reporting period as the Board may further define; or

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

6 "Fund" means the Small Donor Democracy Matching Fund
7 established under this Article.

8 "Immediate family" means a person's parents, siblings,
9 spouse, and children.

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

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

22 "Matching funds" means funds paid to a participating
23 candidate under this Article.

24 "Matching funds program" means the campaign donation
25 matching funds program created under this Article.

26 "Nomination period" means the period specified under this

1 Code during which candidates must submit nomination papers for
2 any of the State offices covered by this Article.

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

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

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

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

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

23 (10 ILCS 5/9A-20 new)

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

25 (a) There is created a Small Donor Democracy Matching Fund

1 as a special fund in the State treasury. The Fund is
2 established for the purposes of:

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

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

9 (b) The General Assembly shall annually appropriate either
10 \$1 per resident of this State or one-twentieth of 1% of the
11 State's annual budget, whichever is greater, to the Fund. The
12 General Assembly shall appropriate no more than \$50,000,000 to
13 the Fund in any election cycle.

14 (c) Other revenue that shall be deposited into the Fund
15 includes:

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

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

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

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

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

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

13 (A) the participating candidate has complied since
14 the last election or the effective date of this
15 amendatory Act of the 101st General Assembly,
16 whichever is most recent, and will continue to comply,
17 with the restrictions of this Article during the
18 applicable election cycle; a candidate who has
19 accepted impermissible contributions prior to filing
20 to participate in this program shall return any such
21 impermissible contributions prior to filing to
22 participate in this matching funds program to the
23 extent practical, as determined by the Board in adopted
24 rules; and

25 (B) the participating candidate's campaign
26 committee has filed all campaign finance reports

1 required by law during the applicable election cycle to
2 date and that they are complete and accurate.

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

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

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

19 Each initial qualifying contribution shall:

20 (A) have the initial qualified contributor's
21 signature, or an electronic equivalent for any
22 donations received on-line, signifying that the
23 initial qualified contributor understands that the
24 purpose of the initial qualifying contribution is to
25 help the candidate qualify for the matching funds
26 program and that the contribution is made without

1 coercion or reimbursement; and

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

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

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

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

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

25 (2) obtain and furnish to the Board any information it
26 may request relating to his or her campaign expenditures,

1 contributions, and qualified contributions and furnish any
2 documentation and other proof of compliance with this
3 Article as may be requested by the Board; and

4 (3) remain in compliance with the requirements set
5 forth in this Article.

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

20 (10 ILCS 5/9A-30 new)

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

22 (a) A candidate who is certified as a participating
23 candidate shall receive payment of matching funds equal to 6
24 times the amount of qualified contributions received by the
25 participating candidate during the election cycle with respect

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

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

15 (1) \$5,000,000 for candidates for Governor;

16 (2) \$1,000,000 for candidates for Lieutenant Governor,
17 Attorney General, State Comptroller, State Treasurer, and
18 Secretary of State;

19 (3) \$300,000 for candidates for State Senator; and

20 (4) \$150,000 for candidates for State Representative.

21 (c) A participating candidate's application for matching
22 funds, including an initial request submitted with an
23 application for certification as a participating candidate,
24 shall be made using a form prescribed by the Board and shall be
25 accompanied as necessary by initial qualifying contribution
26 receipts and any other information the Board requires by rule.

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

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

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

19 (f) In the event that 90% of the existing Fund has been
20 distributed, the Board shall give notice within 24 hours to all
21 candidates that only 10% of the Fund remains. Thereafter, the
22 Board shall make no further matching funds payments until after
23 election day and it shall only pay any requests submitted after
24 notice has been distributed under this subsection (f)
25 proportionally, spread over all candidates and requests
26 equally, in a manner to be determined in greater detail

1 pursuant to rules adopted by the Board.

2 (10 ILCS 5/9A-35 new)

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

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

14 (b) No participating candidate shall accept any
15 contribution (or combination of contributions) from any
16 person, corporation, partnership, or other legal entity who
17 lobbies members of the State executive or legislative branches,
18 within the meaning of the Lobbyist Registration Act, or does
19 business with the State. No participating candidate shall
20 encourage, support, cooperate, or coordinate with any
21 independent expenditure committee or any individual engaging
22 in independent expenditures, whether in support of the
23 candidate or in opposition to the candidate's opponent. The
24 Board may adopt additional rules defining who constitutes a
25 "lobbyist" and who is deemed to be "doing business" with the

1 State within the meaning of this Article.

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

12 (10 ILCS 5/9A-40 new)

13 Sec. 9A-40. Adjustment.

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

23 (b) The General Assembly shall review the amounts and
24 numbers of required initial qualifying contributions, the
25 ratio of matching funds, the additional limits on

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

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

15 (10 ILCS 5/9A-45 new)

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

23 (10 ILCS 5/9A-50 new)

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

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

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

6 (1) costs of legal defense in any campaign law
7 enforcement proceeding;

8 (2) indirect campaign purposes, including, but not
9 limited to:

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

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

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

18 (D) an independent expenditure;

19 (E) automobile purchases, tuition payments, or
20 childcare costs;

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

26 (G) admission to a sporting event, theater,

1 concert, or other entertainment event not part of a
2 specific campaign activity; or

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

7 (10 ILCS 5/9A-55 new)

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

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

18 (b) The Board by rule shall adopt procedures for auditing
19 any reports filed with it as well as related reports filed with
20 the State Board of Elections and issuing a public report
21 summarizing the election results, the campaign expenditures
22 made in connection with offices covered by this Article, and
23 the level and amount of matching funds provided to each
24 campaign.

