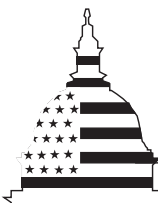


May 2003

# CAMPAIGN FINANCE REFORM

## Early Experiences of Two States That Offer Full Public Funding for Political Candidates



GAO

Accountability \* Integrity \* Reliability

Highlights of [GAO-03-453](#), a report to Congressional Committees

### Why GAO Did This Study

In 2000 and 2002, Maine and Arizona held the nation's first elections under voluntary programs that offered full state funding for political candidates who ran for legislative and certain statewide offices. The goals of these programs, passed as ballot initiatives by citizens in these states, included increasing electoral competition and curbing increases in the cost of campaigns.

Congress has considered legislation for public financing of congressional elections nearly every session since 1956, although no law has been enacted. In the Bipartisan Campaign Reform Act (P.L. 107-155 (2002)), Congress mandated that GAO study the results of the unique public financing programs in Maine and Arizona.

For the 2000 and 2002 elections in Maine and Arizona, this report provides:

- Statistics on the number of candidates who chose to campaign with public funds and the number who were elected.
- Observations, based on limited data, regarding the extent to which the goals of the public funding programs were met.

[www.gao.gov/cgi-bin/getrpt?GAO-03-453](http://www.gao.gov/cgi-bin/getrpt?GAO-03-453).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Norman Rabkin at (202) 512-8777 or [rabkinn@gao.gov](mailto:rabkinn@gao.gov).

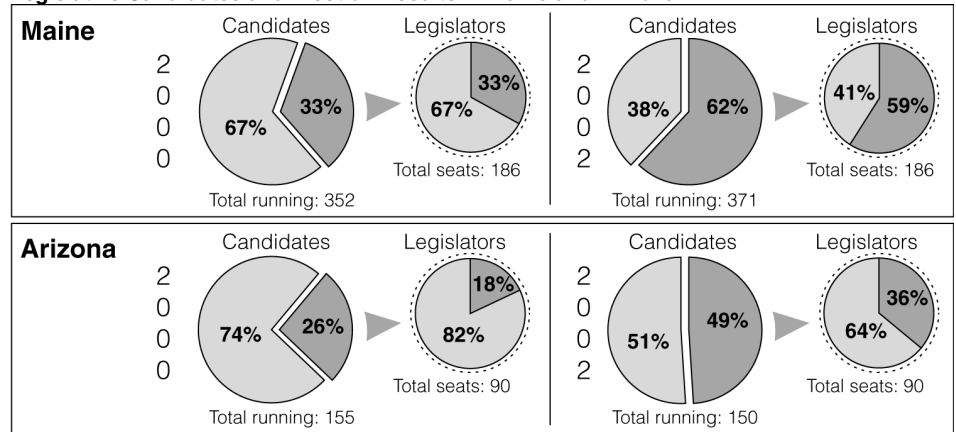
## CAMPAIGN FINANCE REFORM

### Early Experiences of Two States That Offer Full Public Funding for Political Candidates

#### What GAO Found

In both Maine and Arizona, the number of legislative candidates who chose to use public financing for their campaigns increased greatly from 2000 to 2002. In perspective, 59 percent of Maine's and 36 percent of Arizona's current legislators successfully ran as publicly financed candidates in the 2002 election. Also, in Arizona's 2002 election, publicly financed candidates won seven of the nine available seats in races for statewide offices, including Governor.

**Legislative Candidates and Election Results in Maine and Arizona**



Legend:  
 Traditionally financed (light gray)  
 Publicly financed (dark gray)

Source: GAO analysis of state data.

In comparing the 2000 and 2002 elections to those in 1996 and 1998, GAO's findings regarding changes in electoral competition were inconclusive. Various measures—contested races (more than one candidate per race), incumbent reelection rates, and incumbent victory margins—reflect mixed results. Also, these results may have been affected by term limits, redistricting, and other factors. Average legislative candidate spending decreased in Maine but increased in Arizona in 2000 and 2002, compared to previous years. Further, particularly in 2002, both states experienced increases in independent expenditures—a type of campaign spending whereby political action committees or other groups expressly support or oppose a candidate. The extent of spending for public policy messages without explicit election advocacy is not known.

In sum, with only two elections from which to observe legislative races and only one election from which to observe most statewide races, it is too early to draw causal linkages to changes, if any, that resulted from the public financing programs in the two states.

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United States General Accounting Office  
Washington, DC 20548

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May 9, 2003

The Honorable Trent Lott  
Chairman  
The Honorable Christopher J. Dodd  
Ranking Member  
Committee on Rules and Administration  
United States Senate

The Honorable Robert W. Ney  
Chairman  
The Honorable John B. Larson  
Ranking Member  
Committee on House Administration  
House of Representatives

Because the subject involves both politics and money, campaign finance reform can be contentious as well as complex. Congress has considered legislation for public financing of congressional elections nearly every session since 1956, although no law has been enacted. Traditionally, to identify promising ways to address complex or contentious issues, the federal government has drawn upon the diverse experiences of the “laboratories of democracy,” the states. In this regard, Section 310 of the Bipartisan Campaign Reform Act of 2002<sup>1</sup> mandated that we study and report on the year 2000 elections in two states, Maine and Arizona. To provide a broader perspective, we also obtained statistics and related information regarding the 2002 elections in the two states.

The 2000 and 2002 elections in Maine and Arizona were the first instances in the nation’s history where candidates seeking state legislature seats or certain statewide offices had the option to fully fund their campaigns with public monies. Our review of the history of Maine’s and Arizona’s public financing programs, including discussions with key officials in each state, identified five goals of the programs. That is, the programs generally were intended to increase voter choice by encouraging more candidates to run for office; increase electoral competition by, among other means, having fewer uncontested races; reduce the influence of special interest groups

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<sup>1</sup>P.L. 107-155 (2002).



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and, thereby, enhance citizens' confidence in government; curb increases in the cost of campaigns; and increase voter participation (e.g., increase turnout for elections). Both programs became law through the respective state's ballot-initiative process—Maine (1996) and Arizona (1998).

Under the new campaign financing programs in Maine and Arizona, “participating candidates”—those who agreed to forego private fundraising and who qualified to take part in the respective state's public financing program—received a set amount of money for their primary and general election campaigns. Also, publicly financed candidates could receive additional matching funds based on spending by or for privately financed (“nonparticipating”) candidates, who—while subject to state limits and disclosure rules—engaged in traditional means to raise money from individuals, corporations, and political action committees.

In accordance with the mandate specified in Section 310 of Public Law 107-155, and as agreed with your offices, this study:

- Provides statistics showing the number of candidates who chose to use public funds to run for legislative seats or statewide offices in the 2000 and 2002 elections in Maine and Arizona, the seats or offices for which they were candidates, whether the candidates were incumbents or challengers, whether the candidates were successful in their bids, and the number of races in which at least one candidate ran an election with public funds.
- Describes the extent to which the goals of Maine's and Arizona's public financing programs were met in the 2000 and 2002 elections. Specifically, we describe what changes occurred, if any, regarding five indicators—voter choice (number of candidates), electoral competition, interest group influence, campaign spending, and voter participation (voter turnout)—indicators related to the goals of the programs.

In conducting our study, we reviewed relevant studies and reports regarding campaign finance reform in the United States generally, as well as in Maine and Arizona specifically. We visited Maine and Arizona to interview responsible election officials and representatives of various interest groups. Also, for both states, we obtained and analyzed available statistical data and related information about the 2000 and 2002 elections. To obtain further perspectives on the effects of public financing, we surveyed all candidates, including those who used public financing as well as those who did not, who ran in the 2000 primary and general elections in

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Maine and Arizona. Further, we contracted with professional pollsters to obtain the views of projectable samples of citizens in Maine and Arizona. It should be emphasized that describing or interpreting the effects of public financing in Maine and Arizona should be approached cautiously, partly because one election cycle's results or even two election cycles' results may not be representative. Also, term limits, redistricting, the ambiguous environment that surrounded the implementation of the new campaign finance programs, and other factors not directly related to public or private financing can affect electoral campaigns and results. We conducted our work from April 2002 to March 2003 in accordance with generally accepted government auditing standards. Appendix I presents more details about our objectives, scope, and methodology.

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## Results in Brief

In both Maine and Arizona, the number of legislative candidates who chose to use public financing for their campaigns increased greatly from 2000 to 2002. In the 2000 primary and general elections, approximately one of every three candidates in Maine and one of every four candidates in Arizona chose to participate in the state's public financing program. In the 2002 primary and general elections, participation increased significantly in both states, with about one-half or more of all candidates participating. In perspective, after the 2000 general elections, the elected legislators who had run with public funds held 33 percent of the total seats in Maine's legislature and 18 percent of the total seats in Arizona's legislature. After the 2002 general elections, the proportions increased to 59 percent of Maine's legislature and 36 percent of Arizona's legislature. Also, of the seven statewide offices in Arizona's 2002 general election, publicly funded candidates won seven of nine seats, which included Governor, Secretary of State, Attorney General, State Treasurer, State Mine Inspector, and Corporation Commissioner (two of three seats).<sup>2</sup>

It is too soon to determine the extent to which the goals of Maine's and Arizona's public financing programs are being met. That is, with only two elections from which to observe legislative races and only one election from which to observe most statewide races, limited data are available to draw causal linkages to changes, if any, that occurred in voter choice (number of candidates), electoral competition, interest group influence,

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<sup>2</sup>Nonparticipating candidates won election for the third seat on the Corporation Commission and for the other statewide office (Superintendent of Public Instruction).

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campaign spending, and voter participation (e.g., voter turnout)—five indicators related to the goals of the programs:

- Voter choice. While one goal of public financing was to encourage more candidates to run for office, the average numbers of state legislature candidates per district race in Maine and Arizona in the 2000 and 2002 elections were not notably different than the averages for the two previous elections, 1996 and 1998. In both states, a higher proportion of Democratic candidates participated in the public funding program, and the number of participating third-party or independent candidates generally increased from the 2000 to the 2002 primary and general elections. Regarding races for statewide offices, most candidates in Arizona opted to participate in the public funding program in the 2002 elections. Our survey of candidates in Maine's and Arizona's 2000 elections found mixed perspectives as to which of two factors—public funding for campaigns or open seats due to term-limited vacancies—played a greater role (or equal roles) in attracting new candidates to run for office. However, most of the participating candidates who responded to our survey—55 percent in Maine and 56 percent in Arizona—answered that the availability of the public financing program was a great or very great factor in their decision to run for office in 2000.
- Electoral competition. The public financing programs were expected to make elections more competitive, but our analyses were inconclusive. Experts generally agreed on three measures of competitiveness—increases in the percentage of contested races (races with more than one candidate), decreases in incumbents' reelection rates, or reductions in the incumbents' victory margins. The percentages of contested legislative races in Maine's primary elections were relatively unchanged in 2000 and 2002, compared with 1998, and were less than the percentage of contested legislative races in 1996. The percentages of contested legislative races in Arizona's primary elections increased in 2000 and 2002, compared with 1998; however, the percentage of contested races in 2000 was about the same as 1996. About 85 percent of the contested legislative primary races in Maine's and Arizona's 2002 elections had publicly financed candidates. Legislative incumbent reelection rates remained about the same in both states after public financing was introduced. Incumbent victory margins, which we used to identify competitive races, reflected a mixed picture. That is, we defined a competitive race as one in which the difference in the percentage of vote garnered between the winning incumbent and the runner-up was 15 points or less; and, under this definition, trends (if any) were not clearly evident. Further analysis—examining several

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factors such as incumbency and candidate spending—showed that candidate participation in the public financing programs in Maine and Arizona had no effect on competitive races as defined by incumbent victory margins. However, the results of this analysis should be interpreted with caution, given the relatively few variables we used and the limited amount of data available.

- Interest group influence. Responses to our surveys of candidates and citizens in Maine and Arizona, as well as our interviews with interest group representatives, reflected mixed views. In our survey of candidates in Maine’s and Arizona’s 2000 elections, we asked them to what extent, if at all, they agreed with the statement that, once elected, candidates who participated in the public financing program have been more likely to serve the broader interests of their constituents as a whole and less likely to be influenced by specific individuals or groups. The survey results reflected mixed views. Most of the responding nonparticipating candidates—67 percent in Maine and 68 percent in Arizona—answered to “little or no extent.” In contrast, many of the responding participating candidates—42 percent in Maine and 56 percent in Arizona—answered to a “great or very great extent.” Also, in our fall 2002 survey of voting-age citizens in Maine and Arizona, of the respondents who acknowledged some awareness of the respective state’s applicable law, almost two-thirds in both states answered that there was no effect on their confidence in government or it was too soon to tell. Additionally, slightly more respondents in each state answered that the law had greatly or somewhat increased their confidence in state government—17 percent in Maine and 21 percent in Arizona—than did respondents who answered that the law had greatly or somewhat decreased their confidence—8 percent in Maine and 15 percent in Arizona.
- Campaign spending. Under the public financing programs in the 2000 and 2002 elections, average legislative candidate spending decreased in Maine but increased in Arizona, compared to previous elections. Also, particularly in the 2002 elections, both states experienced increases in independent expenditures—a type of campaign spending whereby political action committees, other groups, or individuals communicate messages to voters that support or oppose a clearly identified candidate but without coordination with any candidate. The 2002 increases in independent expenditures largely were associated with the gubernatorial races in both states. Because it is not regulated, the extent of spending for issue advocacy—that is, public policy messages that do not refer to a particular candidate—is not known.

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- Voter participation. Although a goal of the public financing programs was to increase voter participation, turnout in Maine's and Arizona's 2000 elections did not significantly differ from prior presidential election years. While turnout can be influenced by many factors, including the level of media interest and the extent of grassroots efforts to get out the vote, public financing of candidates was probably not a major factor in the 2000 elections. Our survey of voting-age citizens in Maine and Arizona in the fall of 2002 indicated that large segments of these populations—an estimated 60 percent in Maine and an estimated 37 percent in Arizona—were still unaware of the respective state's public financing program.

Overall, in response to our survey of candidates in Maine and Arizona, many of the respondents' comments followed ideological lines, as may be expected. For example, although there were some exceptions, nonparticipating candidates generally commented that public financing of political campaigns was an inappropriate use of tax dollars, whereas participating candidates usually endorsed public financing. Collectively, the widely divergent and sometimes virulent comments seem to indicate that reaching a consensus regarding the merits of the public financing programs may be unlikely, at least in the foreseeable future. Nonetheless, irrespective of political ideologies or partisanship, state agency officials and other observers told us they anticipate that—based on election strategies or other decisional factors—increasing numbers of candidates will choose to run with public funding in future years. If so, the continuation of the public financing programs may depend not only on efforts to substantiate the programs' merits but also on efforts to sustain public support for providing the larger amounts of total funds that will be needed.

We are not making any recommendations in this report.

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## Background

As with most campaign finance reform issues, the concept of public funding for political campaigns—that is, a finance system in which the public treasury provides cash grants to candidates or political parties—generates impassioned arguments from both proponents and opponents. Generally, proponents of public funding assert that privately financed election campaigns (1) give disproportionate influence to special interest groups, other organizations, and wealthy individuals and (2) present fundraising burdens or barriers that dissuade many potential candidates from running for office, particularly women and minority candidates. On the other hand, opponents assert that public funding forces taxpayers to

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contribute to candidates whom they do not support, inappropriately inserts the government into the electoral process, and uses tax dollars that could be spent for higher-priority needs. Further, given an inherent link between political speech and political spending, some opponents argue that any limitation on campaign contributions restricts free speech and violates the First Amendment.

Competing arguments aside, there is widespread recognition that designing and implementing an effective campaign finance system is difficult due to the inherent complexities and the need to consider and reconcile multiple goals that are diverse and at times conflicting. For instance, according to one report:<sup>3</sup>

“A well-functioning campaign finance system must protect freedom of speech, advance competitive elections, curtail special interest influence, and promote the equal political voice of all citizens, while minimizing the burden of regulation on candidates, contributors, [and] other participants in the process ... Campaign finance reform requires respect for the open and dynamic character of the American political process, the evolving nature of campaigns, and the variety of circumstances and campaign styles across the country. Campaign finance reform must avoid burdening particular candidates or groups or providing advantages to their opponents. Reform must also take into account how candidates, contributors, and others will respond to particular efforts to regulate their behavior.”

In fact, in nearly every session since 1956, Congress has considered legislation for public financing of congressional elections, although no law has been enacted. Most recently, in the 107th Congress, companion bills were introduced in the House (H.R. 1637) and Senate (S. 719) proposing public funding and certain media benefits to congressional candidates who would qualify by collecting a set number of \$5 contributions and by refusing all other contributions to their campaign. The declarations section of H.R. 1637 states that public financing would enhance American democracy by, among other means, creating a more level playing field for incumbents and challengers, eliminating the potentially inherent conflict of interest caused by the private financing of election campaigns, and allowing elected officials more time to carry out their public responsibilities without the constant preoccupation with raising money.

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<sup>3</sup>The Association of the Bar of the City of New York, Commission on Campaign Finance Reform (Richard Briffault, Executive Director), *Dollars and Democracy: A Blueprint for Campaign Finance Reform*, Fordham University Press (New York, NY: 2000).

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These bills were referred to committee in 2001, but no further action was taken before the Congress ended.

Despite the various complexities or challenges, several states, cities, or other local jurisdictions across the nation currently have public financing programs, although most are relatively limited in scale, covering only a small number of offices or providing only a small amount of the funds needed to finance a campaign. For example, programs that provide some public funding for state legislative candidates were introduced by Minnesota in 1976 and Wisconsin in 1977. Minnesota's program, which is funded by an optional state income tax check-off and by a fixed general fund appropriation, is available to candidates for state legislative seats and certain statewide offices who agree to set spending limits.<sup>4</sup> Eligible candidates may receive up to 50 percent of the spending limit in public funds, which are allocated based on a statutory formula. Wisconsin's program is also funded through an optional state income tax check-off and is available for legislative candidates as well as candidates for certain statewide offices who agree to spending limits and restrictions on contributions from political action committees.<sup>5</sup> Public funds are awarded in the general election to candidates who received a set percentage of the total primary vote and are limited based on a statutory ceiling and the total number of candidates who applied for public funding.

More recently, in 1997, Vermont's legislature passed a campaign finance reform law that established a voluntary, full public financing program for candidates for statewide offices. The program was first implemented in the 2000 election for the offices of governor and lieutenant governor and was expanded in 2002 to include additional statewide offices.<sup>6</sup> In 1998, by ballot initiative, voters in Massachusetts passed a law that created a voluntary, full public financing program for candidates for the state legislature and certain statewide offices, including governor and lieutenant

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<sup>4</sup>Minn. Stat. Ann. ch. 10A (2002).

<sup>5</sup>Wis. Stat. Ann. ch. 11 (2001).

<sup>6</sup>1997 Vermont Campaign Finance Reform Act, Vt. Stat. Ann. tit. 17 § 2801-2883 (2002).

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governor.<sup>7</sup> However, the law was not fully implemented due to funding controversy. In particular, for the 2002 elections, the state legislature did not release money to fund the law's implementation. After intervention of Massachusetts' Supreme Judicial Court,<sup>8</sup> some candidates in the 2002 election were funded with proceeds generated by the auctioning of state assets.

Published studies reviewing some of the longer standing public financing programs have reported mixed findings regarding effects. For example, a 1995 study of Minnesota's public financing program for legislative candidates reported that, after the program was introduced in 1976, incumbents' overall vote shares did not decrease, although challengers who received significant amounts of public funds due to the program's grant structure fared better against incumbents than those who had less money to spend.<sup>9</sup> Similarly, a 1995 study of Wisconsin's program of public funding for legislative candidates reported that elections did not become more competitive after the program was introduced in 1977, but the spending gap between incumbents and challengers was narrowed.<sup>10</sup> Further, recent studies of public funding programs in New York City and Los Angeles—programs that provide matching funds to participating candidates—reported that the programs have generally increased electoral competition and have helped challengers to mount credible campaigns

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<sup>7</sup>The Massachusetts Clean Elections Law, Ma. Gen. Laws ch. 55A (2002). From one perspective, Massachusetts' program can be characterized as a "partial" public financing program. That is, publicly financed candidate must collect campaign contributions, ranging from \$5 to \$100, which can be solicited only during the relevant qualifying period. In the 2002 gubernatorial race, for example, a publicly financed candidate could have collected \$486,000 in cash contributions and \$37,800 of in-kind contributions. Similarly, a publicly financed candidate for the state house of representatives could have collected \$6,500 in cash contributions and \$3,200 of in-kind contributions.

<sup>8</sup>Supreme Judicial Court for the Commonwealth of Massachusetts, Case No. SJC-08677 (Jan. 2002).

<sup>9</sup>Patrick D. Donnan and Graham P. Ramsden, "Public Financing of Legislative Elections: Lessons from Minnesota," *Legislative Studies Quarterly*, vol. 20, no. 3 (1995).

<sup>10</sup>Kenneth R. Mayer and John M. Wood, "The Impact of Public Financing on Electoral Competitiveness: Evidence from Wisconsin, 1964-1990," *Legislative Studies Quarterly*, vol. 20, no. 1 (1995).



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against incumbents.<sup>11</sup> However, the studies noted that participating candidates in these programs were disadvantaged by spending limits or by limited funding when faced with high spending by opponents or large independent expenditures on their opponent's behalf.

Of the approximately 14 states with direct public financing programs, Maine and Arizona are unique in having functioning programs that offer full public funding for qualified candidates for the state legislature and certain statewide offices. In November 1996, Maine voters approved a citizen's initiative—the Maine Clean Election Act<sup>12</sup>—establishing the nation's first program of full public financing for qualified candidates for the state legislature and for one executive branch office (governor). Similarly, in November 1998, Arizona voters passed the Citizens Clean Elections Act,<sup>13</sup> which provides full public funding for qualified candidates for the state legislature and various statewide (executive branch) offices.<sup>14</sup> In both Maine and Arizona, candidates who choose to participate in the public funding programs must first qualify by raising a set number of \$5 contributions from voters. Regarding implementation of these acts, in both states, the public financing programs became available for candidates beginning with year 2000 elections.

Appendix II provides more detailed information about the design and implementation of Maine's and Arizona's public financing programs, and appendix III presents summary information about various legal challenges to Maine's 1996 statute and Arizona's 1998 statute, including challenges to funding sources for Arizona's program.

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<sup>11</sup>Paul Ryan, "A Statute of Liberty: How New York City's Campaign Finance Law is Changing the Face of Local Elections (2003)," and "Eleven Years of Reform: Many Successes-More to be Done: Campaign Financing in the City of Los Angeles (2001)," reports in the series "*Public Financing in American Elections*" sponsored by the Center for Governmental Studies, (Los Angeles, California), <http://www.cgs.org/publications> (downloaded Feb. 20, 2003).

<sup>12</sup>Me. Rev. Stat. Ann. tit. 21-A § 1121, *et seq.*

<sup>13</sup>Ariz. Rev. Stat. Ann. § 16-940, *et seq.*

<sup>14</sup>Applicable executive branch offices are Governor, Secretary of State, Attorney General, Treasurer, Corporation Commissioners, Superintendent of Public Instruction, and Mine Inspector.

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## Program Participation: More Candidates Opting to Use Public Financing

In the 2000 primary and general elections, about one of every three candidates in Maine and one of every four candidates in Arizona chose to use public financing for their campaigns. In the 2002 primary and general elections, participation in the public financing program increased significantly in both states, with about one-half or more of all candidates participating. Regarding results, 62 of the 116 publicly funded candidates in Maine's 2000 general election were elected to office, as were 110 of the 231 publicly funded candidates in the state's 2002 general election. In Arizona's 2000 general election, 16 of the 44 publicly funded candidates were elected to office, as were 39 of the 89 publicly funded candidates in the state's 2002 general election.

In perspective, after the 2000 general elections, the elected legislators who had run with public funds held 33 percent of the total seats in Maine's legislature and 18 percent of the total seats in Arizona's legislature. After the 2002 general elections, the proportions increased to 59 percent of Maine's legislature and 36 percent of Arizona's legislature. Also, of the seven statewide offices in Arizona's 2002 general election, publicly funded candidates won seven of nine seats, which included Governor, Secretary of State, Attorney General, and State Treasurer.

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## Participating Candidates and Results Statistics for Elections in Maine

Maine's 1996 voter-initiated system provides full public funding to qualified candidates for state legislative seats and the governor's office. The state legislature consists of 151 seats in the House of Representatives and 35 seats in the Senate. Incumbents in all 186 legislative seats serve 2-year terms. Thus, in the primary and general elections, which are held biannually (i.e., in each even-numbered year), all legislative seats are on the ballot. In 2000, the first year for which public funds were available for election campaigns in Maine, candidates potentially eligible for such funds included all candidates for the state legislature.<sup>15</sup>

In Maine's 2000 primary and general elections, approximately one of every three candidates chose to participate in the state's program for public financing of campaigns, as table 1 shows. Also, 33 percent of the primary election races and 47 percent of the general election races in 2000 had at least one participating candidate. In the next election, 2002, participation in the public financing program increased significantly. Specifically, in

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<sup>15</sup>Under Maine's 1996 law, qualified candidates for office of Governor became eligible to receive public funding beginning in 2002.

Maine's 2002 elections, 51 percent of all candidates in the primary election and 62 percent of all candidates in the general election were publicly funded. Further, 52 percent of the primary election races and 79 percent of the general election races in 2002 had at least one participating candidate.

**Table 1: Maine's Primary and General Elections in 2000 and 2002—Number of Candidates Who Used Public Financing and Number of Races with at Least One Participating Candidate**

Candidates and races	Maine primary election		Maine general election	
	Number	Percentage	Number	Percentage
<b>2000 elections</b>				
<b>Candidates:</b>				
Nonparticipating (used private financing)	253	69%	236	67%
Participating (used public financing)	116	31	116	33
<b>Total</b>	<b>369</b>	<b>100%</b>	<b>352</b>	<b>100%</b>
<b>Races:<sup>a</sup></b>				
With no participating candidates	231	67%	98	53%
With at least one participating candidate	112	33	88	47
<b>Total</b>	<b>343</b>	<b>100%</b>	<b>186</b>	<b>100%</b>
<b>2002 elections</b>				
<b>Candidates:</b>				
Nonparticipating (used private financing)	196	49%	144	38%
Participating (used public financing)	208	51	231	62
<b>Total</b>	<b>404</b>	<b>100%</b>	<b>375</b>	<b>100%</b>
<b>Races:<sup>a</sup></b>				
With no participating candidates	176	48%	39	21%
With at least one participating candidate	194	52	148	79
<b>Total</b>	<b>370</b>	<b>100%</b>	<b>187</b>	<b>100%</b>

Source: GAO analysis of state data.

Note: Maine has 151 House districts and 35 Senate districts. Voters elect one legislator for each district. The ballot for the 2002 election cycle included gubernatorial candidates, who were eligible to participate in the public financing program.

<sup>a</sup>In counting election races, we included all races in which there was a candidate on the ballot regardless of whether or not the candidate faced a challenger.

In Maine's 2000 general election, of the 116 candidates who ran with public financing, 62 were elected to office. As table 2 shows, the 62 elected participating candidates consisted of 35 incumbents and 27 challengers. In Maine's 2002 general election, of the 231 candidates who ran with public financing, 110 were elected to office (55 incumbent and 55 challengers).

In perspective, after the 2000 general election, the elected legislators who had run with public funds (62 candidates) held 33 percent of the 186 total seats in Maine's legislature. After the 2002 general election, with 110

successful publicly funded candidates, the proportion increased to 59 percent of the state legislature.

