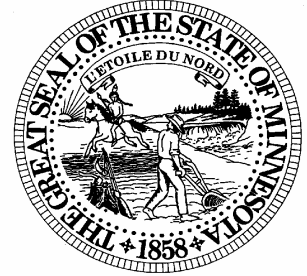


Minnesota

Campaign Finance and Public Disclosure Board



Date: June 16, 2009

To: Interested Persons

From: Gary Goldsmith, Executive Director

Telephone: 651-296-1721

Re: Governor's unallotment of funds for the Contribution Refund Program

Today, Governor Pawlenty announced proposed unallotments that the administration is considering in order to balance the state's budget.

Among the proposals is the unallotment of \$10.4 million which would otherwise support refunds made under the political contribution refund program which is available to party units and candidates who agree to limit their spending by signing a Public Subsidy Agreement.

The contribution refund program is administered by the Department of Revenue. Money is appropriated to the Department of Revenue to fund the program and the Department processes refund applications much as it processes tax refunds. Questions regarding the program and the effect of the Governor's proposed unallotment should be directed to the Department of Revenue. The Campaign Finance Board does not have a telephone contact number at the Department specifically dedicated to such questions. The general contact number is 651-296-3781 or 800-652-9094.

At the present time, all Public Subsidy Agreements signed by candidates remain in place and in full effect with regard to spending limits and other conditions to which signers agreed. The Governor's proposed unallotments do not include unallotment of the income and property tax checkoff component or the direct appropriation component of the public subsidy program. At this time it appears that the part of the public subsidy program that provides direct payments to qualified candidates is still in place.

If the proposed unallotment of money for the contribution refund program is implemented, the Board will review with legislative leaders and others the possible effects of the unallotment on existing public subsidy agreements. The Board has no further information at this time.

Important: Limits on contributions that may be accepted by candidates from individuals, party units, and political committees or funds, as well as the aggregate limit on contributions from special sources have never been dependent on a candidate's signing a Public Subsidy Agreement. These limits are applicable regardless of the status of the public subsidy program or a candidate's participation in that program.

Questions regarding the public subsidy program, other than questions regarding implementation of the proposed unallotment, may be directed to Gary Goldsmith at 651-296-1721.