25 (c) Within 90 days after the consolidated or general

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

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

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

20 (10 ILCS 5/9A-65 new)

21 Sec. 9A-65. Application of contribution and expenditure
22 limitations to certain political activities. Nothing in this
23 Article shall be construed to restrict candidates or their
24 agents from making appearances at events sponsored or paid for

1 by persons, political committees, or other entities that are
2 not in any way affiliated with the candidate or any agent of
3 the candidate. The costs of these events shall not be
4 considered contributions to or expenditures by the candidate
5 for purposes of this Article simply because the candidate or
6 agent appears at such an event. However, this provision does
7 not apply to events at which contributions are solicited on
8 behalf of the participating candidate.

9 (10 ILCS 5/9A-70 new)

10 Sec. 9A-70. Campaign Finance Board; general powers and
11 duties.

12 (a) A Campaign Finance Board is created within the State
13 Board of Elections, consisting of 5 members appointed by the
14 Governor with the advice and consent of the Senate. Each party
15 or caucus represented in the General Assembly shall have at
16 least one member on the Board. However, the Chairperson of the
17 Board shall not be affiliated with any political party. The
18 initial appointments required under this subsection (a) shall
19 be made within 6 months of the effective date of this
20 amendatory Act of 101st General Assembly, and their terms shall
21 commence on the January 1 following appointment. The terms of
22 office for the initial appointees shall be, except for the
23 Chairperson, determined by lot as follows:

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

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

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

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

3 (5) the initial Chairperson shall serve a term of 5
4 years.

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

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

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

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

23 (3) the member must agree not to (i) serve as an
24 officer of a political party or (ii) be a candidate or
25 participate in any capacity in a campaign by a candidate
26 for any of the offices eligible to receive public matching

1 funds under this Article during his or her term of service;

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

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

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

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

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

24 (f) The Board shall have the power to investigate all
25 matters relating to the performance of its functions and any
26 other matter relating to the proper administration of this

1 Article. It shall have the power to require the attendance of
2 witnesses, to examine and take testimony under oath of any
3 persons as it shall deem necessary, and to require the
4 production of books, accounts, papers, and any other relevant
5 evidence relative to such investigation.

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

15 (h) The Board shall have the power to render advisory
16 opinions with respect to questions arising under this Article.
17 These opinions may be requested in writing by any candidate,
18 political committee, or member of the general public. The Board
19 shall adopt rules regarding submissions and responses to such
20 requests, including response times. The Board shall make public
21 its response to any such requests, as well as to any other
22 formal rulings or interpretations it makes, including by
23 posting them on its website, if practicable.

24 (i) The Board shall have the authority to implement any
25 system established for the regulation of inauguration and
26 transition donations and expenditures, including any related

1 penalties. It shall also have the authority to adopt and
2 implement a system for handling the transition from the
3 existing campaign finance system and any pre-existing
4 political committees and contributions to the small donor
5 matching funds system implemented by this Article.

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

12 (k) All final administrative decisions under this Article
13 are subject to judicial review under the Administrative Review
14 Law.

15 (10 ILCS 5/9A-75 new)

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

17 (a) If a participating candidate knowingly accepts or
18 spends matching funds in violation of this Article, then the
19 candidate shall repay to the Fund a civil fine in an amount
20 equal to twice the value of the funding unlawfully accepted or
21 spent.

22 (b) The Board shall, after a hearing affording the
23 aggrieved party due process, have the authority to impose the
24 fine created by this Section, to order repayment of
25 overpayments that were not knowingly received, and to take any

1 other appropriate action, pursuant to any additional rules
2 concerning such hearings as the Board shall adopt.

3 (c) Any member of the public, as well as the Board on its
4 own initiative, shall have standing to file a complaint with
5 the Board alleging a violation of this Article. In the event a
6 complaint is filed by an opposing candidate, or in coordination
7 with an opposing candidate's campaign, the Board shall have the
8 option of awarding costs and attorneys' fees in the event the
9 complaint is found to have been lacking a reasonable basis.

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

14 Section 10. The State Finance Act is amended by adding
15 Section 5891 as follows:

16 (30 ILCS 105/5891 new)

17 Sec. 5891. The Small Donor Democracy Matching Fund.

18 Section 97. Severability. The provisions of this Act are
19 severable under Section 1.31 of the Statute on Statutes.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 10 ILCS 5/9-25.1 from Ch. 46, par. 9-25.1; formerly
Ch. 46, pars. 102, 103 and 104

4 10 ILCS 5/Art. 9A heading

5 new

6 10 ILCS 5/9A-5 new

7 10 ILCS 5/9A-10 new

8 10 ILCS 5/9A-15 new

9 10 ILCS 5/9A-20 new

10 10 ILCS 5/9A-25 new

11 10 ILCS 5/9A-30 new

12 10 ILCS 5/9A-35 new

13 10 ILCS 5/9A-40 new

14 10 ILCS 5/9A-45 new

15 10 ILCS 5/9A-50 new

16 10 ILCS 5/9A-55 new

17 10 ILCS 5/9A-60 new

18 10 ILCS 5/9A-65 new

19 10 ILCS 5/9A-70 new

20 10 ILCS 5/9A-75 new

21 30 ILCS 105/5891 new