**Table 2: Results of Maine’s General Elections in 2000 and 2002—Campaign Status and Number of Participating Candidates Elected by Office**

Participating candidates: Incumbents, challengers, and results	Maine House of Representatives	Maine Senate	Governor <sup>a</sup>	Totals
<b>2000 general election</b>				
Campaign status of participating candidates:				
Number of incumbents	26	11	<sup>b</sup>	37
Number of challengers <sup>c</sup>	55	24	<sup>b</sup>	79
Total number of participating candidates	81	35	<sup>b</sup>	116
Participating candidates elected:				
Number of participating incumbents elected	24	11	<sup>b</sup>	35
Number of participating challengers elected <sup>c</sup>	21	6	<sup>b</sup>	27
Total number elected	45	17	<sup>b</sup>	62
<b>2002 general election</b>				
Campaign status of participating candidates:				
Number of incumbents	42	20	0	62
Number of challengers <sup>c</sup>	136	32	1	169
Total number of participating candidates	178	52	1	231
Participating candidates elected				
Number of participating incumbents elected <sup>c</sup>	36	19	0	55
Number of participating challengers elected <sup>c</sup>	47	8	0	55
<b>Total number elected</b>	<b>83</b>	<b>27</b>	<b>0</b>	<b>110</b>

Source: GAO analysis of state data.

<sup>a</sup>In Maine’s 2000 election, the public financing program was not applicable to the Office of Governor. In the 2002 election, term limits prohibited the incumbent governor from running.

<sup>b</sup>Not applicable.

<sup>c</sup>As used in the table, “challengers” consist of all nonincumbent candidates. Thus, any candidate who was not an incumbent is counted as a challenger, even if that candidate did not face an opponent.

## Participating Candidates and Results Statistics for Elections in Arizona

As mentioned previously, Arizona’s 1998 statute provides a system for full public funding to qualified candidates for state legislative seats and certain statewide offices. The state legislature consists of 60 seats in the House of Representatives and 30 seats in the Senate. Members in all 90 legislative seats serve 2-year terms. Thus, in the primary and general elections, which are held biannually (i.e., in each even-numbered year), all legislative seats are on the ballot. In 2000, the first year for which public funds were available for election campaigns in Arizona, candidates potentially eligible

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for such funds included all candidates for the state legislature, as well as the candidates who ran for seats on the Corporation Commission.<sup>16</sup>

In Arizona's 2000 primary and general elections, approximately one of every four candidates chose to participate in the state's program for public financing of campaigns, as table 3 shows. Also, 40 percent of the primary election and 34 percent of the general election races in 2000 had at least one participating candidate. In the next election, 2002, participation in the public financing program increased significantly—with about half of all candidates choosing to participate and with about two-thirds of all races having at least one participating candidate.

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<sup>16</sup>Under Arizona's 1998 law, qualified candidates for other statewide offices—Governor, Secretary of State, Attorney General, Treasurer, Superintendent of Public Instruction, and Mine Inspector—can also qualify to receive public funding. Candidates for these offices were eligible to receive public funding beginning in 2002, the first year after passage of the law in which elections were held for these offices. See Ariz. Rev. Stat. Ann. § 19-951.

**Table 3: Arizona’s Primary and General Elections in 2000 and 2002—Number of Candidates Who Used Public Financing and Number of Races with at Least One Participating Candidate**

Candidates and races	Arizona primary election		Arizona general election	
	Number	Percentage	Number	Percentage
<b>2000 elections</b>				
<b>Candidates:</b>				
Nonparticipating (used private financing)	174	75%	117	73%
Participating (used public financing)	59	25	44	27
<b>Total<sup>a</sup></b>	<b>233</b>	<b>100%</b>	<b>161</b>	<b>100%</b>
<b>Races:</b>				
With no participating candidates	74	60%	28	45%
With at least one participating candidate	49	40	34	55
<b>Total</b>	<b>123</b>	<b>100%</b>	<b>62<sup>c</sup></b>	<b>100%</b>
<b>2002 elections</b>				
<b>Candidates:</b>	Number	Percentage	Number	Percentage
Nonparticipating (used private financing)	126	48%	90	50%
Participating (used public financing) <sup>b</sup>	136	52	89	50
<b>Total</b>	<b>262</b>	<b>100%</b>	<b>179</b>	<b>100%</b>
<b>Races:</b>				
With no participating candidates	46	36%	23	34%
With at least one participating candidate	81	64	45	66
<b>Total</b>	<b>127</b>	<b>100%</b>	<b>68</b>	<b>100%</b>

Source: GAO analysis of state data.

Note: Arizona has 30 legislative districts. Voters elect two representatives and one senator for each district. For House races, the top two vote-getters in each district’s general election win the seats. The 2000 election cycle included only one statewide office, the Corporation Commission, with two of the Commission’s three seats up for election. The ballot for the 2002 election cycle included seven statewide offices—Governor, Secretary of State, Attorney General, State Treasurer, Superintendent of Public Instruction, State Mine Inspector, and three seats for the Corporation Commission, which was expanded from three to five Commissioners. The number of candidates and races in this table include the relevant statewide offices for both years. For example, in 2000, the 62 general election races consisted of 30 races for House of Representatives seats (with each race involving 2 seats), 30 races for Senate seats, and 2 races for seats on the Corporation Commission; and, in 2002, the 68 general election races consisted of 30 House, 30 Senate, and 8 statewide office races.

<sup>a</sup> In the 2000 primary and general elections combined, a total of 237 candidates ran for seats in the legislature or the Corporation Commission. Of this total, four candidates—two who ran as Independents and two with general election write-in status—did not run in the primary elections. Thus, the number of candidates in the primary elections was 233. In the 2000 elections, all 59 of the publicly funded (participating) candidates ran in the primaries; in contrast, in the 2002 elections, 3 of the total 139 participating candidates ran in the general election only (see note b).

<sup>b</sup> Three participating candidates in the 2002 election cycle did not run primary campaigns; these were one Independent candidate for Governor and two Independent candidates for the legislature. Including the 3 Independents, a total of 139 candidates participated in the public financing program in the 2002 primary and general elections combined.

In Arizona’s 2000 general election, of the 44 candidates who ran with public financing, 16 were elected to office—14 for legislative seats and 2 for the Corporation Commission. As table 4 shows, the 16 elected participating candidates consisted of 6 incumbents and 10 challengers. In

the 2002 general election, of the 89 candidates who ran with public financing, 39 were elected (9 incumbents and 30 challengers) to office—32 for legislative seats and 7 for statewide offices.

In perspective, after the 2000 general election, the elected legislators who had run with public funds (14 candidates) held 18 percent of the 90 total seats in Arizona’s legislature. After the 2002 general election, with 32 successful publicly funded legislative candidates, the proportion increased to 36 percent of the state legislature. Also, of the seven statewide offices in Arizona’s 2002 general election, publicly funded candidates won 7 of 9 seats, which included the state’s chief executive (Governor), as well as the Secretary of State, the Attorney General, and the State Treasurer.

**Table 4: Results of Arizona’s General Election in 2000 and 2002—Campaign Status and Number of Participating Candidates Elected by Office**

<b>Participating candidates: Incumbents, challengers, and results</b>	<b>Arizona House of Representatives</b>	<b>Arizona Senate</b>	<b>Statewide offices<sup>a</sup></b>	<b>Totals</b>
<b>2000 general election</b>				
Campaign status of participating candidates:				
Number of incumbents	5	1	0	6
Number of challengers <sup>b</sup>	25	10	3	38
<b>Total number of participating candidates</b>	<b>30</b>	<b>11</b>	<b>3</b>	<b>44</b>
Participating candidates elected:				
Number of participating incumbents elected	5	1	0	6
Number of participating challengers elected <sup>b</sup>	7	1	2	10
<b>Total number elected</b>	<b>12</b>	<b>2</b>	<b>2</b>	<b>16</b>
<b>2002 general election<sup>c</sup></b>				
Campaign status of participating candidates:				
Number of incumbents	9	1	2	12
Number of challengers <sup>b</sup>	47	16	14	77
<b>Total number of participating candidates</b>	<b>56</b>	<b>17</b>	<b>16</b>	<b>89</b>
Participating candidates elected:				
Number of participating incumbents elected	6	1	2	9
Number of participating challengers elected <sup>b</sup>	21	4	5	30
<b>Total number elected</b>	<b>27</b>	<b>5</b>	<b>7<sup>d</sup></b>	<b>39</b>

Source: GAO analysis of state data.

<sup>a</sup>In Arizona’s 2000 elections, the public financing program was available to qualified candidates for only one statewide office (Corporation Commission). In the 2002 elections, in addition to the Corporation Commission, qualified candidates for six other statewide offices became eligible to receive public funding—Governor, Secretary of State, Attorney General, State Treasurer, Superintendent of Public Instruction, and State Mine Inspector.

<sup>b</sup>As used in the table, “challengers” consist of all nonincumbent candidates. Thus, any candidate who was not an incumbent is counted as a challenger, even if that candidate did not face an opponent.

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<sup>e</sup>A 5-member independent redistricting commission was created with the passing of a ballot proposition in 2000 and was charged with redrawing Arizona's 30 legislative districts for the 2002 elections. Because all 30 legislative districts were redrawn for the 2002 elections, most incumbents who chose to run for reelection did so in a district that was numbered differently from the district they represented in the previous term. In comparing the 2002 list of legislative candidates and the 2000 legislative roster, we labeled a 2002 candidate as an incumbent if he or she held a seat from the previous session in the same chamber.

<sup>f</sup>These seven successful candidates involved races for the following statewide offices: Governor, Secretary of State, Attorney General, State Treasurer, State Mine Inspector, and Corporation Commission (two seats).

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## Voter Choice: Legislative and Statewide Candidates in Publicly Funded Elections

In Maine and Arizona, there were not any notable changes in the average number of state legislature candidates per district race when comparing the 1996 and 1998 traditionally financed elections with the publicly financed elections in 2000 and 2002. While there were some instances of multiple-candidate races for legislative seats in Arizona, there was not a large presence of participating candidates in these races. In both states, a higher proportion of Democratic candidates participated in the public funding program, and the number of participating third-party or independent legislative candidates generally increased from the 2000 to the 2002 primary and general elections. In the 2002 elections, one-half or more of Maine's and Arizona's third-party or independent legislative candidates participated in the public financing program. Regarding races for statewide offices, most candidates in Arizona opted to participate in the public funding program in the 2002 elections.

Our survey of candidates in Maine's and Arizona's 2000 elections found mixed perspectives as to which of two factors—public funding for campaigns or open seats due to term-limited vacancies—played a greater role (or equal roles) in attracting new candidates to run for office. Most of the nonparticipating candidates who responded—64 percent in Maine and 58 percent in Arizona—answered that open seats were a greater factor than public funding. Of the participating candidates who responded, the largest percentage in Maine (43 percent) answered that both factors played equal roles, and the largest percentage in Arizona (39 percent) answered that public funding was a greater factor.

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## Increasing Voter Choice Was a Goal of Public Financing Programs

Proponents of the public financing initiatives in Maine and Arizona contended that public funding would encourage more individuals to run for office, thereby giving voters more choices on the ballot. Opponents have said that an increase in the number of candidates on the ballot alone



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would not necessarily result in more diversity<sup>17</sup> or representation of a wider range of political views, nor guarantee that a broader array of issues would be debated in campaigns. During our study, the state officials and researchers we interviewed said that changes in the number of candidates per race—as well as changes in the breadth of party affiliations, such as third-party or independent representation—would be important indicators to measure over several election cycles.

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### Little Variance in Average Number of State Legislature Candidates Per District Race

As table 5 shows, the average number of state legislature candidates per district race in Maine and Arizona did not vary greatly over the 4 election years examined. In Maine, on average, there was about one candidate per race in the primary elections and about two candidates per race in the general elections.

In Arizona, the average number of candidates in the house primary elections was about two candidates per race, since up to two candidates per political party can be nominated for the general election. In the house general elections, two candidates are elected per district; the average number of candidates was about three per race in each of the election years. For Arizona's senate elections, the average number of candidates was about one for primary election races and about two for general election races.

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<sup>17</sup>Officials from the Maine and Arizona Secretary of State offices told us that they do not collect data on state candidates' race or sex. Therefore, we did not compare these demographics of candidates in the recent (2000 and 2002) and the previous elections.

**Table 5: Average Number of State Legislature Candidates Per District Race in Maine and Arizona (1996, 1998, 2000, and 2002)**

State	Legislature	Primary and general election	Average number of candidates per district race			
			1996	1998	2000	2002
Maine	House of Representatives	Primary	1.2	1.1	1.1	1.1
		General	2.0	1.8	1.9	2.0
	Senate	Primary	1.2	1.0	1.1	1.1
		General	2.0	1.9	2.1	2.0
Arizona	House of Representatives	Primary <sup>a</sup>	2.5	2.2	2.5	2.7
		General <sup>b</sup>	3.4	3.1	3.4	3.5
	Senate	Primary	1.2	1.2	1.4	1.4
		General	1.8	1.5	1.9	1.7

Source: GAO analysis of state data.

Note: All Arizona legislative districts were reconfigured in the 2002 elections.

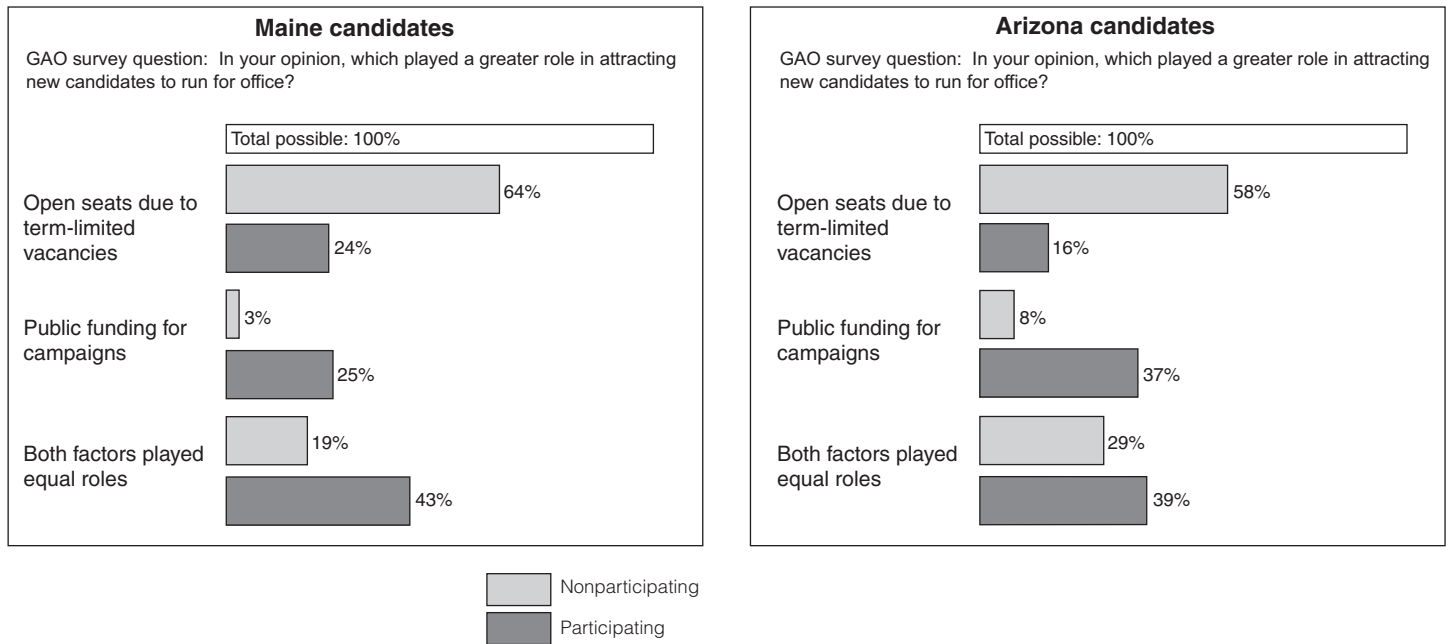
<sup>a</sup>The two candidates receiving the most votes in the Arizona primary are the party nominees in the general election.

<sup>b</sup>The two candidates in each house district receiving the most votes in the general election are elected.

Although there were no notable changes in the average number of candidates per race, there were some races in the Arizona 2000 house primary election that had large numbers of candidates on the ballot. For example, in one House district, nine Republicans ran for the party nomination; none of these candidates were publicly funded. In another district, eight Democrats ran for the party nomination, of which three were publicly funded. According to Arizona officials, the availability of public funding was not the main reason for the large numbers of candidates in some districts. The officials speculated that the increase in certain races resulted from open seats due to term limits.

As mentioned previously, we surveyed all candidates who ran for state legislature seats and applicable statewide offices in Maine’s and Arizona’s 2000 elections. The survey results showed mixed perspectives as to which of two factors—public funding for campaigns or open seats due to term-limited vacancies—played a greater role (or equal roles) in attracting new candidates to run for office. As figure 1 shows, most of the nonparticipating candidates who responded—64 percent in Maine and 58 percent in Arizona—answered that open seats were a greater factor than public funding. Of the participating candidates who responded, the largest percentages in Maine (43 percent) and Arizona (39 percent) answered that both factors played equal roles.

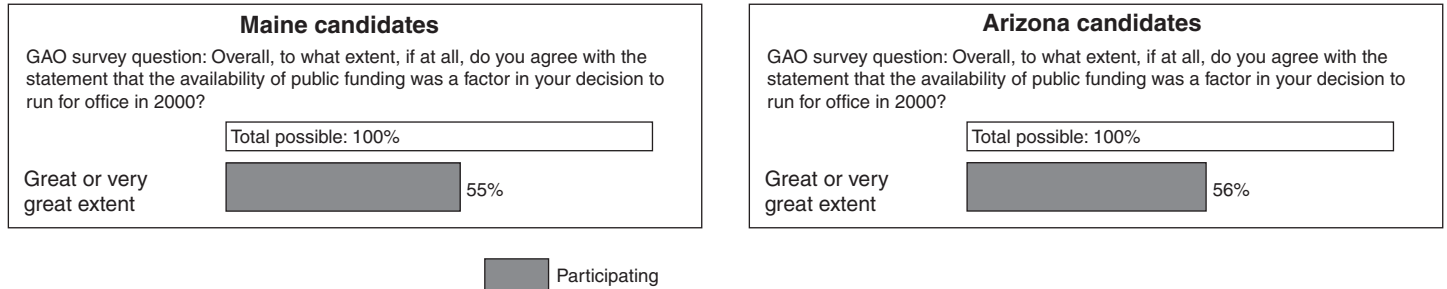
**Figure 1: Response of Candidates in the 2000 Election Regarding Which Factor (Term Limits or Public Funding) Played a Greater Role in Attracting New Candidates to Run for Office**



Source: Responses to GAO's survey (see app. IV and V).

Further, most of the participating candidates who responded to our survey—55 percent in Maine and 56 percent in Arizona—answered that the availability of the public financing program was a great or very great factor in their decision to run for office in 2000 (see fig. 2).

**Figure 2: Percentages of Participating Candidates Who Answered That the Availability of Public Funding Was a Great or Very Great Factor in Their Decision to Run for Office in 2000**



Source: Responses to GAO's survey (see app. IV and V).

Note: This question was asked only of candidates participating in the public financing program. All 104 Maine respondents were state legislative candidates. In Arizona, of the 39 respondents, 35 were state legislative candidates and 4 were Corporation Commission candidates.

### Political Party Affiliation of Publicly Funded Candidates in Maine and Arizona

As shown in table 6, for the 2000 and 2002 elections in both states, about one-half or more of all participating candidates were affiliated with the Democratic party. Further, in both states, the percentage of participating Republican candidates generally increased from 2000 to 2002 in the primary and general elections.

**Table 6: Percentage of Participating Legislative Candidates by Political Party Affiliation in Maine and Arizona (2000 and 2002)**

State	Legislature	Primary and general elections	Number of participating candidates	Percentage of participating candidates		
				Democrat	Republican	Other <sup>a</sup>
<b>Maine - 2000</b>	House of Representatives	Primary <sup>b</sup>	80	68%	29%	4%
		General <sup>b</sup>	81	70	23	6
	Senate	Primary	36	56	44	0
		General	35	54	46	0
<b>2002</b>						
	House of Representatives	Primary <sup>b</sup>	156	62%	35%	4%
		General	177	58	34	8
	Senate	Primary	50	48	48	4
		General	52	46	50	4
<b>Arizona -2000</b>	House of Representatives	Primary <sup>b</sup>	40	68%	23%	10%
		General <sup>b</sup>	30	73	13	13
	Senate	Primary	14	86	14	0
		General	11	82	18	0
<b>2002</b>						
	House of Representatives	Primary	86	50%	47%	3%
		General	56	57	36	7
	Senate	Primary	25	64	28	8
		General <sup>b</sup>	17	65	18	18

Source: GAO analysis of state data.

Note: All Arizona legislative districts were reconfigured in the 2002 elections.

<sup>a</sup>Includes third-party (e.g., Green, Libertarian, and Reform) and independent candidates.

<sup>b</sup>Does not add to 100 percent due to rounding.

As table 7 shows, the number of third-party or independent legislative candidates who participated in the public funding program increased almost twofold or greater from the 2000 to the 2002 primary and general elections in Maine and the general elections in Arizona. In 2002, over one-half of Maine’s third-party or independent candidates participated in the public financing program, as did one-half or more of Arizona’s third-party or independent candidates. In Maine, most were candidates of the Green Independent Party, which had primary election ballot status in 2000 and 2002. Representatives of the Maine Green Independent Party told us that one of their goals was to qualify candidates for public funding in order to promote the party’s platform.

**Table 7: Number of Third-party or Independent Candidates In Maine and Arizona State Legislative Races (1996, 1998, 2000, and 2002)**

State	Legislature	Primary and general elections	Number of third-party or independent candidates					
			1996	1998	2000		2002	
			Total	Total	Total	Participating (% of total)	Total	Participating (% of total)
Maine	House of Representatives and Senate	Primary	0	1	4	3 (75%)	12	8 (67%)
		General	24	17	30	5 (17%)	28	16 (57%)
Arizona	House of Representatives and Senate	Primary	17	8	22	4 (18%)	8	5 (63%)
		General	17	7	19	4 (21%)	14	7 (50%)

Source: GAO analysis of state data.

### Most Statewide Office Candidates Opted for Public Financing in Arizona’s 2002 Election

In Maine, the public financing program was not applicable for any statewide office races in 2000. In Arizona, candidates for one statewide office—the Corporation Commission—were eligible for public funds beginning in the 2000 elections. As table 8 shows, in Arizona’s 2000 primary election, five of the eight candidates for the Corporation Commission chose to participate in the public financing program, as did three of the six candidates in the general election. Two of the participating candidates were elected to office in 2000.

In 2002, five of the eight primary election candidates for the Corporation Commission were publicly funded, and five of the six general election candidates were publicly funded. Participating candidates won two of the three available seats.

**Table 8: Number of Arizona Corporation Commission Candidates (1994, 1996, 1998, 2000, and 2002)**

<b>Election</b>	<b>Candidates and seats</b>	<b>1994</b>	<b>1996</b>	<b>1998</b>	<b>2000<sup>a</sup></b>	<b>2002</b>
Primary	Number of candidates	5	2 <sup>b</sup>	3	8	8
	Number of participating candidates	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	5	5
General	Number of candidates	3	4	2	6	6
	Number of open seats	1	1	1	2	3
	Average number of candidates per open seat	3.0	4.0	2.0	3.0	2.0
	Number of participating candidates	<sup>c</sup>	<sup>c</sup>	<sup>c</sup>	3	5

Source: GAO analysis of state data.

<sup>a</sup> Public financing was first available in 2000 for this statewide office.

<sup>b</sup> Does not include 2 write-in candidates.

<sup>c</sup> Not applicable.

In Maine, the governor’s election is the only statewide office race eligible for public campaign financing, and the 2002 elections were the first time public financing was available for this race. The Republican and Green Independent Party candidates were publicly funded in the gubernatorial primary, and the Green Independent candidate also ran in the general election. During the campaign, the Green Independent Party candidate spent about \$837,000 in public funds to run his gubernatorial campaign against three traditionally financed competitors in the general election—a Democrat, a Republican, and an Independent. In the general election, the Green Independent Party candidate received about 47,000 votes, or about 9.3 percent of the total votes cast.

In Arizona, candidates for six statewide offices were eligible for public funding for the first time in 2002 (see table 9). For these six statewide offices, 20 of the 30 candidates who ran in the primary election were publicly funded, and 11 of the 17 candidates who ran in the general election were publicly funded. Five of the six winners of these statewide races were publicly funded—that is, participating candidates won races for the offices of Governor, Secretary of State, Attorney General, State Treasurer, and State Mine Inspector.

**Table 9: Number of Candidates for Maine and Arizona Statewide Races (1994, 1998, and 2002)**

	Election year			
	1994	1998	2002 <sup>a</sup>	Participating
	Total	Total	Total	
<b>Maine</b>				
Governor				
Primary election	13	5 <sup>b</sup>	4	2
General election	4	5 <sup>b</sup>	4	1
<b>Arizona</b>				
Governor				
Primary election	6	7	9	5
General election	3	4	4	2
<b>Secretary of State</b>				
Primary election	5	3	5	4
General election	3	2	3	2
<b>Attorney General</b>				
Primary election	2 <sup>b</sup>	3	5	2
General	2 <sup>b</sup>	3	3	2
<b>State Treasurer</b>				
Primary election	2	2	3	3
General election	3	2	2	2
<b>Superintendent of Public Instruction</b>				
Primary election	4	1 <sup>b</sup>	6	4
General election	2	1 <sup>b</sup>	3	1
<b>State Mine Inspector</b>				
Primary election	1 <sup>b</sup>	1 <sup>b</sup>	2 <sup>b</sup>	2
General election	1 <sup>b</sup>	1 <sup>b</sup>	2 <sup>b</sup>	2

Source: GAO analysis of state data.

Note: The term of all offices is 4 years. The number of candidates in the primary elections is the total of all candidates listed on the ballot for all political party primaries (including Democrat, Republican, Libertarian, Reform, Green, and Independent). Write-in candidates are not included.

<sup>a</sup> Public financing was first available in 2002 for these statewide offices.

<sup>b</sup> Incumbent candidate ran for reelection.

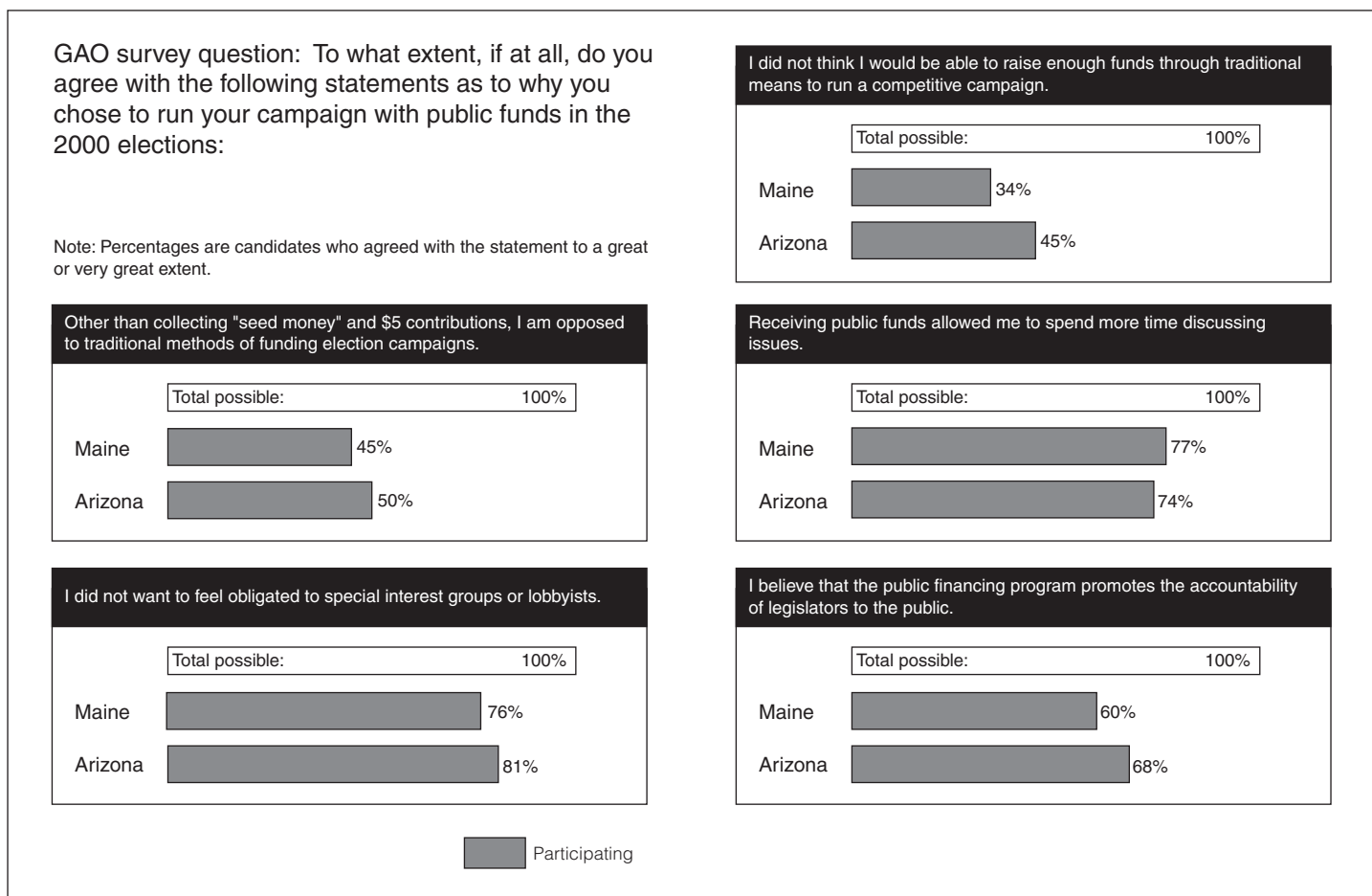
## Candidates' Views about Participation and Nonparticipation in the Public Funding Program

Reasons why candidates chose to participate in the public funding program in the 2000 elections are presented in figure 3, which shows the results of our survey of candidates. Most of the participating candidates who responded—76 percent in Maine and 81 percent in Arizona—agreed to a great or very great extent with the statement that they chose to participate in the public funding program because they did not want to feel



obligated to special interest groups or lobbyists. Further, about three-fourths of the responding participating candidates from both states (77 percent in Maine and 74 percent in Arizona) agreed to a great or very great extent with the statement that receiving public funds allowed them to spend more time discussing issues in their campaign.

**Figure 3: Reasons Why Candidates Chose to Participate in the Public Financing Program**



Source: Responses to GAO's survey (see app. IV and V).

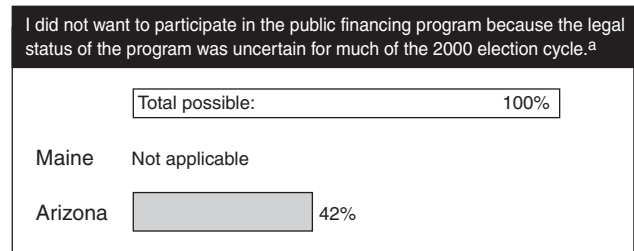
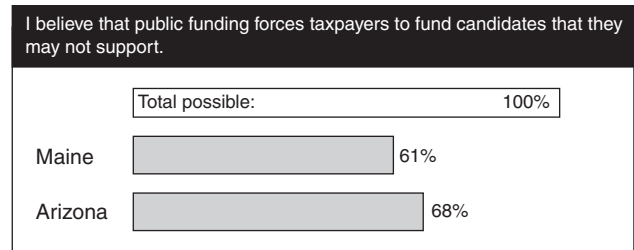
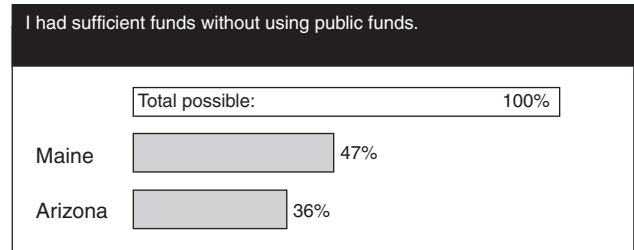
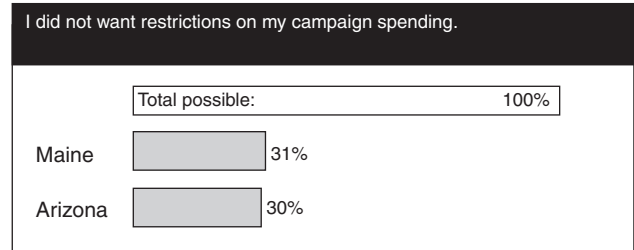
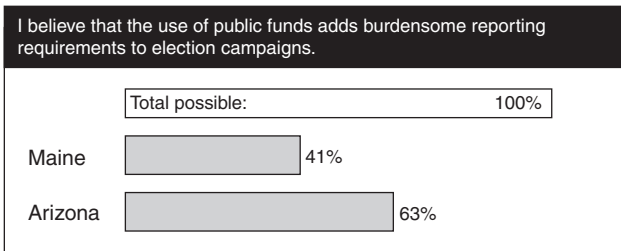
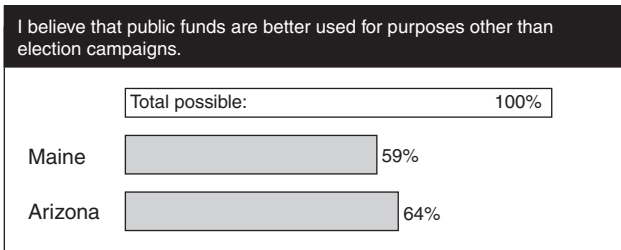
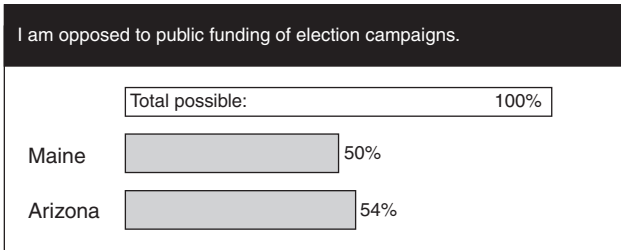
On the other hand, an analysis of why candidates chose not to participate in the public funding program in the 2000 elections is presented in figure 4. About 60 percent or more of the nonparticipating candidates who responded to our survey answered that they agreed to a great or very great extent with the following statements:

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- Public funds are better used for purposes other than election campaigns (59 percent in Maine and 64 percent in Arizona).
  - Public funding forces taxpayers to fund candidates that they may not support (61 percent in Maine and 68 percent in Arizona).

**Figure 4: Reasons Why Candidates Did Not Participate in the Public Financing Program**

GAO survey question: To what extent, if at all, do you agree with the following statements as to why you chose to run your campaign with private rather than public funds in the 2000 elections:

Note: Percentages are candidates who agreed with the statement to a great or very great extent.



 Nonparticipating

Source: Responses to GAO's survey (see app. IV and V).

<sup>a</sup>Given the status of legal challenges to the respective state's clean election law (see app. III), this question was asked only of Arizona candidates.

Figure 4 further shows that, in Arizona, unresolved legal challenges to the state's public financing program during the 2000 election cycle was a

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decisional factor to a great or very great extent for 42 percent of the nonparticipating candidates who responded to our survey. Legal challenges to Arizona’s public financing program (see app. III) persisted throughout the 2000 and 2002 election cycles.

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## Electoral Competition: Analysis of Elections in Maine and Arizona

To date, two election cycles (2000 and 2002) have occurred under the public financing programs in Maine and Arizona. In comparing data from these and the two most recent nonpublic financing years (1996 and 1998) using three measures of electoral competition—contested races, incumbent reelection rates, and incumbent victory margins—our analysis showed:

- The percentages of contested legislative races in Maine’s primary elections were relatively unchanged in 2000 and 2002, compared with 1998, and were less than the percentage of contested legislative races in 1996. The percentages of contested legislative races in Arizona’s primary elections increased in 2000 and 2002, compared with 1998; however, the percentage of contested races in 2000 was about the same as 1996. About 85 percent of the contested legislative primary races in Maine’s and Arizona’s 2002 elections had publicly financed candidates.
- Legislative incumbent reelection rates remained about the same in both states after public financing was introduced.
- Incumbent victory margins, which we used to identify competitive races, reflected a mixed picture. That is, we defined a competitive race as one in which the difference in the percentage of vote garnered between the winning incumbent and the runner-up was 15 points or less and under this definition, trends (if any) were not clearly evident. Further analysis, which examined several factors related to election outcomes, found that whether a race included publicly financed candidates in 2000 and 2002 had no effect on this measure of competitiveness. However, the results of this analysis should be interpreted with caution, given the relatively few variables we used and the limited amount of data available.

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## Increasing Electoral Competition Was a Principal Goal of Public Financing

A principal goal of public financing laws is to increase electoral competition. The term “electoral competition” refers to the level of competition for elected positions as demonstrated by whether races were contested and by the percentage of the vote candidates received. For example, levels of electoral competition can vary from none at all in the case of an uncontested race in which the sole candidate receives 100

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percent of the vote, to an election in which several candidates vie competitively for a position, each winning a significant portion of the vote. Proponents of the initiatives to adopt public financing laws in both states supported the goal of increasing electoral competition. In Maine, proponents said that the initiative would level the playing field so that challengers would have a chance against incumbents. The findings section of Arizona's Act states that the traditional election financing system gave incumbents an unhealthy advantage over challengers and discouraged qualified candidates without personal wealth or access to other funds from running. Further, state officials and other stakeholders we interviewed in both Maine and Arizona agreed that one purpose of the states' public financing laws was to increase electoral competition.

According to some political observers, "A chief standard of success for a public finance scheme is increasing competitiveness, which increases the voters' ultimate check on other abuses and is a measure of the responsiveness of a legislature."<sup>18</sup> Proponents of public financing for campaigns contend that public funding could increase electoral competition by allowing candidates, especially candidates challenging incumbents, to overcome the financial hurdles that would otherwise prevent them from entering a race. Further, proponents argue that public funding promotes competition by giving more candidates the opportunity to effectively communicate with the electorate once they have entered the race.<sup>19</sup> On the other hand, opponents we interviewed in Maine and Arizona believe that public financing does not attract candidates who have a broad base of constituency support and, therefore, even though more new candidates may enter races and win, the quality of representation will be questionable.

As a part of this review, we examined changes in electoral competition in state legislative races by comparing the two most recent nonpublic funding election years (1996 and 1998) with the two public funding election years (2000 and 2002). In reviewing public finance and election literature, we did not find a standard approach for measuring changes in electoral competition. However, we did identify three widely used

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<sup>18</sup>Kenneth R. Mayer and John M. Wood, "The Impact of Public Financing on Electoral Competitiveness: Evidence from Wisconsin, 1964-1990," *Legislative Studies Quarterly*, vol. 20, no. 1 (1995), 75.

<sup>19</sup>Richard Briffault, "Public Funding and Democratic Elections," *University of Pennsylvania Law Review*, vol. 148 (1999), 568-572.

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measures of electoral competition—percentages of contested races, incumbent reelection rates, and incumbent victory margins. The first measure refers to the percentage of all races that had more than one candidate running for the position. Because the concern about competitive races is particularly focused on the ability of challengers to mount credible campaigns against incumbents, the other two measures specifically involve incumbents. Incumbent reelection rates examine the percentage of incumbents (running for reelection) who were reelected. Incumbent victory margin examines the difference between the percentage of the vote going to winning incumbents and the runners-up.

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## Contested Races in Maine and Arizona

One measure of electoral competition is the percentage of all races for seats in the legislature that are contested. As previously mentioned, a chief goal in making public funds available for campaigns was to help potential candidates overcome the financial barriers that deterred them from running, which would result in fewer uncontested races. In Maine and Arizona, uncontested races were much more common in the primary than in general elections from 1996 to 2002.<sup>20</sup> Thus, we focused solely on the primary elections and considered a primary election race contested if more than one candidate ran in the political party's district race.<sup>21</sup> If public financing had enticed more candidates to run in the primary election races, we would expect that after 1998, increasing percentages of races would be contested.

## Changes in Contested-Race Percentages

In Maine, as figure 5 shows, the introduction of public financing in the 2000 election did not correspond with a significant increase in contested primary races. The percentages of contested legislative races in Maine's primary elections remained relatively unchanged in 2000 (7 percent) and 2002 (8 percent), compared with 1998 (6 percent), and were less than the percentage of contested legislative races in 1996 (12 percent). More

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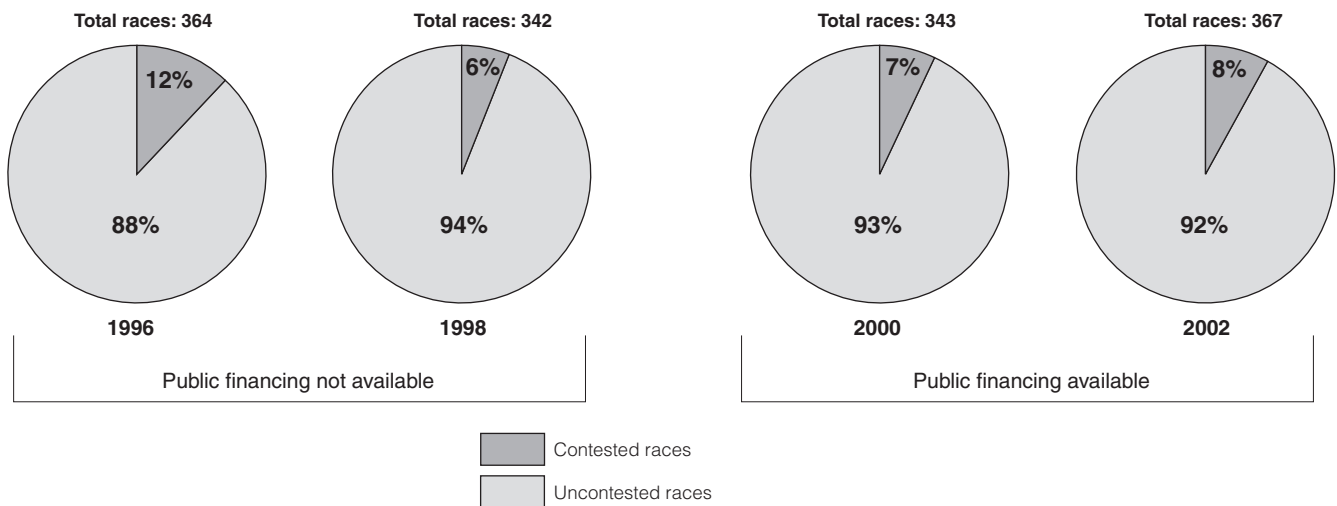
<sup>20</sup>The number of contested general election races for seats in Maine's and Arizona's house and senate averaged 77 percent of the total applicable races in election years 1996 through 2000, while the number of contested primary election races averaged 19 percent of the total applicable races. There were more contested general election races because candidates from both the Democratic and the Republican parties usually ran. In contrast, there was often only one candidate in the primary party races.

<sup>21</sup>Arizona has multimember house districts, so that two representatives are elected from each district. Due to the multimember district arrangement, a contested primary race was one in which three candidates ran in a primary race, since two candidates automatically advanced to the general election race.

detailed analysis, including coverage of additional years, would be necessary to determine whether the percentage of contested legislative primary races in 1996 (12 percent) was historically high and if the change from 1998 to 2002 differs from past changes in Maine.

**Figure 5: Contested and Uncontested Races in Maine’s Legislative (House and Senate) Primary Elections (1996, 1998, 2000, and 2002)**

**Maine**



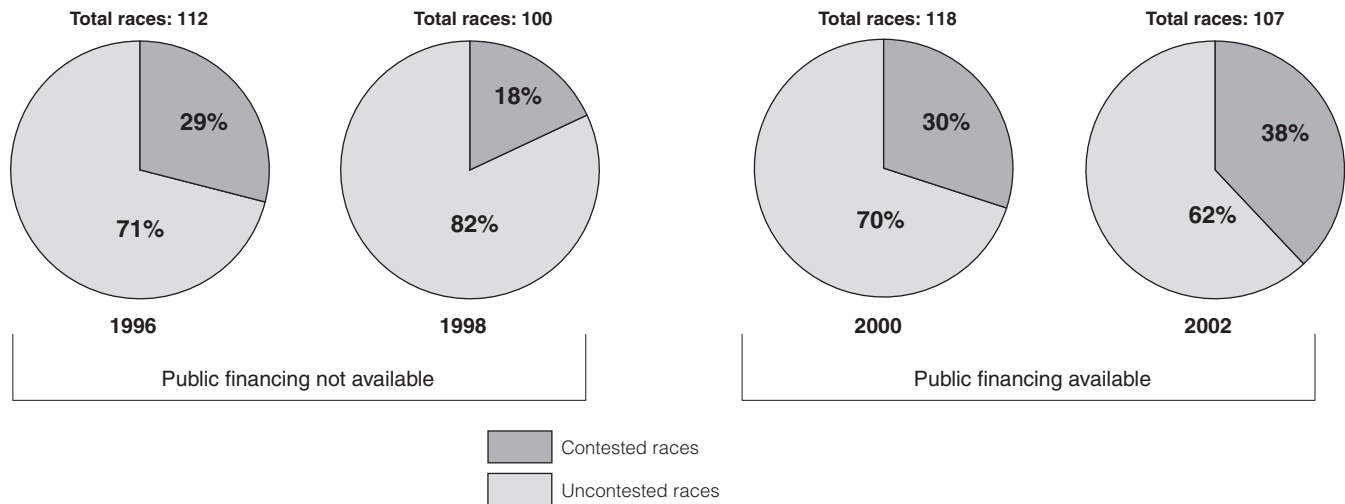
Source: GAO analysis of state data.

Note: Of the 343 races in the 2000 elections, 25 (7.3 percent) were contested.

In Arizona, as figure 6 shows, the percentages of contested legislative races in the state’s primary elections were higher in 2000 (30 percent) and in 2002 (38 percent) than in 1998 (18 percent). However, the percentage of contested races in 2000 was about the same as in 1996 (29 percent). More data encompassing additional election years before and after public financing was introduced would be necessary to identify any trend.

**Figure 6: Contested and Uncontested Races in Arizona’s Legislative (House and Senate) Primary Elections (1996, 1998, 2000, and 2002)**

**Arizona**



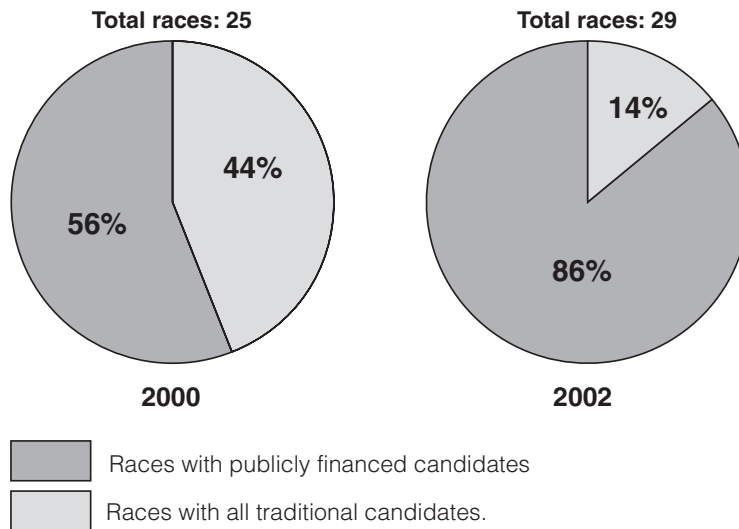
Source: GAO analysis of state data.

**Publicly Financed Candidates and Contested Races**

Two election cycles provide a limited basis for projecting whether the percentage of contested races will increase in Maine’s and Arizona’s primary elections. However, we examined the 2000 and 2002 races in Maine and Arizona to determine the extent to which contested races had publicly financed candidates. In Maine’s legislative primary elections, as figure 7 shows, 56 percent of the contested races in 2000 had publicly financed candidates, and the percentage increased to 86 percent in 2002. Overall, however, there were still many more uncontested races (318 and 338) than contested races (25 and 29) in both 2000 and 2002.



**Figure 7: Publicly Financed Candidates in Maine’s Contested Legislative Primary Races (2000 and 2002)**

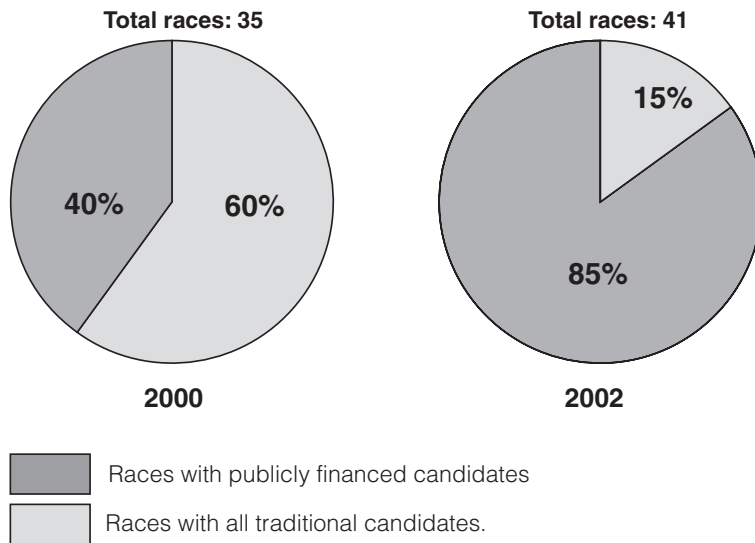


Source: GAO analysis of state data.

If publicly financed candidates had not run in Maine’s 2000 and 2002 primary elections, there would likely have been fewer contested races. For example, in our survey of candidates in Maine’s 2000 election, we asked the publicly financed candidates to what extent the availability of public funding had been a factor in their decision to run for office. Of the 20 publicly financed challengers who ran in contested races in Maine’s 2000 legislative primaries, 13 returned our survey questionnaire. Eight of those 13 candidates answered that the availability of public funding influenced their decision to run to a great extent. Only one candidate answered that the availability of public funding was of little or no importance in the decision to run.

In Arizona’s legislative primary elections, as figure 8 shows, a significant percentage of the contested races in 2000 (40 percent) had publicly financed candidates, and the percentage more than doubled in 2002 (85 percent). Similarly to Maine, however, there were still more uncontested races (83 and 66) than contested races (35 and 41) in 2000 and 2002.

**Figure 8: Publicly Financed Candidates in Arizona's Contested Legislative Primary Races (2000 and 2002)**



Source: GAO analysis of state data.

Since such a high percentage of the contested primary legislative races in Arizona's 2000 and 2002 elections had publicly financed candidates, as in Maine, there would likely have been fewer contested races if those candidates had not run. In our survey of candidates in Arizona's 2000 election, we asked the publicly financed candidates to what extent the availability of public funding had been a factor in their decision to run for office. Of the 19 publicly financed challengers who ran in contested races in Arizona's 2000 legislative primaries, 12 returned our survey questionnaire. Half of those candidates answered that the availability of public funding influenced their decision to run to a great extent. Three of the 12 candidates answered that the availability of public funding was of little or no importance in their decision to run.

## Incumbent Reelection Rates in Maine and Arizona

A second measure of electoral competition is incumbent reelection rates in the general legislative elections in Maine and Arizona. Some political observers have asserted that electoral competition is primarily determined by the ability of challengers to mount credible campaigns against

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## Incumbent Reelection Rates in Maine

incumbents.<sup>22</sup> Also, many believe that incumbents begin a race with numerous advantages over challengers—advantages such as name recognition with the public, free media attention, and the opportunity to provide constituency services.<sup>23</sup> For these reasons, incumbent reelection rates are typically high in states throughout the nation. For example, a 1991 study—covering 10 election cycles (during 1968 through 1986) for legislative seats in 16 states—found that 92 percent of 11,711 house incumbents seeking reelection were successful. The same study reported that 88 percent of 2,547 senate incumbents were successful.<sup>24</sup> If public financing in Maine and Arizona helped to improve challengers' ability to mount credible campaigns against incumbents, one indication might be lower incumbent reelection rates in 2000 and 2002, as compared to election years before public financing was introduced.

As figure 9 shows, the incumbent reelection rates in Maine's house remained relatively unchanged over the 4 years, with the exception of a slight increase in 2000 (91 percent). Comparatively, these reelection rates in Maine's house were near, but slightly below the 16-state average (92 percent) reported by the 1991 study mentioned previously. Although incumbent reelection rates for Maine's house did not change much over the 4 election years we reviewed, 4 of the 10 incumbents who were defeated in 2000, and 10 of the 14 incumbents who were defeated in 2002 lost to publicly financed candidates.

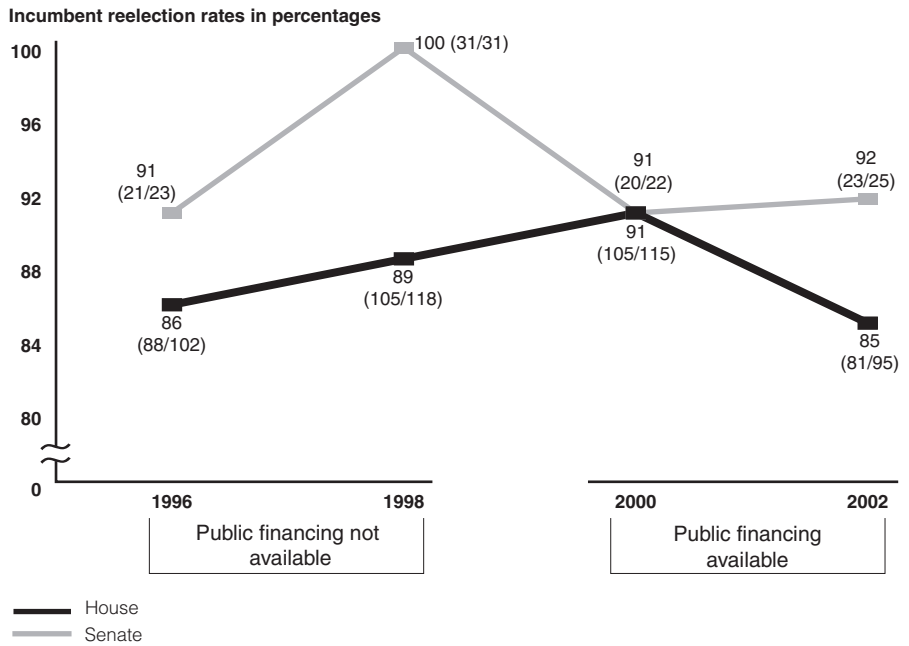
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<sup>22</sup>Kenneth R. Mayer and John M. Wood, "The Impact of Public Financing on Electoral Competitiveness," 74.

<sup>23</sup>Richard Briffault, "Public Funding and Democratic Elections," 569.

<sup>24</sup>James C. Garand, "Electoral Marginality in State Legislative Elections, 1968-86," *Legislative Studies Quarterly*, vol. 16, no. 1 (1991), 14-15. The states included in this analysis were California, Colorado, Connecticut, Delaware, Iowa, Kentucky, Michigan, Missouri, Nebraska, New Mexico, Ohio, Oklahoma, Pennsylvania, Rhode Island, Utah, and Wisconsin.

**Figure 9: Incumbent Reelection Rates in Maine’s Legislative Races (1996, 1998, 2000, and 2002)**



Source: GAO analysis of state data.

Note: The numbers in parentheses represent the number of incumbent victories over total number of incumbents running for reelection in that year.

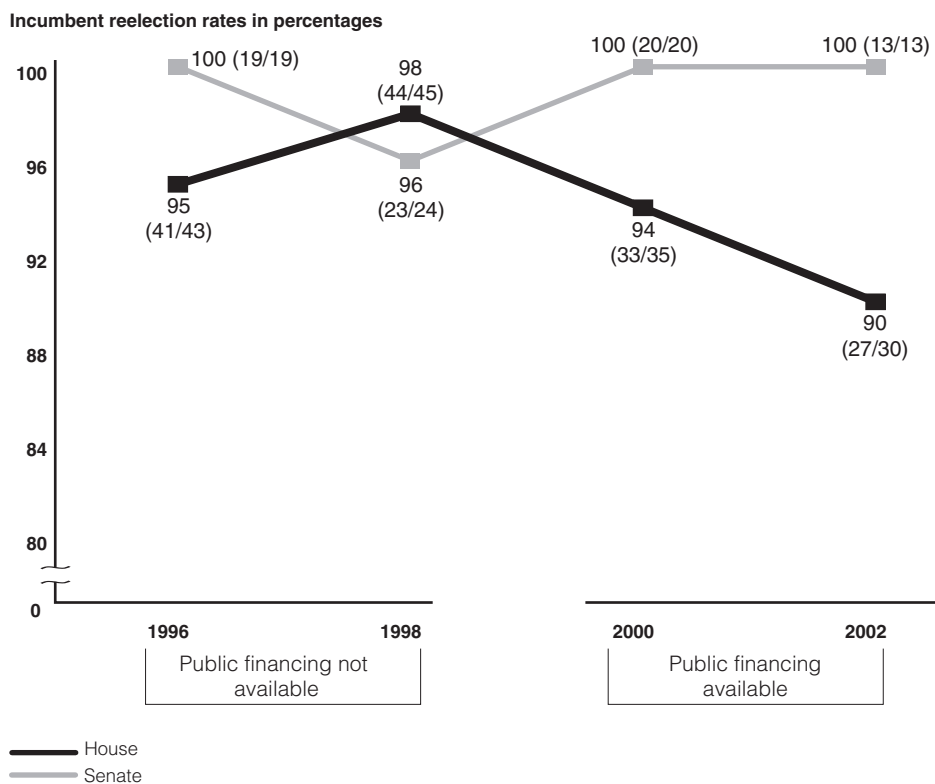
As shown in figure 9, incumbent reelection rates in Maine’s senate also did not change significantly after public financing was introduced. The incumbent reelection rates ranged from 91 percent to 100 percent—91 percent in 1996 and 2000, 100 percent in 1998, and 92 percent in 2002. These rates for all 4 election years in Maine’s senate were higher than the senate average (88 percent) from the 1991 study mentioned above. However, of the two senate incumbents who lost in 2000, one lost to a publicly financed candidate, and in 2002, both incumbents who were defeated lost to publicly financed candidates.

**Incumbent Reelection Rates in Arizona**

Figure 10 shows incumbent reelection rates for Arizona’s house and senate for the 4 most recent general election cycles. The house incumbent reelection rate was 98 percent in 1998 and then dropped 4 percentage

points in each of the two publicly funded elections.<sup>25</sup> The 90-percent rate in 2002 was slightly lower than the 16-state average (92 percent) mentioned previously. On the other hand, the incumbent reelection rate in Arizona's senate was 96 percent in 1998 and then increased to 100 percent in both 2000 and 2002, the same rate as in 1996.

**Figure 10: Incumbent Reelection Rates in Arizona's Legislative Races (1996, 1998, 2000, and 2002)**



Source: GAO analysis of state data.

Note 1: The numbers in parentheses represent the number of incumbent victories and the total number of incumbents running for reelection in that year.

Note 2: Because all 30 legislative districts were redrawn for the 2002 elections, most incumbents who chose to run for reelection did so in a district that was numbered differently from the district they represented in the previous term. In comparing the 2002 list of legislative candidates and the 2000 legislative roster, we labeled a 2002 candidate as an incumbent if he or she held a seat from the previous session in the same chamber.

<sup>25</sup>None of the incumbent losses in Arizona's house in the 2000 and 2002 general elections were to publicly financed candidates.

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## Incumbent Victory Margins in Maine and Arizona

A third measure of electoral competition is incumbent victory margins. This measure involves examining the difference between the percentage of votes received by the winning incumbents and the second-place finishers. As discussed previously, incumbents enjoy many inherent advantages over challengers. One disadvantage most challengers face is the difficulty in raising campaign funds, which impacts their ability to run an effective campaign. In order to make their name and campaign message known to the public, challengers need to raise money for advertisements and other campaign activities. However, challengers are faced with a circular problem. Campaign contributors generally view challengers as more likely to lose an election than an incumbent; yet, challengers cannot run a competitive campaign unless they can raise money.<sup>26</sup> For these reasons, according to proponents, public financing programs would allow challengers to compete more effectively. An indicator of competing more effectively would be a narrowing of the electoral gap between the incumbent winners and the runners-up, not simply whether some incumbents were defeated.

Although our review of applicable literature and our discussions with experts confirmed that measuring incumbent victory margins in legislative races is a good indicator of electoral competition, there is disagreement on which margin of difference indicates a competitive race. The studies we reviewed were essentially split between using a difference of 10 percentage points or less of the vote or using a difference of 20 percentage points or less of the vote. A margin of 10 percentage points is considered to be more conservative than 20 percentage points because the former represents a higher bar for challengers to meet. We took a central approach and defined a competitive race as one in which the difference in the percentage of the vote garnered between the winning incumbent and the runner-up was 15 points or less. For example, consider a race with two candidates, one the incumbent and the other a challenger. If the incumbent garnered 57 percent of the vote and the challenger garnered 43 percent of the vote, the incumbent's margin of victory would be 14 percentage points. Under our definition, this hypothetical race would be competitive because the incumbent won by 15-or-less percentage points.

Using our definition, we analyzed all of the legislative general election races in Maine and Arizona that had incumbent wins against at least one

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<sup>26</sup>Kenneth R. Mayer and John M. Wood, "The Impact of Public Financing on Electoral Competitiveness," 74.

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Competitive Legislative Races  
in Maine

challenger during the four most recent elections—1996, 1998, 2000, and 2002. If the public financing programs helped challengers to run more competitive races against incumbents, we would expect to find larger percentages of competitive races in 2000 and 2002 than in 1996 and 1998.

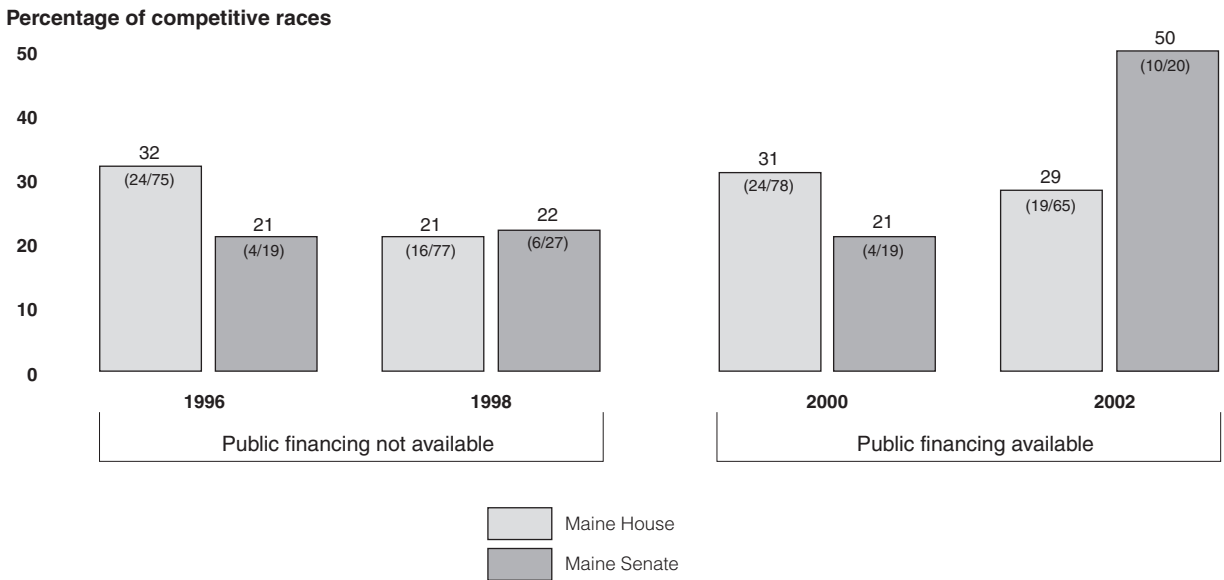
Changes in the percentages of contested races after public financing was introduced varied between Maine’s house and the senate. As figure 11 shows, the percentages of competitive house races in 2000 (31 percent) and 2002 (29 percent) were greater than the percentage in 1998 (21 percent) but similar to the percentage in 1996 (32 percent). On the other hand, the percentage of competitive senate races in 2002 (50 percent) was greater than each of the three previous election years.

In order to more thoroughly explore the relationship between publicly financed elections and competitive races, in further analysis we examined the effects of several factors relevant to election outcomes and found that whether a race included publicly financed candidates in 2000 and 2002 had no effect on incumbent victory margins. That is, we analyzed the effect of participation in the public financing program on competitiveness after controlling for other factors, such as candidates’ campaign status (incumbent or not) and candidates’ spending.<sup>27</sup> However, the results of this analysis should be interpreted with caution, given the relatively few variables we used and the limited amount of data available.

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<sup>27</sup>See appendix I for a discussion of the scope and methodology of our analysis.

**Figure 11: Competitive Legislative Races in Maine (1996, 1998, 2000, and 2002)**



Source: GAO analysis of state data.

Note: The numbers in parentheses represent the number of competitive races divided by the number of total races with incumbent wins, which gives the percentage at each data point.

Since incumbent victory margins, as a measure of electoral competition, exclude races in which a challenger won, we also examined the general legislative races in 2000 and 2002 to determine the funding status of winning challengers. Of the 79 publicly financed legislative challengers who ran for a seat in Maine’s 2000 general election, 27 won, representing 44 percent of the total number of winning challengers that year. In Maine’s 2002 general election, of the 168 publicly financed legislative challengers who ran, 55 won, representing 67 percent of the total number of winning challengers that year.

**Competitive Legislative Races in Arizona**

In Arizona, changes in the percentages of competitive general legislative races across the 4 election years were mixed. For Arizona’s legislative elections, our analysis was limited to senate races only because the state’s



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house races involve multimember districts, which does not lend itself to analysis using incumbent victory margins.<sup>28</sup>

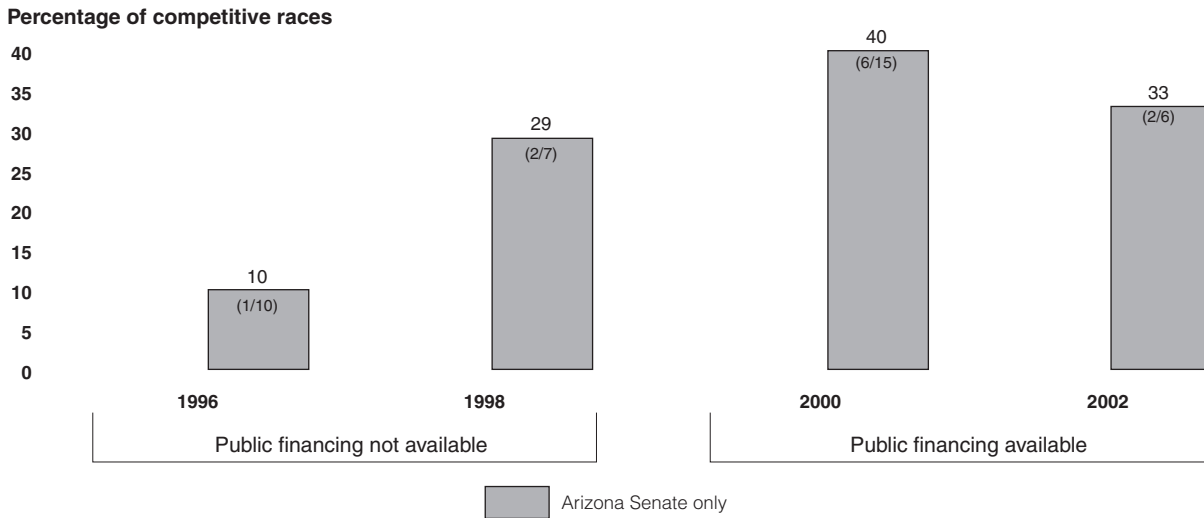
As figure 12 shows, 29 percent (2 of 7) of Arizona's senate races were competitive in 1998. This percentage increased to 40 percent (6 of 15) in 2000 and then dropped to 33 percent (2 of 6) in 2002. No trends are apparent in simply comparing the change in the percentages of competitive races across the 4 election years. However, similar to the finding in Maine, we analyzed the effects of several factors relevant to election outcomes and found that the presence of publicly financed candidates in a race had no effect on incumbent victory margins in Arizona's 2000 and 2002 senate races.<sup>29</sup>

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<sup>28</sup>This measure of competition, incumbent victory margins, involved looking at the difference in the percentage of the vote garnered by winning incumbents and runners-up. Therefore, all races included in this analysis had a winning incumbent. In Arizona's multimember house districts (two representatives are elected in each district), there were several possible combinations of winning incumbents, including cases in which one incumbent won while the other lost. These possible combinations meant that incumbent victory margins in Arizona's house races could not be readily compared with victory margins in Arizona's senate races, nor to races for Maine's legislature.

<sup>29</sup>See appendix I for a discussion of the scope and methodology of our analysis.

**Figure 12: Competitive Senate Races in Arizona (1996, 1998, 2000, and 2002)**



Source: GAO analysis of state data.

Note 1: The numbers in parentheses represent the number of competitive races divided by the number of total races with incumbent wins, which gives the percentage at each data point.

Note 2: Because all 30 legislative districts were redrawn for the 2002 elections, most incumbents who chose to run for reelection did so in a district that was numbered differently from the district they represented in the previous term. In comparing the 2002 list of legislative candidates and the 2000 legislative roster, we labeled a 2002 candidate as an incumbent if he or she held a seat from the previous session in the same chamber.

Again, because the measure of incumbent victory margins excludes races in which a challenger won, we also examined Arizona’s general election senate races in 2000 and 2002 to determine the funding status of winning challengers. Of the 10 publicly financed challengers who ran for a senate seat in Arizona’s 2000 general election, only one succeeded, representing 10 percent of the total number of winning challengers in the senate that year. In Arizona’s 2002 general election, of the 16 publicly financed challengers who ran for a senate seat, four won, representing 24 percent of the total number of winning challengers in the senate that year.

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## Influence of Interest Groups: Mixed Views on Effects of Public Financing of Campaigns

Proponents and opponents of public financing programs have competing perspectives regarding the effect of such programs on the influence of interest groups. For instance, an operative question can be posed as follows: Do citizens feel that, once elected, candidates who ran their campaigns with public funding have been more likely to serve the broader interests of their constituents as a whole and less likely to be influenced by specific individuals or groups? This question is not readily amenable to quantitative analysis, and responses to our surveys of political candidates and citizens in Maine and Arizona—as well as our interviews with interest group representatives—reflected mixed views.

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## Reducing the Influence of Interest Groups Was a Goal of Public Financing

As mentioned previously, proponents assert that an intended effect of public financing programs is to enhance the confidence of citizens in government by reducing the influence of special interests and increasing the integrity of the political process. For instance, the “findings and declarations” section of Arizona’s 1998 Act stated, in part, that the current election-financing system “effectively suppresses the voices and influence of the vast majority of Arizona citizens in favor of a small number of wealthy special interests” and “undermines public confidence in the integrity of public officials.”

On the other hand, opponents assert that, under the traditional campaign finance system, the voices of all citizens are represented through competing interest groups. Opponents further assert there is no evidence that government-financed campaigns attract more worthy candidates than does the traditional system or that, once elected, the publicly subsidized candidates vote any differently as legislators than do traditionally financed candidates. Moreover, some opponents question whether the voters in Maine or Arizona read much beyond the title—“clean elections”—of the ballot initiatives.

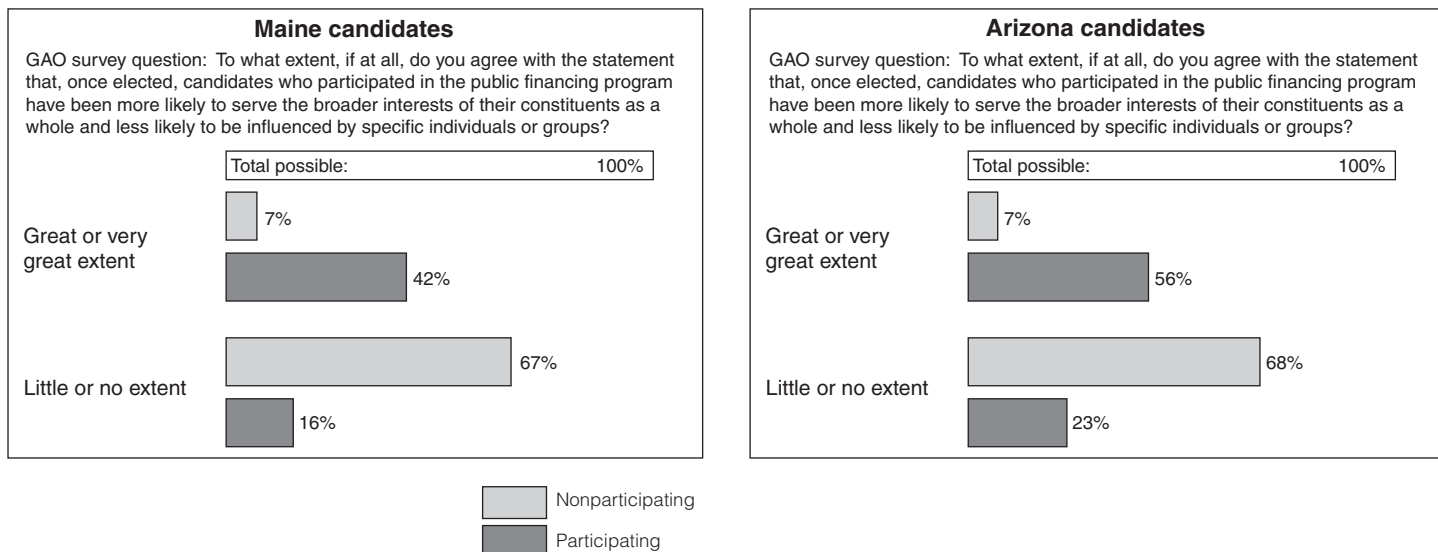
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## Mixed Responses from Our Survey of Political Candidates

As mentioned previously, we surveyed all candidates who ran for state legislature seats and applicable statewide offices in Maine’s and Arizona’s 2000 elections. Among other questions, we asked candidates to what extent, if at all, they agreed with the statement that once elected, candidates who participated in the public financing program have been more likely to serve the broader interests of their constituents as a whole and less likely to be influenced by specific individuals or groups. As figure 13 shows, the survey results reflected mixed views. Most of the responding nonparticipating candidates—67 percent in Maine and 68 percent in Arizona—answered to “little or no extent.” In contrast, many of the

responding participating candidates—42 percent in Maine and 56 percent in Arizona—answered to a “great or very great extent.”

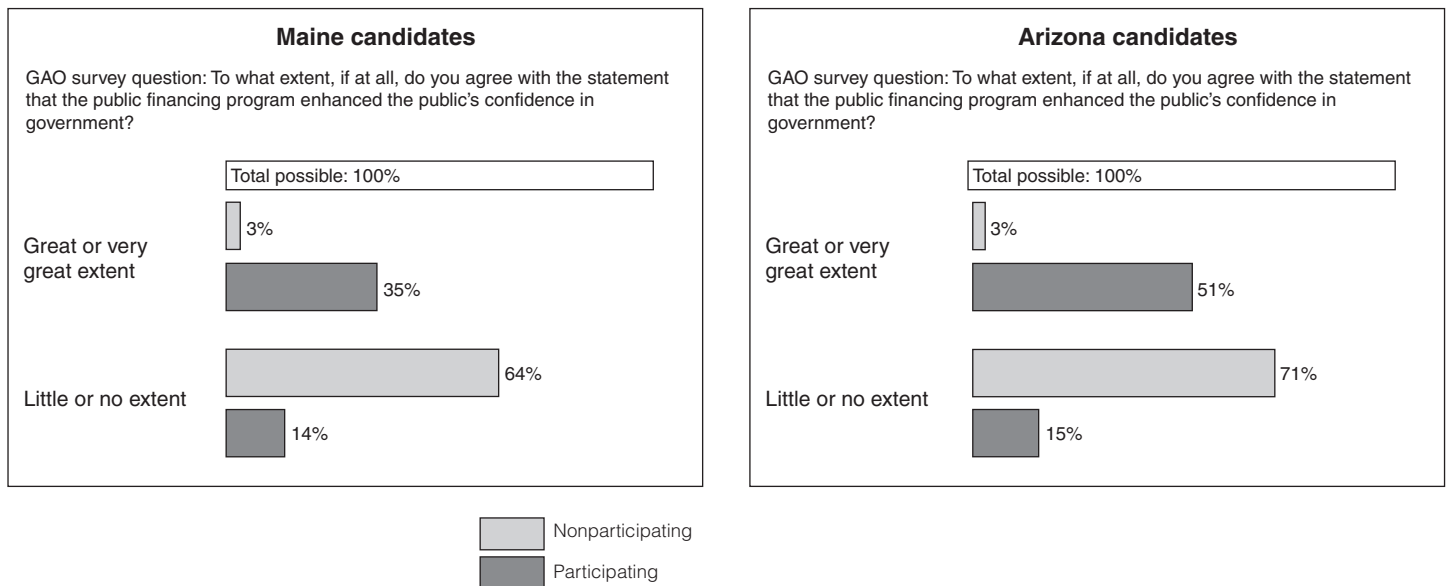
**Figure 13: Candidate Responses about Public Financing Program and Interest Group Influence**



Source: Responses to GAO's survey (see app. IV and V).

In our survey, we also asked candidates to what extent, if at all, they agreed with the statement that their respective state’s public financing program enhanced the public’s confidence in government. Here again, the survey results reflected mixed views from nonparticipating and participating candidates. Of the responding candidates, figure 14 shows that most of the nonparticipating candidates answered to “little or no extent,” whereas many of the participating candidates answered to a “great or very great extent.”

**Figure 14: Candidate Responses about the Public Financing Program and Confidence in Government**



Source: Responses to GAO's survey (see app. IV and V).

Further, our survey of candidates for office in Maine's and Arizona's 2000 elections contained an ending statement inviting respondents to provide any comments they believed were important about the effects of the respective state's public financing program. Examples of comments from participating candidates included the following (see app. VI):

- To be elected to the state legislature and not feel beholden to anyone except constituents is a liberating feeling.
- The most important effect of the public financing program has been to free legislatures from the influence of campaign contributors.
- Public financing takes special interest money out of government. This approach is the only way that elections should be run, at the state level and nationally.
- Arizonans seem well aware that the link between special interest money and special interest laws is strong and want to change it. Arizona and Maine are leading the way in the nation.

On the other hand, examples of comments from nonparticipating candidates included the following (see app. VI):

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- Special interests continue to exert tremendous influence on both privately and publicly funded candidates. The only difference is that the influence on privately funded candidates is fully disclosed and reported, while the influence on “clean” candidates is not disclosed anywhere.
  - Under the public funding program, lobbyists are able to continue their influence by simply “volunteering” to collect \$5 qualifying contributions for participating candidates.
  - People voted for the public funding program because they thought dirty campaigning (e.g., personal attack ads) would stop. Yet, the 2000 election was one of the dirtiest campaign scenes in years.
  - The “clean election” designation for those taking advantage of the public funding program implies that the traditional candidate may not be “clean.” This is unfortunate and should be changed.

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## Mixed Responses from Our Survey of Citizens

We contracted with professional pollsters to obtain the views of projectable samples of voting-age citizens in Maine and Arizona. Generally, this polling effort was designed to determine the extent to which the citizenry were aware of the respective state’s public financing program and to obtain citizenry views about whether the program has increased citizens’ confidence in government and decreased the influence of special interest groups. The wording of the specific questions was developed by us, with some assistance from the polling organizations (see app. I).<sup>30</sup>

As table 10 shows, we asked voting-age citizens their views regarding the effect of the public financing program on the influence of special interest groups. Of the polled citizens who acknowledged some awareness of the respective state’s applicable law, over one-half in both states answered that there was no effect or it was too soon to tell. In Maine, more respondents answered that the law had greatly or somewhat decreased special interest influence (25 percent) than did respondents who answered

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<sup>30</sup>In designing the questions, we used the term “clean election” because this wording has been widely used in the media, was used in the ballot initiatives, and also is part of the title of the respective state’s law. Thus, in reference to voter awareness, the term “clean election” likely is more commonly recognized than an alternative term such as “public financing program.”

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that the law had greatly or somewhat increased special interest influence (7 percent).

As table 10 further shows, we also asked voting-age citizens their views regarding the effect of the public financing program on their confidence in government. Of the polled citizens who acknowledged some awareness of the respective state's applicable law, almost two-thirds in both states answered that there was no effect or it was too soon to tell. Additionally, slightly more respondents in each state answered that the law had greatly or somewhat increased their confidence in state government—17 percent in Maine and 21 percent in Arizona—than did respondents who answered that the law had greatly or somewhat decreased their confidence—8 percent in Maine and 15 percent in Arizona.

**Table 10: Maine and Arizona Citizenry Views (in Percentages) on Clean Election Law**

Topic	GAO survey questions and response options	Maine voting-age citizens <sup>a</sup>	Arizona voting-age citizens <sup>a</sup>
Influence of special interest groups	Would you say that the state’s clean election law has greatly increased, somewhat increased, has had no effect, has somewhat decreased, or greatly decreased the influence of special interest groups on legislators, or is it too soon to tell? <sup>a</sup>		
	Greatly increased	2%	4%
	Somewhat increased	5	12
	Had no effect	21	25
	Somewhat decreased	21	9
	Greatly decreased	4	2
	Too soon to tell	34	39
Citizens’ confidence in state government	Would you say that the state’s clean election law has greatly increased, somewhat increased, has had no effect, has somewhat decreased, or greatly decreased your confidence in state government, or is it too soon to tell? <sup>a</sup>		
	Greatly increased	2%	2%
	Somewhat increased	15	19
	Had no effect	39	33
	Somewhat decreased	5	10
	Greatly decreased	3	5
	Too soon to tell	26	26
Unsure or declined to answer	9	4	

Source: Summary statistics of GAO-contracted polling of voting-age citizens of Maine and Arizona (see app. I).

Notes: These two questions were asked only if the citizen indicated some awareness of the state’s clean election law. For Maine, the number of respondents for these questions was 157, and the maximum 95-percent confidence interval for these survey results is plus or minus 8 percentage points. For Arizona, the number of respondents for these questions was 433, and the maximum 95-percent confidence interval for these survey results is plus or minus 5 percentage points.

<sup>a</sup>Percentages may not total 100 percent due to rounding.

## Interest Group Views on Effects of Public Financing Programs

We interviewed interest group representatives<sup>31</sup> in Maine and Arizona to obtain their views on the effects of the public financing programs—including changes, if any, in how they interact with political candidates and legislators after inception of the programs. Unlike our surveys of

<sup>31</sup>These representatives included, for example, officers of and/or lobbyists for organizations such as the Maine Bankers Association, Maine Medical Association, Arizona Chamber of Commerce, and Arizona Education Association (see app. I).



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candidates and citizens, the results of our interest groups interviews are anecdotal and may not be representative of all interest groups in the states. Nonetheless, similar to the candidate and citizen survey results, the lobbyists we interviewed had mixed views.

Representatives of one interest group told us that traditional campaign contributions do not necessarily influence an elected candidate's subsequent voting record; rather, the contributions help donors obtain access to discuss issues. Another lobbyist said that public funding had not reduced the influence of special interests. This individual noted that publicly funded candidates often are beholden to unions, trade associations, or other organizations instrumental in helping these candidates raise the required number of \$5 qualifying contributions. In contrast, another lobbyist said that public financing of campaigns has had a positive effect on the political process and has improved government. This individual explained that the relationship between a lobbyist and a candidate/legislator now tends to be more professional and focuses on the contents or merits of proposed legislation rather than on campaign contributions.

Some interest group representatives commented that the public funding programs—particularly as increasing numbers of candidates participate—are causing changes in the roles of lobbyists and interest groups. For instance, the representatives noted that (except for seed money and \$5 qualifying contributions) publicly funded candidates are prohibited from soliciting campaign contributions, which results in fewer opportunities for lobbyists to inform these candidates about the interests of clients. The representatives also noted that more contribution money now is going to political action committees or other groups, which has led to increased spending (“independent expenditures”) to support or oppose certain candidates.

Generally, the interest group representatives noted that it is too soon to tell whether legislators who ran with public funds serve the broader interests of their constituents any differently or better than do traditionally funded candidates.

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**Campaign Spending:  
Average Candidate  
Spending Decreased  
in Maine but  
Increased in Arizona;  
Independent  
Expenditures Became  
More Prominent in  
Both States; Extent of  
Issue Advocacy  
Spending Not Known**

Under the public financing programs in the 2000 and 2002 elections, average legislative candidate spending decreased in Maine but increased in Arizona, compared with previous elections. Also, particularly in the 2002 elections, both states experienced increases in independent expenditures—a type of campaign spending whereby political action committees, other groups, or individuals communicate messages to voters that support or oppose a clearly identified candidate but without coordination with any candidate. The 2002 increases in independent expenditures largely were associated with the gubernatorial races in both states. Because it is not regulated, the extent of spending for issue advocacy—that is, public policy messages that do not refer to a specific candidate—is not known.

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**Campaign Spending was a  
Principal Concern of  
Public Financing  
Proponents**

According to proponents of the public financing programs in Maine and Arizona, escalating campaign costs helped deter candidates from running for office. For example, a 1992 study conducted by the Maine Citizens Leadership Fund, a group cited as a catalyst behind Maine’s law, concluded in part that, “The cost of running for the Maine legislature is exploding.” Additional findings in that report suggested that “next steps” should include eliminating access to wealth as a determinant of a citizen’s influence within the political process, halting and reversing the escalating costs of elections, and challenging the assumptions that public elections can and should be privately financed. Similarly, the “findings and declarations” preamble to Arizona’s law states that the “current election-financing system” allows Arizona elected officials to accept large campaign contributions from private interests; favors a small number of wealthy special interests; and drives up the cost of running for state office, discouraging otherwise qualified candidates who lack personal wealth or access to special-interest funding.

Accordingly, the public funding programs in Maine and Arizona each were designed to have a two-pronged approach for reducing campaign spending. That is, each program

- imposed spending limits and certain other requirements on candidates who chose to participate in the public financing program and

- 
- reduced the total amount of money that nonparticipating candidates were allowed to accept from each campaign contributor.

The intended outcome of this approach was to lower the cost of running for office by reducing and capping the amount of money available for campaign spending.<sup>32</sup> Generally, campaign spending comprises two components—spending by candidates and independent expenditures. Both of these spending components are tracked by the agencies responsible for administering the public financing programs—Maine’s Commission on Governmental Ethics and Election Practices and Arizona’s Citizens Clean Elections Commission. Such tracking is important because publicly financed candidates can receive matching funds based on spending by or for traditionally financed candidates, or spending opposing a participating candidate.

On the other hand, neither commission tracks issue advocacy spending. Issue advocacy—interpreted by the courts as being protected free speech—usually takes the form of media advertisements that do not expressly advocate for or against a clearly identified political candidate. Generally, there are no requirements for reporting issue advocacy spending to any state or federal agency.

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### Average Legislative Candidate Spending Declined in Maine but Increased in Arizona

Compared to the 1996 and 1998 elections, average legislative candidate spending decreased in Maine in the 2000 and 2002 elections but increased in Arizona, as figure 15 shows. Specifically, for Maine house races, average candidate spending in the recent elections (2000 and 2002) was lower than the averages for previous elections (1996 and 1998), although the 2002 average reflected an increase from 2000. For Maine senate races, average candidate spending decreased in each of the two recent elections. In Arizona, however, average legislative candidate spending increased substantially—by about 55 percent for house candidates and 80 percent for senate candidates—in the first year that public funding became available. These dissimilar spending trends may be partly due to differences in the two states’ provisions for distributing funds to candidates who participated in the public financing program. In Maine’s program, distribution amounts were based on whether the participating

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<sup>32</sup>For the 2000 elections, appendix II shows the amount of campaign funds provided to candidates who participated in the public funding programs and the contribution caps applicable to nonparticipating candidates.

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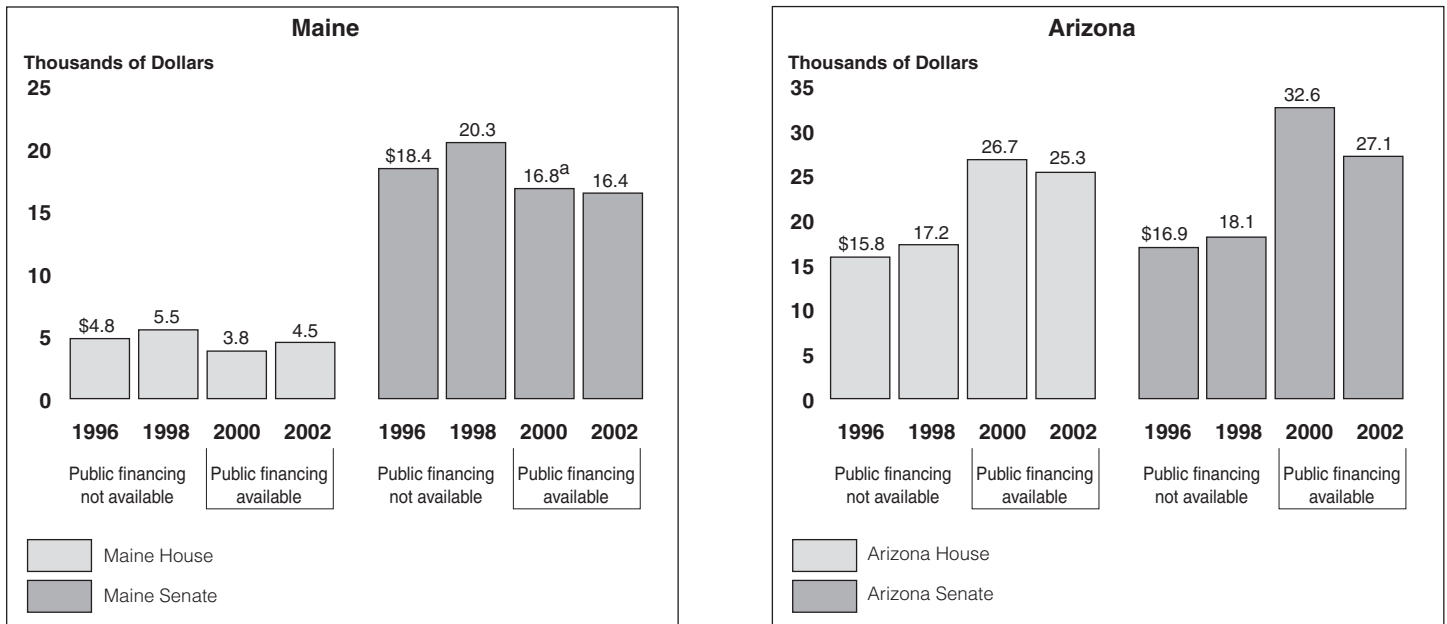
candidate ran for a house or a senate seat. But, in Arizona's program, equal amounts were distributed to participating legislative candidates, regardless of legislative office type (see app. II). Thus, in Arizona's 2000 elections, a participating house or senate candidate who faced a challenger in both the primary and general elections received a minimum of \$23,389.<sup>33</sup> This guaranteed minimum allocation was \$6,189 more than the average amount that house candidates spent in 1998. If the release of matching funds<sup>34</sup> had been triggered, the potential maximum allocation to a house candidate in Arizona would have been \$70,166 in 2000, after adjustment for inflation.

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<sup>33</sup>This is the actual 2000 election total allocation of \$25,000—adjusted for inflation to 1996 dollars to permit comparison to the inflation-adjusted average amount shown in figure 15 for 1998 and other years—for a participating candidate who faced a challenger and did not receive any matching funds.

<sup>34</sup>After initial funding allocations, publicly financed candidates can receive additional funds (i.e., matching funds) based on spending by or for privately financed (nonparticipating) candidates, who—while subject to state limits and disclosure rules—engage in traditional means to raise money from individuals, corporations, and political action committees (see app. II).

**Figure 15: Average Maine and Arizona Legislative Candidate Spending (1996, 1998, 2000, and 2002)**



Source: GAO analysis of state data.

Note: In the figure, we did not include any candidate who reported spending zero dollars or did not run in the general election. For those candidates, spending includes primary and general election amounts combined. With 1996 as the base year, we adjusted all spending amounts for inflation using the Department of Commerce’s (Bureau of Economic Analysis) gross domestic product implicit price deflator.

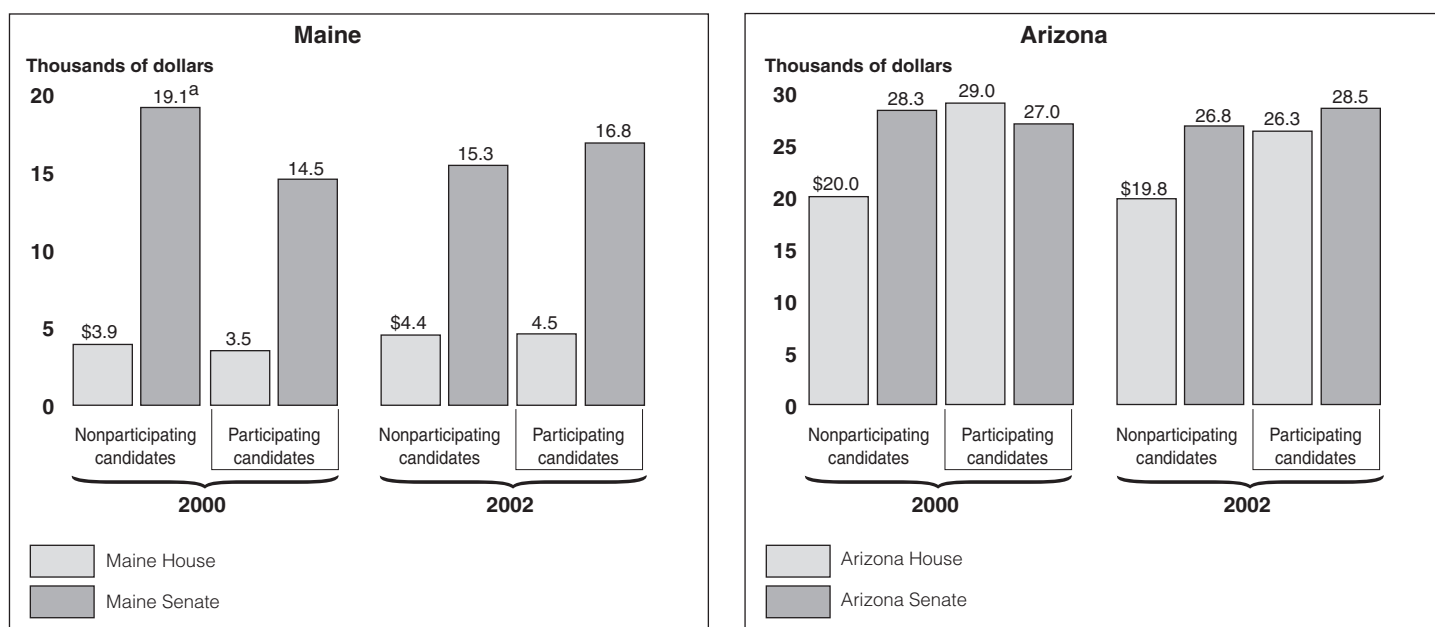
<sup>a</sup>Includes one candidate who spent \$143,199. When this candidate is excluded, the average drops to \$15,065.

For the two elections (2000 and 2002) under the public financing programs in Maine and Arizona, we compared average spending by nonparticipating and participating legislative candidates. As figure 16 shows:

- In Maine house races, average spending by each type of candidate was roughly equal each year—with nonparticipating candidate spending slightly higher in 2000, and participating candidate spending slightly higher in 2002. For Maine senate races in 2000, average spending by nonparticipating candidates was comparatively higher. However, one candidate in the 2000 senate race spent \$143,199 in winning the election (fig. 16, note a). In 2002 senate races, participating candidates spent more than nonparticipating candidates, on average.
- In Arizona, for house races in both years, average spending by participating candidates was considerably higher than average

spending by nonparticipating candidates. For senate races, nonparticipating candidates had the higher spending average in 2000, whereas participating candidates had the higher spending average in 2002.

**Figure 16: Average Maine and Arizona Legislative Candidate Spending by Participation Status (2000 and 2002)**



Source: GAO analysis of state data.

Note: In the figure, we did not include any candidate who reported spending zero dollars or did not run in the general election. For those candidates, spending includes primary and general election amounts combined. With 1996 as the base year, we adjusted all spending amounts for inflation using the Department of Commerce's (Bureau of Economic Analysis) gross domestic product implicit price deflator.

<sup>a</sup>Includes one candidate who spent \$143,199. When this candidate is excluded, the average drops to \$15,664.

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## Spending by Statewide Office Candidates in Maine and Arizona

In Maine, the gubernatorial election is the only statewide office race where candidates may choose to participate in the public financing program. The first election in which candidates for this office were eligible to participate was 2002. We compared candidate spending<sup>35</sup> for the two most recent gubernatorial elections (2002 and 1998) in Maine:

- Total spending by gubernatorial candidates was about \$930,000 in 1998 and about \$3.4 million in 2002.<sup>36</sup> Average gubernatorial candidate spending was about \$186,000 in 1998 and about \$843,000 in 2002.
- In 2002, only one gubernatorial candidate (Green Independent Party) ran with public funding in both the primary and the general elections. This candidate spent a total of approximately \$837,000. One other candidate (Republican Party) ran and lost as a participating candidate in the primary election. This candidate spent approximately \$296,000.

In Arizona, there are seven statewide office races where candidates may choose to participate in the program—Governor, Attorney General, Secretary of State, Corporation Commissioner, State Treasurer, Superintendent of Public Instruction, and Mine Inspector. In 2000, only candidates for Corporation Commissioner were eligible to participate in the public funding program. Candidates for the other statewide offices became eligible to participate in 2002. Table 11 compares spending for statewide offices in 1998 and 2002, the 2 most recent years where all statewide offices were on the ballot in Arizona.

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<sup>35</sup>Candidates who reported spending zero dollars or did not run in the general election are not included. Total and average spending amounts include primary and general election spending combined, unless otherwise described. With 1996 as the base year, we adjusted all spending amounts for inflation using the Department of Commerce's (Bureau of Economic Analysis) gross domestic product implicit price deflator.

<sup>36</sup>The 1998 gubernatorial race included the incumbent, who received approximately 59 percent of the popular vote. In the 2002 election, the incumbent was prohibited by term limits from running.

**Table 11: Spending by Candidates for Statewide Offices in Arizona (1998 and 2002)**

Dollars in thousands

Office	Average and total candidate spending by election year			
	1998		2002	
	Average	Total	Average	Total
Governor	\$833.3	\$3,333.0	\$1,131.3	\$5,656.6
Attorney General	\$762.4	\$1,524.8	\$292.6	\$585.3
Secretary of State	\$239.3	\$478.7	\$159.9	\$479.6
Corporation Commissioner <sup>a</sup>	\$139.2	\$278.3	\$97.2	\$583.0
State Treasurer	\$69.0	\$69.0	\$106.5	\$213.1
Superintendent of Public Instruction	\$14.4	\$28.8	\$349.5	\$699.0
State Mine Inspector	\$8.2	\$8.2	\$54.6	\$109.3

Source: GAO analysis of state data.

Note 1: Spending amounts do not include any candidate who reported spending zero dollars or did not run in the general election. For those candidates, spending includes primary and general election amounts combined. With 1996 as the base year, we adjusted all spending amounts for inflation using the Department of Commerce's (Bureau of Economic Analysis) gross domestic product implicit price deflator.

Note 2: Because some races had a very small number of candidates, and some candidates spent a very small or very large amount, averages may be misleading. For example, in the 2002 race for Superintendent of Public Instruction, one of the three general election candidates spent nearly \$600,000.

<sup>a</sup>In 1998, there was one open seat for Corporation Commissioner. In 2000, there were two open seats for Corporation Commissioner—one for a term ending in 2005 and one for a term ending in 2007, where a total of about \$311,000 and an average of about \$78,000 was spent. In 2002, there were three Corporation Commission seats open; one race was for two seats with terms ending in 2005, and the other race was for one seat with a term ending in 2007.

For the 2002 election in Arizona, table 12 compares spending by nonparticipating and participating candidates for statewide offices. As shown, four of the seven statewide office races had both nonparticipating and participating candidates—Governor, Secretary of State, Corporation Commissioner, and Superintendent of Public Instruction. In three of the four races, the average and total spending amounts by participating candidates exceeded those of the nonparticipating candidates. In the race for the other statewide office—Superintendent of Public Instruction—the nonparticipating candidate spent about five times more than the participating candidate.



**Table 12: Spending by Candidates for Statewide Offices in Arizona by Participation Status (2002)**

Dollars in thousands

Office	Average and total candidate spending by participation status			
	Nonparticipating candidates		Participating candidates	
	Average	Total	Average	Total
Governor	\$658.3	\$1,974.9	\$1,840.8	\$3,681.8
Attorney General	<sup>a</sup>	<sup>a</sup>	\$292.6	\$585.3
Secretary of State	\$3.3	\$3.3	\$238.1	\$476.3
Corporation Commissioner	\$38.5	\$38.5	\$108.9	\$544.5
State Treasurer	<sup>a</sup>	<sup>a</sup>	\$106.5	\$213.1
Superintendent of Public Instruction	\$590.6	\$590.6	\$108.4	\$108.4
State Mine Inspector	<sup>a</sup>	<sup>a</sup>	\$54.6	\$109.3

Source: GAO analysis of state data.

Note: Spending amounts do not include any candidate who reported spending zero dollars or did not run in the general election. For those candidates, spending includes primary and general election amounts combined. With 1996 as the base year, we adjusted all spending amounts for inflation using the Department of Commerce's (Bureau of Economic Analysis) gross domestic product implicit price deflator.

<sup>a</sup> Not applicable.

## Independent Expenditures Increasing in Maine and Arizona

Maine's definition of "independent expenditures"<sup>37</sup> generally follows that established by the U.S. Supreme Court in a 1976 ruling.<sup>38</sup> That is, independent expenditures are for campaign communications in the form of "express advocacy"—explicitly endorsing or opposing one candidate by using words such as "vote for," "elect," "cast your ballot for," "vote against," or "defeat."<sup>39</sup> Arizona's definition includes the same guidance, but also broadens the definition of "express advocacy" to include, "A campaign slogan or words that can have no other reasonable meaning than to advocate the election or defeat of one or more clearly identified candidate(s)."<sup>40</sup> In both states, all other political communications not falling into the express advocacy category, such as public policy messages

<sup>37</sup> Me. Rev. Stat. Ann. tit. 21-A §1019.

<sup>38</sup> *Buckley v. Valeo*, 424 U.S. 1 (1976).

<sup>39</sup> *Id.* at 44.

<sup>40</sup> Arizona Citizens Clean Election Commission, *Independent Expenditures A.R.S § 16-941 (D): Candidates for Statewide and Legislative Offices*, available at <http://www.ccec.state.az.us/ccescr/pub/indExpend.asp> (last visited April 25, 2003).

that do not explicitly endorse or oppose a candidate, are called “issue advocacy” communications.<sup>41</sup>

Typically, independent expenditures are undertaken in federal and state elections by political action committees to support or oppose candidates to a greater extent than permitted by rules applicable to direct campaign contributions. The Director of Maine’s Commission on Governmental Ethics and Election Practices told us that, for 1998 and earlier years, the amounts of reported independent expenditures in the state were negligible. However, in the 2000 and 2002 elections in Maine, and in the 2002 elections in Arizona, independent expenditures increased significantly. The 2002 increases were largely associated with gubernatorial races in both states. More specifically (see table 13):

- In Maine, of the \$595,000 total independent expenditures in 2002, about 67 percent were associated with one gubernatorial candidate. The other 33 percent was associated with 118 legislative candidates.
- In Arizona, of the \$2.6 million total independent expenditures in 2002, more than 92 percent was associated with two gubernatorial candidates.<sup>42</sup>

**Table 13: Independent Expenditures in Maine and Arizona (1998, 2000, and 2002)**

Dollars in thousands			
State	Independent expenditures by election year		
	1998	2000	2002
Maine	negligible	\$136.0	\$595.0
Arizona	\$80.7	\$38.3	\$2,610.4

Source: Data provided by state officials.

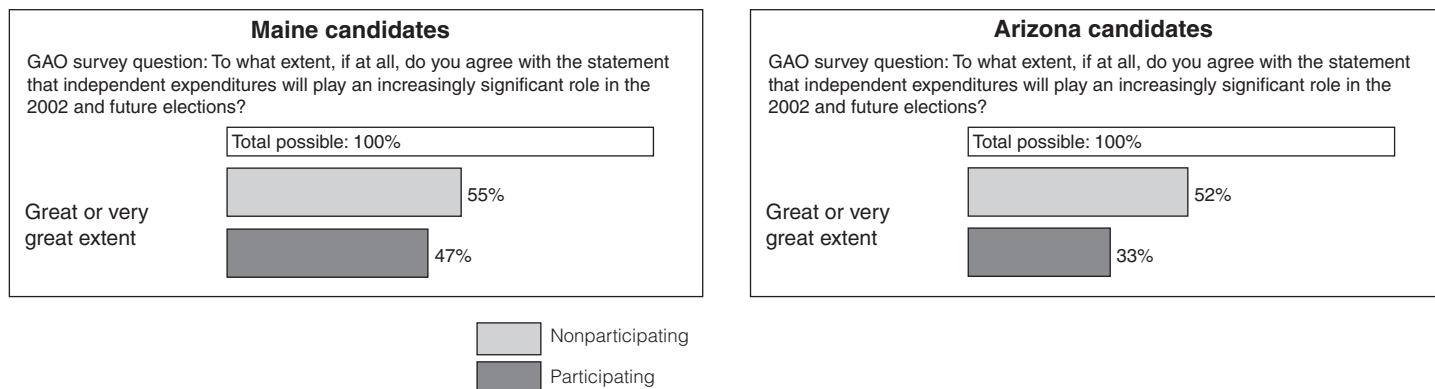
Our survey of Maine’s and Arizona’s candidates in the 2000 elections included a question asking for views about the role of independent expenditures in future elections. Figure 17 shows that most of the traditionally funded candidates who responded—55 percent in Maine and

<sup>41</sup>Richard Briffault, *The Political Parties and Campaign Finance Reform*, 100 Colum. L. Rev. 620, 631 (2000).

<sup>42</sup>In 2002, two registered campaign committees spent a combined total of \$2,408,834 in Arizona. According to campaign finance reports filed with the Arizona Secretary of State, all of this spending was associated with the race for governor.

52 percent in Arizona—agreed to a great or very great extent with the statement that independent expenditures will play an increasingly significant role in the 2002 and future elections. Also, many of the publicly funded candidates who responded—47 percent in Maine and 33 percent in Arizona—expressed similar agreement. Further, this view was shared by many of the other knowledgeable individuals we interviewed in the two states.

**Figure 17: Extent to Which Candidates in the 2000 Elections Agreed with the Statement That Independent Expenditures Would Become Increasingly Important in 2002 and Future Elections**

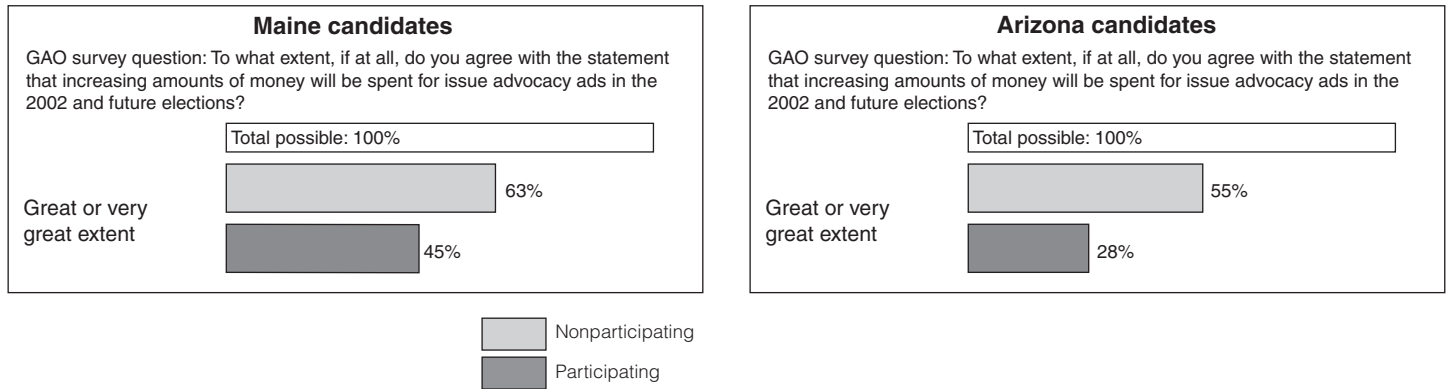


Source: Responses to GAO's survey (see app. IV and V).

## Views on Issue Advocacy Spending in Maine and Arizona

Because spending for issue advocacy is not regulated, we found no sources to quantify these funds in Maine and Arizona. Our survey of Maine's and Arizona's candidates in the 2000 elections included a question asking for views about future levels of issue advocacy spending. As figure 18 shows, most of the traditionally funded candidates who responded—63 percent in Maine and 55 percent in Arizona—agreed to a great or very great extent with the statement that increasing amounts of money will be spent for issue advocacy ads in the 2002 and future elections. Also, many of the publicly funded candidates who responded—45 percent in Maine and 28 percent in Arizona—expressed similar agreement.

**Figure 18: Extent to Which Candidates in the 2000 Elections Agreed with the Statement That Issue Advocacy Spending Would Increase in the 2002 and Future Elections**



Source: Responses to GAO's survey (see app. IV and V).

## Voter Participation: No Clear Link to Public Financing Program

In the 2000 election, voter turnout in Maine increased 4 percentage points compared with the previous presidential election year (1996), whereas Arizona's turnout remained unchanged. Because voter turnout can be influenced by numerous factors, the extent (if any) to which the public financing programs in these states affected turnout is not easily quantifiable. However, these programs probably had limited effect on turnout in the 2000 elections, particularly given that many of Maine's and Arizona's voting-age citizens were unaware of their respective state's public financing program.

## Comparison of 2000 Turnout to Previous Elections

Voter turnout—usually defined as the number of votes cast in a race divided by the voting-age population—is an important component of citizens' participation in the political process. As a multiyear trend, turnout percentages in the United States indicate that much of the electorate is largely disengaged from politics, although turnout percentages consistently have been higher in presidential election years than in mid-term congressional election years. Regarding individual states, Maine's turnout generally has exceeded the national turnout percentages, while Arizona's turnout has been below the national figures.

Specifically, to provide an overview perspective, table 14 shows voter turnout in Maine, Arizona, and the United States for the 4 most recent presidential election years and 3 recent mid-term congressional election

years. As shown, for the 2000 election (a presidential election year), voter turnout in Maine was 68 percent, which was an increase of 4 percentage points over turnout in the previous presidential election year, 1996—whereas, Arizona’s turnout was 42 percent in both of these years (2000 and 1996).

**Table 14: Voter Turnout in Maine, Arizona, and the United States, 1988 through 2000**

Election year	Turnout as a percentage of voting-age population		
	Maine	Arizona	United States
1988 <sup>a</sup>	62%	46%	50%
1990	57	36	37
1992 <sup>a</sup>	73	53	55
1994	55	39	39
1996 <sup>a</sup>	64	42	49
1998	45	29	36
2000 <sup>a</sup>	68	42	51
Average of 1988, 1992, and 1996	66%	47%	51%
Average of 1990, 1994, and 1998	52%	35%	37%

Source: GAO analysis of state, Federal Elections Commission, and U.S. Census Bureau data.

Note: At the time of our study, data were unavailable to calculate turnout as a percentage of the voting-age population for the 2002 elections.

<sup>a</sup>Presidential election year.

## Voter Turnout Influenced by Many Factors

According to some analysts, voter turnout can be predicted based on various factors, such as age, income, recency of registration, and previous voting history. For example, studies have shown that much higher percentages of older Americans vote than do younger citizens. Nevertheless, the extent (if any) to which Maine’s and Arizona’s public financing programs affected these states’ voter turnout in the 2000 elections is not easily quantifiable. That is, voter turnout can be influenced by a broad range of factors, including the following:

- **The candidates and their messages:** Do the candidates have personal popularity, or are the candidates uninspiring? Are there sharp issue distinctions?
- **Mobilization efforts:** How extensive are the parties’ grassroots efforts to get out the vote?
- **Media interest:** Are there high-profile, competitive contests? Do the races have statewide or national importance?

- 
- Campaign spending: What amounts of financial resources have candidates, parties, and interest groups expended on the campaign? Increased campaign spending, however, does not necessarily translate into greater numbers of voters at the polls.
  - Negative advertising: Has negative advertising resulted in voter cynicism and disaffection? According to the Committee for the Study of the American Electorate,<sup>43</sup> negative advertising does tend to decrease voter turnout.

In short, voter behavior is a complicated, multivariate topic—with no one reason explaining voting or nonvoting.

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## Many Citizens Unaware of Public Financing Program

There is some indication, however, that Maine’s and Arizona’s public financing programs probably had limited effect on voter turnout in the 2000 elections. That is, as part of our study, we contracted with professional pollsters to determine the extent to which a projectable sample of voting-age citizens in these two states were aware of the respective state’s public financing program. According to the polling results, an estimated 60 percent of Maine’s voting-age citizens and an estimated 37 percent of Arizona’s voting-age citizens answered that they knew “nothing at all” about the public financing program.<sup>44</sup>

In actuality, these “unawareness” percentages may be understated in reference to the time of the 2000 elections. Our polling of voting-age citizens in Maine and Arizona was conducted in October 2002, which was almost 2 years after the 2000 elections. During this 2-year period, the respective public financing program received considerable amounts of publicity—based on the promotional efforts of program proponents, as well as on the legal challenges or other opposition voiced by opponents. Had our polling been conducted in late 2000, the unawareness percentages may have been even greater than 60 percent and 37 percent, respectively.

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<sup>43</sup>Based in Washington, D.C., the committee is an independent research organization that focuses on issues involving citizen engagement in politics.

<sup>44</sup>Appendix I discusses the scope and methodology of the polls of voting-age citizens. The maximum sampling error for the Maine survey at the 95-percent level of statistical confidence is plus or minus 8 percentage points, and the maximum for the Arizona survey is plus or minus 5 percentage points.

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In sum, high levels of citizenry unawareness, coupled with a broad range of other potentially relevant factors, lessen the likelihood that the public financing program was a significant influence on voter turnout in Maine's and Arizona's 2000 elections.

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## Concluding Observations

Under Maine's and Arizona's public financing programs, with only two elections from which to observe legislative races and only one election from which to observe most statewide races, it is too early to precisely draw causal linkages to resulting changes, if any, involving voter choice, electoral competition, interest group influence, campaign spending, and voter participation. Many factors can affect elections—factors such as term limits and redistricting, state and local campaign issues, and even whether the particular year involved a presidential or a gubernatorial election. In implementing these new wide-ranging campaign finance reforms, state officials told us that many factors contributed to an uncertain and constantly changing environment—such as legal challenges to the program—which also affected these elections. Thus, it is difficult to separate or disassociate the effects of these factors from the effects of the public financing programs.

Moreover, even for other states that have a longer history with more limited forms of public financing, published studies have reported mixed findings on the effects of the programs. As represented in the available literature, there seems to be little agreement as to how public financing programs affect elections.

Our work indicated that perceptions of Maine's and Arizona's public financing programs are widely divergent and frequently ideologically based. Irrespective of differences in perceptions or ideologies, it is clear that—in both states—considerably larger numbers of candidates chose to participate in the public funding programs in 2002 than in 2000. In both states, many observers told us they expected that future elections will experience continued growth in program participation. For example, political party officers we interviewed said that, even though they may oppose the program for ideological or other reasons, public funding presents strategic opportunities that any candidate must consider.

Some researchers have pointed out that, in some instances, electoral competitiveness may be enhanced by increased campaign spending. Thus, two goals of the public financing programs—increase electoral competition and curb increases in campaign spending—can be at odds with each other. Also, state officials and candidates told us that campaign

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spending can increase when political action committees, other groups, or individuals make independent expenditures in a competitive race to support a traditionally funded candidate—which, in turn, could trigger matching funds for a publicly financed candidate. Further, critics have argued that, in Maine, the public financing program’s goal of curbing increases in campaign spending is undermined because participating candidates are allowed to form political action committees to raise funds and make independent expenditures to support or oppose other candidates.

Finally, in terms of legislative flexibility for making adjustments to meet future fiscal circumstances or other needs, one aspect of the two states’ public financing programs is distinctly different. As mentioned previously, the respective programs became law in Maine and Arizona through citizen initiative. In Maine, once such an initiative has been supported and becomes law, the standard legislative process can be used to make subsequent changes or modifications. In Arizona, however, any law enacted through such a process is afforded unique protection. For an initiative-based law to be changed in Arizona, the modification (e.g., amendment) must be supported by three-fourths of the members of each body of the legislature, and the modification must also further the intent of the initial law. Thus, while Maine’s public financing program is as flexible as any other general statute, Arizona’s program is relatively inflexible. In response to our inquiries, for example, staff of Arizona’s Citizens Clean Elections Commission told us that, although there were concerns that the reporting requirements of the state’s 1998 Act were too complex and had led to many honest mistakes on the part of campaign volunteers, the prospects for changing the law were limited, given the legislative hurdles.

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We are sending copies of this report to interested congressional committees and subcommittees. We will also make copies available to others on request. In addition, the report will be available at no charge on GAO’s Web site at <http://www.gao.gov>.



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If you or your staffs have any questions about this report or wish to discuss the matter further, please contact me at (202) 512-8777 or Danny R. Burton at (214) 777-5600. Other key contributors are acknowledged in appendix VII.

A handwritten signature in black ink that reads "Norman Rabkin". The signature is written in a cursive, flowing style.

Norman J. Rabkin, Managing Director  
Homeland Security and Justice Issues

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# Appendix I: Objectives, Scope, and Methodology

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## Objectives

In accordance with the mandate specified in Section 310 of the Bipartisan Campaign Reform Act of 2002 (P.L. 107-155, 2002), this study:

- Provides statistics showing the number of candidates who chose to use public funds to run for legislative seats or statewide offices in the 2000 elections in Maine and Arizona, the seats or offices for which they were candidates, whether the candidates were incumbents or challengers, whether the candidates were successful in their bids, and the number of races in which at least one candidate ran an election with public funds.
- Describes the extent to which the goals of Maine’s and Arizona’s public financing programs were met in the 2000 elections. That is, we studied what changes, if any, occurred in voter choice (number of candidates), electoral competition, interest group influence, campaign spending, and voter participation (voter turnout)—five indicators related to goals of the programs.

To provide a broader perspective, as we agreed with the offices of the Chairmen and Ranking Members of the Senate Committee on Rules and Administration and the Committee on House Administration, this study also presents available statistics and related information regarding the 2002 elections in Maine and Arizona.

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## Overview of Our Scope and Methodology

Initially, we conducted a literature search to identify relevant reports, studies, articles, and other documents regarding campaign finance reform in the United States generally, as well as in Maine and Arizona specifically. Because campaign finance reform can be both complex and contentious, we wanted to ensure that our background reading included a broad spectrum of views, encompassing both proponents and opponents of public financing. (See bibliography.)

Also, we reviewed information available on the Web sites of the state agencies responsible for administering the respective public financing program in the two study states—Maine’s Commission on Governmental Ethics and Election Practices ([www.state.me.us/ethics](http://www.state.me.us/ethics)) and Arizona’s Citizens Clean Elections Commission ([www.ccec.state.az.us](http://www.ccec.state.az.us)).

Generally, in directly addressing the objectives, we analyzed available statistical data on the 2000 and 2002 elections in Maine and Arizona, visited both states to interview election officials and interest group representatives, analyzed responses from a survey of all candidates who

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ran in the 2000 elections for seats in the Maine and Arizona legislatures and the Arizona Corporation Commission, and contracted with professional pollsters to obtain the views of voting-age citizens in both states. Further details about the scope and methodology of our work regarding each of the objectives are presented in separate sections below.

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## Scope and Methodology: Statistical Information Regarding the 2000 and 2002 Elections

To obtain the congressionally mandated and the agreed-upon statistical information regarding the 2000 and 2002 elections, we contacted officials at Maine’s and Arizona’s Office of the Secretary of State—the agencies responsible for supervising and administering elections laws and activities, including certifying state candidates for the ballot and tabulating official election results. Also, we contacted officials at Maine’s Commission on Governmental Ethics and Election Practices and Arizona’s Citizens Clean Elections Commission—the agencies responsible for administering the respective state’s public financing program, including certifying that applicable candidates have met qualifications for receiving public funds. Specifically, for each state, we obtained data showing

- the number of candidates who chose to use public funds to run for legislative seats or statewide offices in the 2000 and the 2002 elections,
- the seats or offices for which they were candidates,
- whether the candidates were incumbents or challengers,
- whether the candidates were successful in their bids,
- and the number of races in which at least one candidate ran an election with public funds (see tables 1 through 4).

As used in our report, “challengers” consist of all nonincumbent candidates. Thus, a candidate who was not an incumbent is called a challenger, even if that candidate did not face an opponent. Also, in counting races, we included all races in which there was a candidate on the ballot regardless of whether or not the candidate faced a challenger.

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## Scope and Methodology: Extent to Which Goals of Public Financing Programs Were Met

In studying the extent to which the goals of the public financing programs in Maine and Arizona were met, we focused on identifying what changes, if any, occurred regarding five indicators—voter choice (number of candidates), electoral competition, interest group influence, campaign spending, and voter participation (voter turnout). The scope and methodology of our work included

- conducting various data-based analyses of the 2000 and 2002 elections in both states;
- interviewing individuals in both states—e.g., elected officials, political party leaders, and interest group representatives—to obtain a wide range of perspectives;
- surveying all candidates who ran in the 2000 elections for seats in the Maine and Arizona legislatures and the Arizona Corporation Commission; and
- contracting with professional pollsters to obtain the views of voting-age citizens in both states.

Specifically, the following sections separately discuss the scope and methodology of our work for each the five goal-related indicators. It should be emphasized that describing or interpreting the effects of public financing on elections should be approached cautiously, partly because 1 election cycle's results or even 2 election cycle's results may not be sufficient. Also, term limits, redistricting, the ambiguous environment that surrounded the implementation of the new campaign finance programs, and other factors not directly related to public or private financing can affect electoral campaigns and results.

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## Voter Choice

To determine whether public financing encouraged more state legislative candidates to run for office, we calculated the average annual number of candidates per legislative primary and general election race for the 4 most recent election years (1996, 1998, 2000, and 2002). Also, to determine whether there were different types of candidates running for office, we compared candidates' party affiliations and the number of third-party or independent legislative candidates for these 4 election years and determined if these candidates participated in the public financing program. Further, for applicable statewide offices, which generally have 4-year terms, we compared the number of candidates in the 3 most recent election years (1994, 1998, and 2002) and determined to what extent these

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candidates were publicly funded (2002). To conduct these analyses, we obtained data on candidates from

- the state of Maine’s Department of the Secretary of State and the Maine Commission on Governmental Ethics and Election Practices and
- the state of Arizona’s Secretary of State Office and the Citizens Clean Elections Commission.

Also, our survey (discussed below) of candidates in Maine’s and Arizona’s 2000 elections included questions about voter choice.

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## Electoral Competition

In designing our approach, we first reviewed public finance literature and identified three widely used measures of electoral competition—number of contested races (races with more than one candidate), incumbent reelection rates, and incumbent victory margins. We then analyzed election data in Maine and Arizona using these three measures:

- Number of contested races. We measured whether there was an increase in the number of contested (more than one candidate on the ballot) legislative primary election races in Maine and Arizona over 4 election years (1996, 1998, 2000, and 2002). For 2000 and 2002, we identified the extent to which the contested races had publicly funded candidates.
- Incumbent reelection rates. We measured whether there was a change in the number of incumbents being reelected to office in Maine and Arizona over 4 election years (1996, 1998, 2000, and 2002).
- Incumbent victory margins. For legislative general election races in Maine and Arizona, we measured the margin of difference between the incumbent winners of the races and the runners-up. Based on our literature review and discussions with researchers, we defined races as being “competitive” if the difference in votes garnered between the winning incumbent and the runner-up was 15 percentage points or less. We then examined the extent to which these competitive races had publicly funded candidates.

Also, our survey (discussed below) of candidates in Maine’s and Arizona’s 2000 elections included questions about electoral competition.

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## Logistic Regression Models

To test the overall effect, if any, of Maine’s and Arizona’s public financing programs on competitive races as defined by incumbent victory margins, we used logistic regression models. Logistic regression is a standard multivariate statistical procedure for estimating the size and significance of the effects of categorical or continuous variables on dichotomous outcomes, such as whether or not election races were competitive. We tested the effect of five independent variables on our dependent variable, competitive races. As mentioned previously, we defined a competitive race as one in which the difference in votes garnered between the winner and the runner-up was 15 percentage points or less. Our five independent variables were four categorical variables—public financing program participation or nonparticipation, winning candidate campaign status (incumbent or not), election year (2000 or 2002), and legislative seat (House or Senate)—and one continuous variable, that is, total candidate spending by the winner and runner-up.

The size of the effects is measured by odds ratios, which indicate how the odds on being in one category of the outcome measure (in our case, an election race being competitive) vary across categories or values of the different variables being considered. Essentially, the odds of an election race being competitive were obtained by simply dividing the number of competitive races by the number of races that were not competitive. For example, among total races in which either candidate (the winner or the runner-up) participated in the public financing program, if 50 candidates were competitive while 10 were not, the odds on races with a participating candidate being competitive were 5.0 (or 50 divided by 10). If, among total races in which neither candidate (the winner or the runner-up) participated in the public financing program, 100 were competitive while 10 were not, the odds on races with a nonparticipating candidate being competitive were 10.0 (or 100 divided by 10). The odds ratio obtained by dividing the former odds by the latter (i.e., 5.0 divided by 10.0 equals 0.50) provides an estimate of the difference between races with and without publicly financed candidates and can be interpreted as indicating that the races with a participating candidate are half as likely to be competitive compared with races with nonparticipating candidates.

Table 15 shows the results—the odds ratio coefficients—of our tests using the logistic regression models. As indicated, the odds ratio coefficients associated with participation in Maine’s public financing program (0.65) and Arizona’s program (3.43) were not significant at the 0.05 level. That is, the results indicate that participation did not significantly affect competitive races. However, these results should be interpreted with

caution, given the relatively few variables and the limited amount of data included in the models.

**Table 15: Results of Logistic Regression Models Testing the Effect of Public Financing Programs on Competitive Races**

Variables	Odds ratio coefficients	
	Maine <sup>a</sup>	Arizona <sup>b</sup>
<b>Categorical variables</b>		
Public financing program participation: Races in which at least one candidate (the winner or the runner-up) participated in the program (versus races in which neither candidate participated)	0.65	3.43
Winning candidate campaign status: Races in which the winner was an incumbent (versus races in which the winner was not an incumbent)	0.34 <sup>c</sup>	1.18
Election year: Races in year 2000 (versus races in year 2002)	0.54 <sup>c</sup>	3.99
Legislative seat: Races for House seats (versus races for Senate seats)	1.56	<sup>d</sup>
<b>Continuous variable</b>		
<b>Total candidate spending: Total amount spent in a race by both candidates (winner and runner-up) combined</b>	<b>1.03<sup>c</sup></b>	<b>1.02<sup>c</sup></b>

Source: GAO analysis of state data.

Note: Our analysis included data for only the winner and the runner-up in elections with more than two candidates.

<sup>a</sup>Includes both House and Senate races.

<sup>b</sup>Includes only Senate races.

<sup>c</sup>Odds ratio coefficients that are significant at the 0.05 level.

<sup>d</sup>Data not applicable.

## Interest Group Influence

To address this topic, we included relevant questions in our survey of candidates in Maine’s and Arizona’s 2000 elections. Also, we contracted with professional pollsters who conduct omnibus telephone surveys with representative samples of voting-age citizens specifically in Maine and Arizona. Our surveys of candidates and citizens are discussed in more detail in separate sections below. Further, in both states, we interviewed various interest group representatives (see tables 16 and 17).

## Campaign Spending

To determine changes in candidate spending in Maine and Arizona, we calculated average legislative candidate spending over 4 election years (1996, 1998, 2000, and 2002) and statewide candidate spending over 2 election years (1998 and 2002). For comparisons across years and to observe any trends, with 1996 as the base year and using the Department of Commerce’s (Bureau of Economic Analysis) gross domestic product implicit price deflator, we adjusted all candidate spending for inflation. Data on candidate spending in Maine were available for 1996, 1998, and 2000 in annual and biennial reports published by Maine’s Commission on

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Governmental Ethics and Election Practices. Candidate spending data for Maine's 2002 elections were available electronically from the Maine Public Access Campaign Finance site.<sup>1</sup> Data for candidate spending in Arizona were provided to us electronically by the Office of the Secretary of State.

To the extent possible, we also identified independent expenditures as they related to these elections. Also, in both states, we obtained testimonial evidence regarding the significance of issue advocacy spending. Further, our survey (discussed below) of candidates in Maine's and Arizona's 2000 elections included questions about campaign spending.

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## Voter Participation

To provide an overview perspective, we used data from the Federal Elections Commission and the U.S. Census Bureau to calculate voter turnout as a percentage of the voting-age populations in Maine, Arizona, and the United States for election years 1988 through 2000.<sup>2</sup> We focused in particular on comparing turnout in 2000—the first year of the public financing programs in Maine and Arizona—and turnout in the 3 previous presidential election years (1988, 1992, and 1996). We focused on these years because turnout percentages across the nation consistently have been higher in presidential election years than in mid-term congressional election years.

Also, we reviewed various studies, articles, and other literature to obtain an understanding of the various factors that can influence voter turnout. Further, as discussed in more detail below, we contracted with professional pollsters to conduct a survey in October 2002 to determine the extent to which projectable samples of voting-age citizens in Maine and Arizona were aware of the respective state's public financing program.

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## Interviews in Maine and Arizona

We interviewed various individuals in Maine and Arizona to obtain perspectives on the effects of the respective state's public financing program. We judgmentally selected interviewees to ensure coverage of one or both chambers of the state legislature, the major and independent political parties, candidates who participated in the state's public financing program and those who did not, agency officials responsible for

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<sup>1</sup>[www.mainecampaignfinance.com/public/home.asp](http://www.mainecampaignfinance.com/public/home.asp)

<sup>2</sup>At the time of our study, data were not available to calculate turnout as a percentage of voting-age population for the 2002 elections.



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administering the program, and interest groups (see tables 16 and 17). Regarding the last category (interest groups), our selections were based on a number of considerations, including (1) suggestions made by state agency officials knowledgeable about political activism in the state and (2) the amounts of financial contributions or expenditures made by groups, as reported in publicly available records.

**Appendix I: Objectives, Scope, and Methodology**

**Table 16: List of Organizations (and Title of Individuals) Interviewed in Maine**

<b>Name of organization</b>	<b>Title of individuals contacted</b>	<b>Notes</b>
House of Representatives	Speaker of the House (District 31)	Democrat. Ran in 2000 as a participating candidate; prohibited by term limits from running in 2002.
	Floor Leader (Minority) (District 38)	Republicans. Opposed to public financing for candidates.
	Assistant Floor Leader (District 85)	
	Representative (District 99)	Democrat. Elected in 2000; ran as a participating candidate in the public financing program. Formerly was Executive Director of the Commission on Governmental Ethics and Election Practices.
Senate	Floor Leader (District 15)	Democrat. Ran in 2000 as a participating candidate. Was lead plaintiff in lawsuit challenging the constitutionality of the public financing program (see app. III).
	Senator (District 6)	Republican. First-time candidate elected in 2000; ran as participating candidate in public financing program. Defeated 16-year incumbent.
	Senator (District 23)	Democrat. Elected in 2000 in a race for an open seat; ran as a participating candidate.
Maine Democratic Party	Chair	Provided party views on effects of the Maine Clean Election Act.
Maine Republican Party	Executive Director	
Green Independent Party	Co-chairpersons	
Commission on Governmental Ethics and Election Practices	Executive Director	Responsible for administering the Maine Clean Election Act.
Department of the Secretary of State	Deputy Secretary of State (Bureau of Corporations, Elections and Commissions)	Responsible for supervising and administering all elections of federal, state, and county offices and referenda; preparing ballot types and other elections materials; and tabulating official election results.
Department of Audit (State Auditor)	Director of Audit	Responsible for determining whether monies in the Maine Clean Election Fund have been managed appropriately.
Maine Citizens for Clean Elections (a project of the Maine Citizen Leadership Fund)	Steering Committee	Consists of many of the groups that promoted the ballot initiative that led to passage of the Maine Clean Election Act. Among others, the groups represented include the League of Women Voters, Common Cause, Northeast Action, and the Dirigo Alliance.
Maine Bankers Association	President-Treasurer	A trade organization representing the interests of Maine's banking industry, trust companies, and financial service providers.
Maine Medical Association	General Counsel	A voluntary association of Maine physicians. Services include legislative and regulatory assistance, such as tracking bills and facilitating dialogue with the legislature and the bureaucracy.
Preti, Flaherty, Beliveau, Pachios & Haley, LLC	Attorney	One of Maine's largest law firms. Client services include lobbying representation.
Colby College (Waterville)	Associate Professor of Government	A nationally recognized expert on campaign finance reform.

Source: GAO.

Note: These individuals held these positions at the time of our interviews.

**Appendix I: Objectives, Scope, and Methodology**

**Table 17: List of Organizations (and Title of Individuals) Interviewed in Arizona**

<b>Name of organization</b>	<b>Title of individuals contacted</b>	<b>Notes</b>
House of Representatives	Representative (District 1)	Democrat. Ran in the 2000 election as a participating candidate in the public financing program.
	Representative (District 6)	Republican. Opposed to the public financing program.
Citizens Clean Elections Commission	Commissioner (Chair)	Responsible for administering the Citizens Clean Elections Act.
	Commissioner	Served as first chairman of the Commission. Current appointment expires in 2004.
	Executive Director	Responsible for administering the Citizens Clean Elections Act.
	Deputy Director	
Office of the Secretary of State	Election Services Division	Responsible for certifying state candidates, initiatives, and referenda for the ballot; certifying the results of statewide elections; and accepting the filing of campaign finance reports.
Corporation Commission	Commissioner	In the 2000 election, ran for statewide office (Corporation Commission) as participating candidate in the public financing program.
Office of the Auditor General	Auditor	Principal author of report issued by Arizona Auditor General, <i>Citizens Clean Elections Commission Special Review</i> (Jan. 11, 2002).
Clean Elections Institute, Inc.	Executive Director	A nonprofit advocacy group "dedicated to the fair and impartial implementation of the Citizens Clean Elections Act."
Arizona Democratic Party	Coordinated Campaign Director	Provided party views on effects of the Arizona Citizens Clean Elections Act.
Arizona Republican Party	Political Director	
Arizona Green Party	Party activist	Formerly served as a Commissioner of the Citizens Clean Elections Commission.
Goldwater Institute	Director of Urban Growth and Economic Development Studies	Author of, <i>Is Cleanliness Political Godliness? Arizona's Clean Elections Law after Its First Year</i> (Nov. 30, 2001).
Arizona Education Association	President	Association membership is open to employees of all Arizona public schools, college and university employees, retired educators, and college students studying to be teachers. It is the state's largest professional organization.
Fennemore Craig (law firm)	Government relations attorney	Specializes in the areas of lobbyist regulation and campaign finance at both the federal and Arizona levels. Advises candidates, contributors, and political committees on complying with campaign finance reporting requirements.

**Appendix I: Objectives, Scope, and Methodology**

Name of organization	Title of individuals contacted	Notes
Arizona Chamber of Commerce	<u>Chamber Staff</u> <ul style="list-style-type: none"> <li>• Senior Vice President, Public Affairs</li> <li>• Vice President, Marketing and Communications</li> <li>• Manager, Public Affairs</li> </ul> <u>Chamber Member Representatives</u> <ul style="list-style-type: none"> <li>• Executive Director, Home Builders Association of Central Arizona</li> <li>• Swift Transportation Co., Inc.</li> </ul>	The Chamber represents Arizona businesses in interfacing with legislators and regulators at the state capital and with members of Arizona's congressional delegation.

Source: GAO.

Note: These individuals held these positions at the time of our interviews.

**Candidate Surveys**

To obtain further perspectives on the effects of public financing, we surveyed by mail all candidates, including those who used public financing as well as those who did not, who ran in the 2000 primary and general elections in Maine and Arizona. Among other topics, the questionnaires asked for candidates' opinions on various aspects of how public financing affected the 2000 primary and general elections in their states; their own decisions about whether or not to use public funding; participating candidates' experiences with the public financing program; and their opinions about public financing of campaigns, in general, and in the 2002 and future elections in their state. Overall, the two questionnaires were identical, with the exception of a few questions to account for differences between the states' election laws. We pretested the questionnaires with both participating and nonparticipating candidates in each state and made relevant changes to the questions based upon these pretests. Copies of the Maine and Arizona questionnaires, along with the results to each question, are in appendixes IV and V, respectively.

We mailed questionnaires to 379 candidates in Maine and received 269 usable questionnaires; we mailed questionnaires to 237 candidates in Arizona and received 143 usable questionnaires. These completed questionnaires represented response rates of 72 percent for Maine and 61 percent for Arizona.<sup>3</sup> We made extensive efforts to encourage candidates to complete and return the questionnaires, including advance telephone calls to candidates informing them about the upcoming survey, up to three follow-up telephone calls to nonrespondents, and up to two

<sup>3</sup>Two candidates in Arizona and six candidates in Maine were removed from the denominator when calculating response rates after we learned that these persons were deceased at the time of the survey.

follow-up mailings of the questionnaires. We performed this work during July through December 2002.

We conducted a response bias analysis to determine whether the candidates who returned completed questionnaires were substantially different from the candidates who were mailed questionnaires, in terms of whether they had been participating or nonparticipating candidates in the 2000 elections. For each state, we found that both participating and nonparticipating candidates returned completed questionnaires in approximately the same proportions in which the candidates had comprised the initial mail-out groups. For the Maine survey, 36 percent of the initial mail-out group was participating candidates, compared with 39 percent of the candidates who returned completed questionnaires. For Arizona, 24 percent of the initial mail-out group was participating candidates, and 27 percent who returned completed questionnaires were participating candidates. Therefore, we do not consider the results of our Maine and Arizona candidate surveys to have response bias on this characteristic.

Because this was not a sample survey, but rather a census of all candidates who ran for office in 2000, there are no sampling errors. However, the practical difficulties of conducting any survey may introduce errors, commonly referred to as nonsampling errors. For example, measurement errors are introduced if difficulties exist in how a particular question is interpreted or in the sources of information available to respondents in answering a question. In addition, coding errors may occur if mistakes are entered into a database. We took extensive steps in the development of the questionnaires, the collection of data, and the editing and analysis of data to minimize total survey error. To reduce measurement error, we conducted two rounds of pretesting of the questionnaires with both participating and nonparticipating candidates to make sure questions and response categories were interpreted in a consistent manner. In addition, we edited all completed surveys for consistency and, if necessary, contacted respondents to clarify responses. All questionnaire responses were double key-entered into our database (that is, the entries were 100 percent verified), and a random sample of the questionnaires was further verified for completeness and accuracy. In addition, all computer syntax was peer reviewed and verified by separate programmers to ensure that the syntax was written and executed correctly.

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## Polls of Voting-Age Citizens

Regarding changes in interest group influence due to public financing of campaigns, we contracted with professional pollsters who conduct omnibus telephone surveys with representative samples of voting-age citizens specifically in Maine and Arizona. Generally, this polling effort was designed to determine the extent to which citizens in each state were aware of their state's public financing program and to obtain their views about whether the program has decreased the influence of special interest groups, made legislators more accountable to voters, and increased confidence in government. The surveys consisted of two sets of questions that we developed, with some assistance from the polling organizations. As shown below, except for some minor wording differences customized for the respective state, the two sets of questions were the same for both Maine and Arizona.<sup>4</sup> Questions 2, 3, and 4 in each set were not asked of any individual who, in response to question 1, acknowledged knowing "nothing at all" about the applicable state's clean election law or was unsure or declined to answer. We pretested the questions with members of the general public in each state and made relevant changes to the questions based upon these pretests.

### Maine Survey Questions

The questions used in the Maine survey were as follows:

1. I would like to ask you about Maine's clean election law. This law provides campaign money to candidates running for governor and for candidates to the state legislature. Would you say you know a lot, some, a little, or nothing at all about Arizona's clean election law?
2. Now, I would like to ask you about Maine legislators in general who ran their campaigns with public funds in the 2000 elections. Would you say that these state legislators who received public funds have been much more, somewhat more, somewhat less, or much less accountable to voters than legislators who did not get public funds, or has it not made any difference?
3. To what extent do you think Maine's clean election law has decreased or increased the influence of special interest groups on legislators? Would you say the law has greatly decreased, somewhat decreased,

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<sup>4</sup>In designing the questions, we used the term "clean election" because this wording has been widely used in the media, was used in the ballot initiatives, and also is part of the title of the respective state's law. Thus, in reference to voter awareness, the term "clean election" likely is more commonly recognized than an alternative term such as "public financing program."

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has had no effect, has somewhat increased, or greatly increased the influence of special interest groups, or is it too soon to tell?

4. To what extent has Maine's clean election law increased or decreased your confidence state government? Would you say the law has greatly increased, somewhat increased, has had no effect, has somewhat decreased, or greatly decreased your confidence in state government, or is it too soon to tell?

### Arizona Survey Questions

The questions used in the Arizona survey were as follows:

1. I would like to ask you about Arizona's clean election law. This law provides campaign money to candidates running for statewide office, such as the Corporation Commission or governor and for candidates to the state legislature. Would you say you know a lot, some, a little, or nothing at all about Arizona's clean election law?
2. Now, I would like to ask you about Arizona legislators in general who ran their campaigns with public funds in the 2000 elections. Would you say that these state legislators who received public funds have been much more, somewhat more, somewhat less, or much less accountable to voters than legislators who did not get public funds, or has it not made any difference?
3. To what extent do you think Arizona's clean election law has decreased or increased the influence of special interest groups on legislators? Would you say the law has greatly decreased, somewhat decreased, has had no effect, has somewhat increased, or greatly increased the influence of special interest groups, or is it too soon to tell?
4. To what extent has Arizona's clean election law increased or decreased your confidence state government? Would you say the law has greatly increased, somewhat increased, has had no effect, has somewhat decreased, or greatly decreased your confidence in state government, or is it too soon to tell?

### Contracted Polling Organizations

To conduct the Maine poll, we contracted with Market Decisions (South Portland, ME). During October 15-31, 2002, the firm completed telephone interviews with 400 randomly selected adults (age 18 or older) in Maine. The sample of telephone numbers called was based on a list of telephone prefixes (the first 3 digits in the 7-digit numbers) used throughout the state. The polling results are considered generalizable to households with telephones, given that every residential telephone number had an equal

probability of selection. Up to 10 calls were made with households to obtain completed interviews. The 400 completed interviews represent a survey response rate of 30 percent.

To conduct the Arizona poll, we contracted with Behavior Research Center, Inc. (Phoenix, AZ). During October 1-7, 2002, the firm completed telephone interviews with 713 heads of household in Arizona. To ensure a random selection of households proportionately allocated throughout the sample universe, the firm used a computer-generated, random digit dial telephone sample, which selected households based on residential telephone prefixes and included all unlisted and newly listed households. Telephone interviewing was conducted during approximately equal cross sections of daytime, evening, and weekend hours—a procedure designed to ensure that all households were equally represented regardless of work schedules. Up to 4 calls were made with households to obtain completed interviews. The 713 completed interviews represent a survey response rate of 35 percent.

## Survey Error

As indicated above, all surveys are subject to errors. Because random samples of each state's population were interviewed in these omnibus surveys, the results are subject to sampling error, which is the difference between the results obtained from the samples and the results that would have been obtained by surveying the entire populations under consideration. Measurements of sampling errors are stated at a certain level of statistical confidence. The maximum sampling error for the Maine survey at the 95-percent level of statistical confidence is plus or minus 8 percentage points, and the maximum for the Arizona survey is plus or minus 5 percentage points. Additionally, the results of these surveys may be subject to unknown nonresponse bias due to relatively low response rates.

A few of the Maine and Arizona citizens who were interviewed may have been 18 years of age at the time of the interviews in October 2002—and, thus, would have been only 16 years of age (nonvoters) at the time of the elections in 2000. While the polling data do not permit an exact quantification of these young respondents, the numbers probably are quite small and would not affect the validity of the survey results. For the 713 completed interviews in Arizona, for example, polling data show that 54 respondents (7.6 percent) were in the age range of 18 to 24 years.

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## Data Quality

We assessed the quality of electronic data provided to us by officials in Maine and Arizona by testing the data for internal consistency; validating



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the data using other sources; and, to the extent possible, reviewing the associated documentation. Based on these tests, we determined that the data were sufficiently accurate for our purposes.

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**Commission Review of  
Draft Report**

As an additional quality-assurance measure, we asked officials of the state agencies responsible for administering the respective public financing program in the two study states to review a draft copy of our report for accuracy and clarity before its final issuance. Specifically, on April 16, 2003, we provided a report draft to the Chair of Maine's Commission on Governmental Ethics and Election Practices and the Chair of Arizona's Citizens Clean Elections Commission.

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# Appendix II: Overview of the Public Financing Programs for Election Campaigns in Maine and Arizona

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Maine voters, by a margin of 56 percent to 44 percent, passed the Maine Clean Election Act (“Maine’s Act”) in November 1996. Arizona voters, by a margin of 51 percent to 49 percent, passed the Citizens Clean Elections Act (“Arizona’s Act”) in November 1998. These ballot initiatives established optional financing programs for candidates desiring to use public funds to finance their campaigns, as an alternative to traditional fundraising means. The Maine and Arizona programs are unique in being the first instances of state programs that offer full public funding—not just partial funding—of election campaigns for qualified candidates seeking state legislature seats and certain statewide offices. Regarding implementation, both states’ public financing programs became available for candidates beginning with elections in 2000. Generally, participating candidates—those candidates who agree to forego private fund raising and who otherwise qualify to take part in the respective state’s public financing program—receive a set amount of money for their primary and general election campaigns. Under Maine’s Act and Arizona’s Act, nonparticipating candidates—those candidates who choose to continue using traditional means for financing campaigns—are subject to limits on contributions and new reporting requirements.

This appendix provides a brief overview of the public financing programs for election campaigns in Maine and Arizona. Detailed information is available on the Web sites of the state agencies responsible for administering the respective program—Maine’s Commission on Governmental Ethics and Election Practices ([www.state.me.us/ethics](http://www.state.me.us/ethics)) and Arizona’s Citizens Clean Elections Commission ([www.ccec.state.az.us](http://www.ccec.state.az.us)).

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## Purposes of the Public Financing Programs

Generally, proponents assert that the purposes of campaign finance reform are to increase voter choice and electoral competition, allow candidates to give more attention to voters and less to donors, and reduce the influence of special interests on elected officials. That is, from an overall perspective, proponents assert that public financing programs should enhance the confidence of citizens in government by increasing the integrity of the political process and the accountability of officials.

As indicated, Maine’s Act and Arizona’s Act were passed by voters as ballot initiatives. Thus, unlike laws passed by state legislatures, these statutes have no accompanying legislative history that would document the progress of a particular proposal before the legislature. In reference to determining the purpose of statutes passed by this process, one court has noted that, “The search for legislative purpose or motive is always dangerous; it is even more difficult in the case of an initiative or referendum involving all the voters, where it is impossible to know what

the multitude read, heard or believed in deciding how to vote.”<sup>1</sup> Nonetheless, in addition to the specific language of the statutes, available interpretive sources include various media accounts of the ballot initiatives, commentary materials prepared by organizations that sponsored the initiatives, and court decisions on various provisions of the statutes.

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### Purposes of Maine’s Public Financing Program

The Maine Clean Election Act has no section that specifically details the purposes, goals, or objectives of the law. To get the initiative on the ballot, a coalition of interest groups, the Maine Voters for Clean Elections,<sup>2</sup> collected about 65,000 signatures. At that time, the coalition and other proponents advertised that the public financing program would “take big money out of politics” by limiting what politicians spend on campaigns, reducing contributions from special interests and increasing enforcement of election laws. They said that the initiative, if passed, would decrease the influence of wealthy individuals, corporations and political action committees in politics, and would level the playing field so that challengers would have a chance against incumbents. Politicians would then spend more time focusing on the issues that affect all of their constituents rather than spend time on pursuing money for their campaigns. Further, proponents also advertised that the public financing program would allow candidates who do not have access to wealth the opportunity to compete on a more equal financial footing with traditionally funded candidates, restore citizen’s faith and confidence in government, and give new candidates a fighting chance against incumbents. According to Maine State officials and interest group representatives we interviewed, there was not any organized opposition to the initiative when it was on the ballot.

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### Purposes of Arizona’s Public Financing Program

Arizona’s Act does have a “findings and declarations” section that addresses intent. Specifically, the “findings” subsection of the Citizens Clean Elections Act, passed by voters in 1998, noted that the state’s current election-financing system

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<sup>1</sup>*Daggett v. Webster*, 81 F. Supp. 2d 128, 135 (D. Me. 2000).

<sup>2</sup>Including the American Association of Retired Persons (Maine Chapter), Maine A.F.L.-C.I.O., League of Women Voters of Maine, Common Cause/Maine, Natural Resources Council of Maine, Maine People’s Alliance, Money and Politics Project, and Peace Action Maine.

- allows elected officials to accept large campaign contributions from private interests over which they have governmental jurisdiction;
- provides incumbents an unhealthy advantage over challengers;
- hinders communication to voters by many qualified candidates;
- effectively suppresses the voices and influence of the vast majority of Arizona citizens in favor of a small number of wealthy special interests;
- undermines public confidence in the integrity of public officials;
- costs average taxpayers millions of dollars in the form of subsidies and special privileges for campaign contributors;
- drives up the cost of running for state office, discouraging otherwise qualified candidates who lack personal wealth or access to special-interest funding; and
- requires that elected officials spend too much time raising funds rather than representing the public.

Further, the “declarations” subsection of Arizona’s 1998 Act stated that:

“The people of Arizona declare our intent to create a clean elections system that will improve the integrity of Arizona state government by diminishing the influence of special-interest money, will encourage citizen participation in the political process, and will promote freedom of speech under the U.S. and Arizona Constitutions. Campaigns will become more issue-oriented and less negative because there will be no need to challenge the sources of campaign money.”

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## Candidates Must Qualify to Receive Public Funding

In Maine and Arizona, candidates who wish to receive public funds for campaigning must qualify by (1) agreeing to forego self-financing and all private contributions, except for a limited amount of “seed money” and (2) demonstrating citizen support by collecting a set number of \$5 contributions from registered voters. For example, as table 18 shows, a candidate for Maine’s House of Representatives may raise \$500 of seed money and must receive a \$5 qualifying contribution from at least 50 registered voters, and a candidate for Arizona’s House of Representatives may raise \$2,500 of seed money and must receive at least 200 qualifying contributions.

**Appendix II: Overview of the Public Financing Programs for Election Campaigns in Maine and Arizona**

**Table 18: Seed Money Limits and Number of Qualifying \$5 Contributions**

State	State legislature and applicable executive branch offices	Seed money limits <sup>a</sup>		Number of \$5 contributions
		Total cap	Individual contribution limit	
Maine	House of Representatives	\$500	\$100	50
	Senate	\$1,500	\$100	150
	Governor	\$50,000	\$100	2,500
Arizona	House of Representatives	\$2,500	\$100	200
	Senate	\$2,500	\$100	200
	Corporation Commission	\$10,000	\$100	1,500
	Governor	\$40,000	\$100	4,000
	Attorney General	\$20,000	\$100	2,500
	Secretary of State	\$20,000	\$100	2,500
	Treasurer	\$10,000	\$100	1,500
	Superintendent of Public Instruction	\$10,000	\$100	1,500
	Mine Inspector	\$5,000	\$100	500

Source: GAO analysis of state data.

Note: In the initial year of implementation (2000), Maine’s public funding program covered candidates for legislative seats only, and Arizona’s program covered candidates for legislative seats and the Corporation Commission. Beginning in 2002, Maine’s program was extended to cover candidates for governor, and Arizona’s program was extended to cover candidates for governor and various other executive branch offices.

<sup>a</sup>To help with the qualifying process, candidates seeking to be certified to receive public funding may raise and spend limited amounts of seed money. In Arizona, these funds are called “early contributions,” and the base amounts are established in statute and adjusted for inflation every 2 years. The adjusted amount of early contributions for Arizona’s 2002 election cycle is limited to \$110 per individual contributor.

## Amounts of Allowable Public Funding for Participating Candidates

After being certified by the state as having met qualifying requirements, participating candidates receive initial distributions (predetermined amounts) of public funding and are also eligible for additional matching funds based on spending by or for privately funded opponents. For example, in Maine’s 2000 elections (see table 19):

- Each participating candidate in a contested race for the state House of Representatives received an initial distribution of public funds in the amount of \$1,141 for the primary election and an amount of \$3,252 for the general election. Under Maine’s Act, these amounts were based on average expenditures in similar races in the two previous election cycles (1998 and 1996).
- Also, under Maine’s Act, the maximum allowable matching funds available to a participating candidate were capped at double the initial distribution that the candidate received for his or her contested race.

Matching funds are triggered when the participating candidate is outspent by a privately funded opponent. Further, matching funds can be based on independent expenditures that benefit an opponent's campaign. Generally, independent expenditures are campaign expenditures made by individuals or groups without coordination with any candidate and are communications (such as political ads or mailings) that expressly advocate the election or defeat of a clearly identified candidate.

In Arizona's 2000 elections (see table 19), qualified candidates for the House of Representatives or Senate who were in contested party primary elections initially received \$10,000. After the primary, successful major party candidates who were opposed in the general election then received an additional \$15,000.<sup>3</sup> Independent candidates received 70 percent of the sum of the original primary and general election spending limits, and unopposed candidates received only the total of their \$5 qualifying contributions as the spending limit for that election. Participating candidates for the state legislature could also use \$500 of their personal monies for their campaigns, and participating candidates for statewide offices could use \$1,000.

Participating candidates also received matching funds when an opposing, nonparticipating candidate exceeded the primary or general election spending limits. Matching funds were also provided to participating candidates when independent expenditures were made on behalf of a nonparticipating candidate in the race.

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<sup>3</sup>The Secretary of State adjusts these base amounts, established in Arizona's Act, for inflation every 2 years.

**Appendix II: Overview of the Public Financing Programs for Election Campaigns in Maine and Arizona**

**Table 19: Public Funding Available to Each Participating Candidate in 2000**

State	Office	Type of race	Primary election public funds			General election public funds		
			Initial distribution	Maximum allowable matching funds	Total public funding	Initial distribution	Maximum allowable matching funds	Total public funding
Maine	House of Representatives	Contested	\$1,141	\$2,282	\$3,423	\$3,252	\$6,504	\$9,756
		Uncontested	\$511	0	\$511	0	0	0
	Senate	Contested	\$4,334	\$8,668	\$13,002	\$12,910	\$25,820	\$38,730
		Uncontested	\$1,785	0	\$1,785	0	0	0
Arizona	House of Representatives and Senate	Contested	\$10,000	\$20,000	\$30,000	\$15,000	\$30,000	\$45,000
		Uncontested <sup>a</sup>						
	Corporation Commission	Contested	\$40,000	\$80,000	\$120,000	\$60,000	\$120,000	\$180,000
		Uncontested <sup>a</sup>						

Source: GAO analysis of state data.

<sup>a</sup>In Arizona, each participating candidate in an uncontested race received public funding in an amount equal to \$5 times the number of qualifying signatures that the candidate obtained.

In Maine, a total of about \$865,000 in public funds was authorized in 2000 for the 134 participating candidates who ran in the primary and/or general elections for state legislature. Candidates returned about \$108,000 of unused money to the Maine Clean Election Fund. In Arizona, a total of \$1.9 million in public funds was distributed in 2000 to the 59 participating candidates—54 candidates for the state legislature and 5 candidates for the Arizona Corporation Commission.

## Revenue Sources for the Public Financing Programs

Various revenue sources are used to support the public financing programs. As table 20 shows, appropriations were by far the largest funding source in Maine in 2000, whereas a surcharge on civil and criminal fines and penalties was the leading source in Arizona. As noted in table 20, the constitutionality of this funding provision in Arizona’s Act has been challenged in court but has been upheld.

**Appendix II: Overview of the Public Financing Programs for Election Campaigns in Maine and Arizona**

**Table 20: Revenue Sources and Amounts for Public Financing Programs in 2000**

State	Revenue sources	Annual revenue (in thousands of dollars)	Percentage
Maine	Appropriations: On or before January 1st of each year, the state treasurer is to transfer \$2 million from the General Fund to a special, dedicated fund (the Maine Clean Election Fund).	\$2,000	70%
	Tax check-offs: Under a tax check-off program, a Maine resident can designate that \$3 be paid to the Maine Clean Election Fund. A husband and wife filing jointly may each designate \$3.	523 <sup>a</sup>	18
	Qualifying contributions: The \$5 qualifying contributions collected by participating candidates are deposited in the Maine Clean Election Fund.	56	2
	Miscellaneous: Other income includes interest earned, penalties, and seed money collected by candidates and deposited in the Maine Clean Election Fund.	277	10
<b>Total</b>		<b>\$2,856</b>	<b>100%</b>
Arizona	Fines, forfeitures, and penalties: This source includes a 10-percent surcharge imposed on certain civil and criminal fines and penalties. <sup>b</sup> Collections go in the Citizens Clean Elections Fund.	\$4,665	68%
	Tax check-offs and donations: By marking an optional check-off box on their state income tax returns, Arizona taxpayers can make a \$5 contribution to the Citizens Clean Elections Fund. A taxpayer that checks this box receives a \$5 reduction (\$10 if filing jointly) in the amount of tax. Also, taxpayers may redirect a specified amount of owed taxes—up to 20 percent or \$500 (ceiling adjusted periodically), whichever is greater—to the Citizens Clean Elections Fund and receive a dollar-for-dollar tax credit.	1,943	28
	Qualifying contributions: The \$5 qualifying contributions collected by participating candidates are deposited in the Citizens Clean Elections Fund.	136	2
	Filing and title certificate fees: This source includes all lobbyist fees. <sup>c</sup> Arizona's Act imposed a \$100 annual fee (amount adjusted periodically) on registered lobbyists who represent commercial or for-profit activities.	104	2
	<b>Total</b>	<b>\$6,848</b>	<b>100%</b>

Source: GAO analysis of state data.

<sup>a</sup>Revenue reflects tax check-off income for previous years, when taxpayers were contributing to the Maine Clean Election fund, but no elections were held. For the 1999 tax year, \$266,907 had been deposited into the Maine Clean Election Fund through income tax check-offs.

<sup>b</sup>In June 2002, the Arizona Court of Appeals ruled that the surcharge provision of the Arizona Act was unconstitutional and that collections of the surcharge should cease. In July 2002, pending its review, the Arizona Supreme Court issued an order to stay enforcement of the lower court's decision. Later that year, the Arizona Supreme Court reversed the Court of Appeals and held the surcharge provision to be constitutional. On January 9, 2003, the Institute for Justice appealed the Arizona Supreme Court decision on behalf of plaintiff May to the U.S. Supreme Court. However, the U.S. Supreme Court has decided to not hear the challenge to the Arizona law (see app. III).

<sup>c</sup>In December 2001, Arizona's Maricopa County Superior Court ruled that the lobbyist fee was unconstitutional. *Lavis v. Bayless*, No. CV-2001-006078 (Arizona Superior Court, 2001). The collected money has been returned to lobbyists.

Table 20 also indicates that in 2000, about 18 percent of Maine's funding and about 28 percent of Arizona's funding came from state income tax check-off donations and other voluntary donations. In Maine, \$523,000 in funding came from state income tax check-off donations that had



accumulated from 2 tax years prior to the 2000 elections. For tax year 1999, approximately 63,000 state income tax returns were filed with check-off donations to the Maine Clean Election Fund, which represented about 10 percent of the 599,000 total returns filed in the state. In Arizona, the \$1.943 million in revenue included \$1.829 million from state income tax check-off donations in 2000. These tax check-off donations came from approximately 246,000 of the 2.1 million state income tax returns filed, or about 12 percent of the returns filed through December 2000, for tax year 1999. In perspective, about 11 percent of federal income tax returns had \$3 check-off contributions to the Presidential Election Campaign Fund<sup>4</sup> in tax year 2000, which is used to finance qualified presidential candidates and national political parties.

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## Administration of the Public Financing Programs

Both Maine's Act and Arizona's Act established commissions to implement the public financing program and enforce provisions of the Acts. In Maine, the responsibility for administering Maine's Act, including management of the Maine Clean Election Fund, was given to Maine's Commission on Governmental Ethics and Election Practices. The Commission consists of five members appointed by the Governor, subject to review by the joint standing committee of the state legislature having jurisdiction over legal affairs and confirmation by the state legislature. The Commission employs a director and staff to carry out the day-to-day operations of the program. In addition to financing election campaigns of candidates participating in the public financing program, the Maine Clean Election Fund also pays for administrative and enforcement costs of the Commission related to the Act. In 2000, the Commission's total expenditures from the fund were \$861,774, including \$111,081 in administrative costs.<sup>5</sup> The administrative costs included staff payroll and other miscellaneous expenses.

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<sup>4</sup>Beginning in 1976, taxpayers have had the option of contributing to the Presidential Election Campaign Fund by checking off a box on their federal income tax return. Funding is provided to qualified presidential candidates for their primary campaigns and to major political parties for presidential nominating conventions, and grants to presidential nominees for their general election campaigns. In 1994, the check-off was increased from \$1 to \$3.

<sup>5</sup>State of Maine, Report of the Commission on Governmental Ethics and Election Practices to the Joint Standing Committee on Legal and Veterans Affairs, *Documenting, Evaluating and Making Recommendations Relating to the Administration, Implementation and Enforcement of the Maine Clean Election Act and Maine Clean Election Fund*. Augusta, ME, 2001.

As a part of the responsibility for implementing and enforcing Maine's Act, the Commission is to investigate violations of the requirements for campaign reports and campaign financing activities of both participating and nonparticipating candidates. The Commission has authority to assess civil penalties against any person who violates any provision of the act. A summary report released by the Commission in August 2001 reported that enforcement of the act required minimal Commission activity during the 2000 election year.

In Arizona, the Citizens Clean Elections Commission was newly created by Arizona's Act and consists of five members selected by the state's highest-ranking officials from opposing parties. These state officials choose one new commissioner per year. No more than two commissioners may be from the same political party or county, and commissioners may not have run for or held office, nor been appointed to or elected for any office for the 5 years prior to being chosen as a commissioner. As established by Arizona's Act, the Commission employs an executive director to facilitate administration of the program, including voter education and enforcement of the act's provisions. The executive director is, in turn, responsible for determining additional staffing needs and hiring accordingly. Arizona's Act caps Commission spending for a calendar year at \$5 times the number of Arizona resident personal income tax returns filed the previous calendar year. Of that amount, the Commission may use up to 10 percent for administration and enforcement activities and up to 10 percent for voter education activities. The remainder of Commission spending goes to participating candidates' campaign funds. For example, in calendar year 2000, the Commission's spending cap was \$9,979,355—\$5 times the 1,995,871 personal income tax returns filed in calendar year 1999 (for tax year 1998). The Commission's total revenue for calendar year 2000 was less than the prescribed spending cap at \$6,847,843. In 2000, the Commission's expenditures totaled \$3,176,711—\$668,562 for administration and enforcement, \$590,725 for voter education, and \$1,917,424 for campaign funds.<sup>6</sup>

The Commission's responsibility for enforcing campaign finance laws established by Arizona's Act covers contribution limits, spending limits, and reporting requirements that affect both participating and nonparticipating candidates. Cases of possible violations may be initiated

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<sup>6</sup>State of Arizona, Citizens Clean Elections Commission, *Annual Report: January 1, 2000—December 31, 2000*. Phoenix, AZ, 2000, 38-40.

with the Commission in one of two ways: either by an external complaint or through information that comes to the Commission's attention internally. The Commission may assess civil penalties after investigating compliance matters and finding probable cause of a violation unless the candidate comes into compliance within a set time frame or a settlement agreement is reached. For example, in 2000, the Commission reviewed 19 externally generated complaints, 5 of which were forwarded to the office of the Secretary of State due to jurisdictional issues, while 9 cases were dismissed and 4 were dropped because the candidate came into compliance. The Commission reached a settlement agreement with the candidate in the remaining case. Of the 16 internally initiated compliance matters in 2000, the Commission found only 1 case with probable cause of a campaign finance violation. The candidate in that case came into compliance within the required time frame.<sup>7</sup>

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## Reduced Contribution Limits and Additional Reporting Requirements for Nonparticipating Candidates

Before the passage of Maine's Act and Arizona's Act, political campaigns in the two states were financed completely with private funds, subject to certain statutory limitations on contributions from individuals and others. There were no limitations placed on expenditures by candidates of their personal wealth. Under the new laws, this latter aspect of campaign financing remains true for candidates who choose not to participate in the respective state's public financing program. That is, for their own races, nonparticipating candidates can still spend as much of their personal funds as they please.

On the other hand, nonparticipating candidates are subject to new limitations on the amounts of contributions they can accept. In Maine, for example, a nonparticipating candidate for the state legislature may accept up to \$250 per donor, and a nonparticipating gubernatorial candidate may accept up to \$500 per donor. Previously, the candidates could have collected up to \$1,000 from individuals and up to \$5,000 from political committees and corporations. In Arizona, contributions from individuals and political committees are now limited to \$270 per donor for nonparticipating candidates for the state legislature and \$700 to nonparticipating candidates for applicable executive branch offices. Arizona's new limitations represent a 20 percent reduction from the contribution ceilings that existed previously.

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<sup>7</sup>*Id.* 25.

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In order to administer the public financing programs, nonparticipating candidates have additional reporting requirements. For example:

- In Maine, a nonparticipating candidate must notify the Commission on Governmental Ethics and Election Practices when his or her receipts total 101 percent of the Commission's initial allocation of public funds to a participating candidate.
- In Arizona, a nonparticipating candidate must file original and supplemental campaign finance reports with the Secretary of State when the candidate makes expenditures that exceed 70 percent of the primary election spending limit or receives contributions (less the expenditures through the primary) that exceed 70 percent of the general election spending limit.

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# Appendix III: Summary of Legal Challenges to Maine's and Arizona's Public Financing Programs

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The legal challenges to the public financing programs in Maine and Arizona raised many issues. The Maine Clean Election Act, passed in November 1996, took effect in the 2000 elections. Preceding the elections, elected officials, political action committees, and campaign contributors challenged the law in federal court on federal constitutional grounds. The litigation focused on First Amendment issues raised by what plaintiffs regarded as the impermissibly coercive nature of the act, limitations on campaign contributions, and the grouping of independent expenditures with a candidate's expenditures.

Arizona voters passed the Citizens Clean Elections Act in November 1998, and it also took effect in the 2000 elections. An Arizona political action committee, an Arizona lobbyist, and Arizona voters challenged the act on state constitutional grounds. Furthermore, the challenges in Arizona included contesting the sources of funding, the validity of the title, and the process for selecting members that sit on the Citizens Clean Elections Commission.

This appendix provides a summary of the legal challenges to the Maine Clean Election Act and Arizona's Citizens Clean Elections Act.

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## Legal Challenges to the Maine Clean Election Act

In a March 2000 opinion, the United States Court of Appeals for the First Circuit validated the Maine Clean Election Act. After consolidating appeals, the First Circuit upheld two lower court decisions and ruled that the First Amendment rights of candidates, contributors, and political action committees were not violated by the public finance scheme and contribution limits established in the Maine Clean Election Act.

Since the Maine Clean Election Act was first approved by a voter initiative, it has been the subject of a great deal of litigation. Almost immediately after voters of Maine approved the Act, the first suits were brought against the state. Eventually, after a number of cases were dismissed on procedural grounds, the federal district court for Maine ruled on the constitutionality of the act. Table 21 summarizes the results of the legal challenges. Following table 21 is a more detailed synopsis of the court of appeals decision and the district court cases.

**Appendix III: Summary of Legal Challenges to  
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**Table 21: Maine Clean Election Act Litigation**

Case citation	Synopsis of the legal challenge	Decision of the court
<b>U.S. Court of Appeals for the First Circuit</b> Daggett v. Commission on Governmental Ethics and Election Practices, 205 F. 3d 445 (1st Cir. 2000).	The U.S. Court of Appeals consolidated the appeals from two lower court decisions. One set of appellants included past and current candidates, the Libertarian Party of Maine, and an individual campaign contributor. Their major complaint was that the statute was impermissibly coercive, thereby unconstitutionally burdening the First Amendment rights of candidates. The other set of appellants included an individual contributor and two political action committees. Their major complaint was that the provision for matching funds for independent expenditures was unconstitutional. Both sets of appellants also contested the constitutionality of the reduced contribution limits.	The U.S. Court of Appeals for the First Circuit upheld the constitutionality of the Act. The court held that: (1) Maine's public financing scheme provided a roughly proportionate mix of benefits and detriments to candidates seeking public funding, such that it did not burden the First Amendment rights of candidates or contributors; (2) the independent expenditures requirement did not limit the freedom of speech and association of the independent contributors; and (3) the reduced contribution limits of \$250 did not infringe on appellants' First Amendment rights because the limits served an important government interest in avoiding corruption and were closely tailored to serve that interest.

Source: GAO analysis of court decision.

The Court of Appeals for the First Circuit, in *Daggett v. Commission on Governmental Ethics and Election Practices*, 205 F. 3d 445 (1st Cir. 2000), addressed three arguments. First, the court ruled that the \$250 contribution limits were supported by a “sufficiently important governmental interest to which the ceilings are closely tailored.” *Daggett v. Comm’n on Governmental Ethics and Election Practices*, 205 F.3d 445, 459. Relying on a recent U.S. Supreme Court decision, *Nixon v. Shrink Missouri PAC*, 528 U.S. 377 (2000), the First Circuit held that there was sufficient evidentiary support of the threat of corruption or its appearance to implement the limits. As to the consequences, the First Circuit decided that the limits on contributions had a minimal effect on people who wish to support a candidate directly.

The First Circuit also held that the matching funds provision for participating candidates does not violate the First Amendment rights of the nonparticipating candidates. Furthermore, the court agreed with the district judge that the reporting requirements imposed on privately financed candidates are not an undue burden and serve an important and narrowly tailored governmental interest. The court said that these sections of the act do not restrict the amount of money nonparticipating candidates can spend; rather, the sections level the playing field by providing matching funds for participating candidates.

Finally, the First Circuit held that the cumulative effect of the act was not impermissibly coercive. The court cited several examples of election laws in other states that were similar or more restrictive and not found coercive. The court concluded that neither the matching funds provision nor the labels associated with participating and nonparticipating candidates are such strong incentives that candidates are forced to accept public funding.

In the first district court case, *Daggett v. Webster*, 74 F. Supp. 2d 53 (D. Me. 1999), plaintiffs challenged the act on a number of issues, mainly focusing on the trigger provision—that is, when privately funded candidates raise funds above a certain amount, publicly funded candidates receive matching funds—and additional reporting requirements imposed on privately funded candidates. Of the seven claims raised by plaintiffs, all were rejected by the district court:

- The court found the Maine Clean Election Act offers incentives, but the incentives are not overwhelming or of an order that can be said to create profound disparities.
- The court held that the Maine Election Commission is not labeling publicly funded candidates as “clean”; the state cannot control what candidates choose to call themselves or their opponents.
- The court stated there was nothing unfair and no profound disparity in providing publicly funded candidates matching funds equivalent to what their privately funded opponents raise.
- The court held that triggers, tied to the amount privately funded candidates raise and not to the amount they spend, is a legitimate approach for the legislation to take.
- The district court upheld the additional reporting requirements imposed on privately funded candidates who receive, spend, or obligate more than 1 percent over the amount distributed to their publicly funded opponents.
- The court held that independent expenditures spent to support a candidate (including negative ads targeting the candidate's opponent) must be reported by the candidate as money spent on his or her campaign.
- Finally, the court ruled that funds spent on public funding for primary elections are relatively small, and separate allocations for primary

elections are necessary to make the act's public financing measure effective.

The other district court case, *Daggett v. Webster*, 81 F. Supp. 2d 128 (D. Me. 2000), involved a challenge to the lowered contribution limits. Plaintiffs in that case challenged the \$250 contribution limits for state legislative candidates and the \$500 contribution limits for gubernatorial candidates. The court did not rule on the \$500 limit on gubernatorial candidates because there was no gubernatorial race at the time. The district court did, however, uphold the \$250 individual contribution limit to a state senate or house candidate. In reaching its decision, the court did not focus on the monetary limit but instead analyzed three constitutional interests at stake: contributors' free speech, candidates' free speech, and freedom of association. These constitutional interests were elucidated in the U.S. Supreme Court's opinion in *Buckley v. Valeo*, 424 U.S. 1 (1976).

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## **Legal Challenges to Arizona's Citizens Clean Elections Act**

The Arizona Supreme Court upheld the Citizens Clean Elections Act, but not before a number of provisions were severed by the courts because they were unconstitutional under the Arizona Constitution. Three separate cases made their way through the state judicial system before reaching the state's highest court. In the first case, the court ruled that despite an oversight by the drafters, the title of the ballot initiative was constitutional. The Arizona Supreme Court ruled in the second case that the nomination and selection of commissioners to the Citizens Clean Elections Commission was unconstitutional in part; however, the court also ruled that those parts could be severed, allowing the Citizens Clean Elections Act to stand. Finally, the court held that funding for public campaigns from a surcharge on criminal and civil fines was constitutional. Before the initiative even got on the ballot of the general election, the act was challenged. The claims that were litigated in Arizona were different from those raised in Maine. Political action committees and individual citizens raised state constitutional challenges to the title of the act, and the process of appointing commissioners to the Citizens Clean Elections Commission, the sources of funding for the law. Tables 22 through 24 provide a summary of the litigation. Following each table is a more detailed synopsis of the cases.



**Appendix III: Summary of Legal Challenges to  
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Programs**

**Table 22: Arizona Litigation – Title of Ballot Initiative**

<b>Case citation</b>	<b>Synopsis of the legal challenge</b>	<b>Decision of the court</b>
<b>Arizona Supreme Court</b>		
Meyers v. Bayless, 965 P. 2d 768 (Ariz. 1998)	The plaintiff, an Arizona voter, brought the action seeking the court to revoke the certification of the ballot initiative because it lacked a title.	The Supreme Court of Arizona held that even though the initiative did not have a title, Article II did have a title and it was the only article in the initiative. That combination of factors was enough for the court to hold that the initiative substantially complied with the title requirement.

Source: GAO analysis of court decision.

Before the Arizona initiative for clean elections was placed on the ballot, an action was brought seeking the court to revoke the certification of the ballot initiative because it lacked a title. The lower court in Arizona held that the words, “Citizens Clean Elections Act,” which were not at the top of the measure but on the third line as the title of an article, met the title requirement. The Arizona Supreme Court agreed. The court held that for an initiative petition, the legal sufficiency standard requires substantial, not necessarily technical, compliance with the law.

**Table 23: Arizona Litigation – Nomination and Appointment Process to the Citizens Clean Elections Commission**

<b>Case citation</b>	<b>Synopsis of the legal challenge</b>	<b>Decision of the court</b>
<b>Arizona Supreme Court</b>		
Citizens Clean Elections Commission v. Myers, 196 Ariz. 516, 1 P.3d 706 (Ariz. 2000)	Citizens Clean Elections Commission and Arizonans for Clean Elections appealed the Superior Court decision. They argued that the sections challenged were constitutional or at least severable from the rest of the act. On cross-petition, VotePac challenged the validity of the title of the act and asserted that the requirement of Supreme Court members to select Clean Elections Commissioners violated the Arizona Constitution.	The Arizona Supreme Court heard this appeal on an expedited review process. The court held that: (1) the Commission on Appellate Court Appointments did not have the authority to nominate Clean Elections Commissioners; (2) the Commission on Appellate Court Appointments provisions could be severed from the act; (3) the Senate could concur with any removal decisions the Governor made of Clean Elections Commissioners; (4) the title of the act was still valid; (5) members of the Supreme Court could not appoint commissioners to the Clean Elections Commission; and (6) the section of the act requiring Arizona Supreme Court members to appoint Clean Elections Commissioners could be severed from the rest of the act.

Source: GAO analysis of court decision.

Prior to the 2000 elections, a registered Arizona political action committee and citizens of Arizona challenged the Citizens Clean Elections Act, seeking a declaration of the act's invalidity. The Superior Court for

Maricopa County held that the act was invalid. See *Votepac v. Bayless*, CV 99-11937 (Superior Court of Arizona, 2000). The Citizens Clean Elections Commission and the Arizonans for Clean Elections appealed the decision of the Superior Court to the Arizona Supreme Court in an expedited review process.

The Arizona Supreme Court, in *Citizens Clean Elections Commission v. Myers*, 196 Ariz. 516, 1 P.3d 706 (Ariz. 2000), upheld the law, but required certain provisions—regarding how commissioners were nominated and appointed to the Citizens Clean Elections Commission—be severed for violating the Arizona Constitution. First, the Arizona Supreme Court held that the Commission on Appellate Court Appointments could not nominate Clean Elections Commissioners because it was beyond the scope of their constitutional authority under the state constitution. The court held that any exercise of legislative power is subject to the limitations imposed by the state constitution. In this case, the authority that the Citizens Clean Elections Act gave the Commission on Appellate Court Appointments to appoint Clean Elections Commissioners was beyond its scope. That section of the Act requiring the Commission on Appellate Court Appointments to nominate Clean Elections Commissioners was removed, and the governor was required to select Clean Elections Commissioners without the slate of candidates from the Commission on Appellate Court Appointments.

The Arizona Supreme Court next examined the section of the Citizens Clean Elections Act requiring senatorial concurrence in the governor's decision to remove any member of the Citizens Clean Elections Commission. The court disagreed with the trial court and held that there was no violation of separation of powers. Because the Citizens Clean Elections Commission is an independent agency, the requirement for senatorial concurrence does not hinder the governor's ability to carry out his or her duties.

The Arizona Supreme Court addressed the issue of whether it was unconstitutional under the state constitution for members of the Supreme Court of Arizona to make appointments to the Citizens Clean Elections Commission. The Arizona Supreme Court held that the act violated the doctrine of separation of powers to the extent that it included members of the court as officials who could appoint members of the Commission. The court reasoned that the appointment process was unrelated to the court's judicial power and that members of the court (an apolitical body) were called upon to make political decisions. The court held that the provision

**Appendix III: Summary of Legal Challenges to  
Maine's and Arizona's Public Financing  
Programs**

in question was severable from the rest of the Act and allowed the rest of the act to stand.

**Table 24: Arizona Litigation – Sources for Public Funding**

<b>Case citation</b>	<b>Synopsis of the legal challenge</b>	<b>Decision of the court</b>
<b>Arizona Supreme Court</b>		
May v. McNally, 203 Ariz. 425, 55 P.3d 768 (Ariz. 2002)	Secretary of State, State Treasurer, and Citizens Clean Elections Commission sought review of the Court of Appeals decision that struck down the 10-percent surcharge provision in the Citizens Clean Elections Act.	The Supreme Court of Arizona reversed the Court of Appeals and held the surcharge funding provision to be constitutional. The high court reasoned: (1) the surcharge was a tax assessed against all citizens who pay civil and criminal fines; (2) there was no defined association, so germaneness is irrelevant; (3) the government could use public funds to finance political speech; and (4) funds were allocated in a viewpoint neutral way to safeguard First Amendment rights.

Source: GAO analysis of court decision.

The most recent challenge to the Citizens Clean Elections Act focused on whether two of the act's sources of funding violated the First Amendment. The two sources that were challenged were an annual \$100 fee from lobbyists who work for commercial or for-profit entities and a 10-percent surcharge imposed on all persons paying civil and criminal fines, such as parking fines. The lobbyist fees were found to be unconstitutional by the Superior Court; however, the court also found the provisions severable. See *Lavis v. Bayless*, CV 2001-006078 (Superior Court of Arizona, 2001). The 10-percent surcharge on civil and criminal fines was ultimately decided by the Arizona Supreme Court to be constitutional.

The Arizona Supreme Court found that those paying the surcharge were not linked to any one viewpoint or message; instead, the surcharge funded all qualified candidates. Furthermore, the court found that the surcharge was not applied in an unconstitutional manner or for an unconstitutional purpose.

The Institute for Justice, a public interest litigation organization, recently appealed the decision, on behalf of State Representative and plaintiff Steve May, to the U.S. Supreme Court. However, the U.S. Supreme Court has decided to not hear the challenge to the Arizona law.

# Appendix IV: Survey of Candidates for Office in the Maine 2000 Elections



United States General Accounting Office

## Survey of Candidates for Office in the Maine 2000 Elections

### Purpose

As required by a recently enacted federal law, the U.S. General Accounting Office (GAO), the investigative and auditing agency of the U.S. Congress, is conducting a study of the effects of publicly financed campaigns in elections. Publicly financed elections are also referred to as “clean elections.” Specifically, Congress passed the Bipartisan Campaign Reform Act (P.L. 107-155) in March 2002, and section 310 of this act mandates that GAO study and report on the programs for public financing of election campaigns in two states—Maine and Arizona. As a part of this study, GAO is surveying all candidates who ran in the 2000 primary, as well as general election, for the state legislature in Maine. Generally, this survey is intended to obtain the candidates’ perspectives on how public financing of campaigns affected the **2000 Primary and General Elections** in Maine. GAO is also conducting a similar survey in Arizona. The results of GAO’s two surveys will be used to help inform Congress about the effects of publicly financed campaigns in elections.

### Maine’s Campaign Finance Reform Act

Maine voters passed the Maine Clean Election Act in 1996. This Act created a new campaign financing system to provide full public funding to “participating candidates” for state legislative seats and the office of governor. Candidates who do and do not participate in this program are defined as follows:

- **Participating Candidate** – a candidate who is certified to receive public funding by collecting a predetermined number of \$5 contributions from registered voters and by agreeing to abide by contribution and spending limits.
- **Non-participating Candidate** – a candidate who uses traditional means for financing campaigns. However, these candidates are also affected by the Act, and by recent changes to existing contributions limits and reporting requirements.

### Directions for Completing this Questionnaire

**This questionnaire should be completed by the candidate.** Your input is important in understanding the impacts of public financing on campaigns and elections from a candidate’s perspective. Results from the survey will be reported in aggregate.

Please complete this questionnaire and return it within 2 weeks of receipt. A pre-addressed, postage-paid envelope is enclosed. If you have any questions, please contact Ms. Lindy Coe-Juell in GAO’s Los Angeles field office at 213-830-1048 or by e-mail at [CoeJuellL@gao.gov](mailto:CoeJuellL@gao.gov).

If the return envelope is misplaced, the return address is:

U.S. General Accounting Office  
Ms. Lindy Coe-Juell, Analyst  
350 Figueroa Street, Suite 1010  
Los Angeles, CA 90071

**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

**Candidate Status in the 2000 Elections**

1. Were you a *participating* or *non-participating* candidate in Maine's 2000 elections? (Mark only one response )

40% (104) Participating candidate (Used public funding for campaign)  
 60% (157) Non-participating candidate (Did not use public funding for campaign)  
 \*Missing = 8

**Overall Effects of Maine's Public Financing Program in the 2000 Elections**

2. To what extent, if at all, do you agree with the following statements about the Public Financing Program for the 2000 elections? (For rows a through i, mark only one box in each row)

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) The Public Financing Program increased voter choice by providing an opportunity for more people to run for office.	39% (39) 5% (7)	32% (32) 5% (8)	18% (18) 10% (16)	9% (9) 27% (42)	2% (2) 44% (68)	1% (1) 9% (14)
b) Overall, the Public Financing Program increased the number of competitive races.	23% (23) 3% (5)	37% (37) 6% (9)	20% (20) 10% (15)	13% (13) 17% (26)	6% (6) 51% (78)	2% (2) 13% (19)
c) The requirement to collect \$5 contributions increased the amount of time participating candidates spent talking to constituents at the grassroots level.	30% (31) 2% (3)	20% (20) 9% (14)	22% (22) 10% (15)	14% (14) 19% (30)	14% (14) 42% (64)	1% (1) 18% (28)
d) Overall, the Public Financing Program resulted in less money being spent by candidates in the 2000 elections.	18% (18) 2% (3)	22% (22) 4% (6)	17% (17) 6% (10)	14% (14) 12% (19)	15% (15) 48% (74)	15% (15) 27% (42)
e) The Public Financing Program enhanced the public's confidence in government.	13% (13) 3% (5)	23% (23) --	24% (24) 5% (8)	16% (16) 11% (17)	14% (14) 64% (97)	12% (12) 16% (25)
f) The Public Financing Program resulted in more equality in financial resources among candidates.	30% (31) 6% (9)	33% (34) 7% (11)	15% (15) 10% (16)	12% (12) 30% (46)	6% (6) 40% (62)	4% (4) 6% (10)
g) During the 2000 elections, the Public Financing Program infringed on the First Amendment guarantee of free speech.	1% (1) 13% (20)	-- 10% (15)	3% (3) 5% (8)	5% (5) 5% (7)	78% (80) 43% (64)	13% (13) 24% (36)
h) Once elected, candidates who participated in the Public Financing Program have been more likely to serve the broader interests of their constituents as a whole and less likely to be influenced by specific individuals or groups.	18% (18) 3% (4)	25% (25) 5% (7)	8% (8) 2% (3)	12% (12) 5% (8)	16% (16) 67% (102)	23% (23) 19% (29)
i) The Public Financing Program had little or no impact on election outcomes.	3% (3) 9% (14)	6% (6) 17% (26)	19% (19) 7% (11)	19% (19) 15% (23)	32% (32) 37% (56)	21% (21) 14% (22)

Note: In each cell, responses for participating candidates are on top and non-participating candidates below.  
 \*Total missing: a=13, b=16, c=13, d=14, e=15, f=13, g=17, h=14, i=17

**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

**Campaign Spending, Independent Expenditures, and Issue Advocacy Ads in the 2000 Elections in Maine**

3. Approximately what percentage of your campaign funds in 2000 was spent on each of the following activities during the primary and general elections combined? (*Percentages should add to 100 percent*)

<u>Part.</u>	<u>Non-part.</u>	<u>Activity</u>
10% (98)	14% (141)	<b>General Operations</b> (Fundraising, travel, equipment, etc.)
26% (98)	29% (141)	<b>Advertising</b> (Radio, TV, newspaper, etc.)
61% (98)	56% (141)	<b>Printing/Postage</b> (Direct mail, campaign literature, signs, etc.)
2% (98)	1% (141)	<b>Salaries and Compensation</b>
1% (98)	1% (141)	<b>Other:</b> _____

*Note: Includes only responses that add to 100 percent*

*\*Total missing = 30*

4. Independent expenditures are defined as spending by individuals or groups on communications with voters that expressly advocate the election or defeat of clearly identified candidates by using terms like "vote for," "vote against," or "re-elect." These expenditures are made without coordination or consultation with any candidate. In certain cases, independent expenditures can trigger matching funds for candidates participating in the Public Financing Program. How important or unimportant were independent expenditures on the outcome of your race in the 2000 elections? (*Mark only one response* )

<u>Part.</u>	<u>Non-part.</u>	
7% (7)	8% (12)	Extremely important
13% (13)	8% (12)	Very important
20% (21)	11% (16)	Moderately important
28% (29)	19% (29)	Little importance
32% (33)	55% (83)	Of no importance

*\*Total missing = 14*

5. Issue advocacy ads are different from independent expenditures because such ads do not use terms expressly advocating the election or defeat of clearly identified candidates. For instance, issue advocacy ads do not use terms such as "vote for" or "vote against." An example of an issue advocacy ad would be a general public communication in a newspaper that presents information on three or more candidates' voting records on a particular issue such as gun control, abortion, taxes, or the environment. By using such ads, groups may promote their views and positions on issues without triggering matching funds for candidates participating in the Public Financing Program. How important were issue advocacy ads on the outcome of your race in the 2000 elections? (*Mark only one response* )

<u>Part.</u>	<u>Non-part.</u>	
6% (6)	4% (6)	Extremely important
8% (8)	5% (8)	Very important
11% (11)	12% (18)	Moderately important
38% (39)	24% (36)	Little importance
38% (39)	55% (82)	Of no importance

*\*Total missing = 16*

6. How easy or difficult was it for you to comply with the Maine Clean Election Act's financial reporting requirements in your 2000 campaign? (*Mark only one response* )

<u>Part.</u>	<u>Non-part.</u>	
44% (45)	22% (29)	Very easy
28% (29)	8% (11)	Somewhat easy
15% (15)	25% (32)	Neither easy nor difficult
13% (13)	33% (43)	Somewhat difficult
1% (1)	12% (15)	Very difficult

*\*Total missing = 36*

**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

**Questions for Only Participating Candidates in the 2000 Elections**

If you were a **participating candidate** in the Public Financing Program in the 2000 elections, please answer Questions 7 through 14; otherwise, if you were a **non-participating candidate** in the 2000 elections, please skip to Question 15.

7. To what extent, if at all, do you agree with the following statements as to why you chose to run your campaign with public funds in the 2000 elections: *(For rows a through g, mark only one box in each row ☒)*

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) Other than collecting "seed money" and the \$5 contributions, I am opposed to traditional methods of funding election campaigns.	24% (25)	21% (22)	12% (12)	20% (21)	22% (23)	1% (1)
b) I did not want to feel obligated to special interest groups or lobbyists.	53% (55)	23% (24)	8% (8)	2% (2)	13% (14)	1% (1)
c) I did not think I would be able to raise enough funds through traditional means to run a competitive campaign.	15% (16)	18% (19)	8% (8)	10% (10)	48% (50)	1% (1)
d) Receiving public funds allowed me to spend more time discussing issues.	45% (47)	32% (33)	12% (12)	3% (3)	9% (9)	0 (0)
e) The matching funds provision of the program discouraged opponents, special interest groups, and lobbyists from campaigning against me.	4% (4)	7% (7)	12% (12)	18% (19)	45% (47)	14% (15)
f) I ran with public funding due to particular circumstances in my district; however, I still have strong reservations about supporting the overall goals of the Public Financing Program.	3% (3)	5% (5)	4% (4)	8% (8)	76% (79)	5% (5)
g) I believe that the Public Financing Program promotes the accountability of legislators to the public.	37% (38)	23% (24)	11% (11)	12% (12)	17% (18)	1% (1)

*\*Missing: a=0, b=0, c=0, d=0, e=0, f=0, g=0*

**Appendix IV: Survey of Candidates for Office  
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<p>8. Overall, to what extent was the availability of public funding a factor in your decision to run for office in 2000? <i>(Mark only one response ☒)</i></p> <p>38% (39) Very great extent          17% (18) Great extent          11% (11) Moderate extent          7% (7) Some extent          27% (28) Little or no extent  <i>*Missing = 1</i></p> <p>9. How easy or difficult was it for you to collect the qualifying \$5 contributions? <i>(Mark only one response ☒)</i></p> <p>44% (45) Very easy          29% (30) Somewhat easy          13% (13) Neither easy nor difficult          10% (10) Somewhat difficult          5% (5) Very difficult  <i>*Missing = 1</i></p> <p>10. Based on your experience in collecting \$5 qualifying contributions for your race, the set number of individual contributions required was ... <i>(Mark only one response ☒ and explain your choice)</i></p> <p>6% (6) Too high          88% (91) About right          7% (7) Too low  <i>*Missing = 0</i></p>	<p>11. Was the amount of public funding you received in the 2000 elections adequate enough for you to run a competitive campaign? <i>(Mark only one response ☒)</i></p> <p>7% (7) Yes, much more than adequate          21% (22) Yes, more than adequate          56% (58) Yes, adequate          14% (14) No, less than adequate          2% (2) No, much less than adequate  <i>*Missing = 1</i></p> <p>12. Did you receive matching funds based on your opponent's spending or independent expenditures? <i>(Mark only one response ☒)</i></p> <p>35% (36) Yes → <i>(Continue with Question 13)</i>          65% (67) No → <i>(Skip to Question 14)</i>  <i>*Missing = 1</i></p> <p>13. How timely were the matching funds made available? <i>(Mark only one response ☒)</i></p> <p>44% (16) Very timely          19% (7) Somewhat timely          36% (13) Not at all timely  <i>*Missing = 0</i></p> <p>14. Did you engage in fundraising activities during the 2000 elections for any of the following groups or individuals? <i>(For rows a through d, mark one box in each row)</i></p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th align="center">Yes</th> <th align="center">No</th> </tr> </thead> <tbody> <tr> <td>a) A state political party?</td> <td align="center">46% (44)</td> <td align="center">54% (52)</td> </tr> <tr> <td>b) A political action committee (PAC)?</td> <td align="center">16% (15)</td> <td align="center">84% (77)</td> </tr> <tr> <td>c) Another candidate? (Excluding \$5 contributions)</td> <td align="center">29% (29)</td> <td align="center">71% (70)</td> </tr> <tr> <td>d) Other, not listed above? <i>Please specify: _____</i></td> <td align="center">4% (2)</td> <td align="center">96% (54)</td> </tr> </tbody> </table> <p><i>*Missing: a=8, b=12, c=5, d=48</i></p>		Yes	No	a) A state political party?	46% (44)	54% (52)	b) A political action committee (PAC)?	16% (15)	84% (77)	c) Another candidate? (Excluding \$5 contributions)	29% (29)	71% (70)	d) Other, not listed above? <i>Please specify: _____</i>	4% (2)	96% (54)
	Yes	No														
a) A state political party?	46% (44)	54% (52)														
b) A political action committee (PAC)?	16% (15)	84% (77)														
c) Another candidate? (Excluding \$5 contributions)	29% (29)	71% (70)														
d) Other, not listed above? <i>Please specify: _____</i>	4% (2)	96% (54)														



**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

**Questions for Only Non-Participating Candidates in the 2000 Elections**

If you were a **non-participating candidate** in the 2000 elections, please answer Question 15; otherwise, if you were a **participating candidate** in the 2000 elections, please skip to Question 16.

15. To what extent, if at all, do you agree with the following statements as to why you chose to run your campaign with private rather than public funds in the 2000 elections: *(For rows a through h, mark only one box in each row ☒)*

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) I am opposed to public funding of election campaigns.	36% (54)	14% (21)	5% (8)	12% (18)	28% (43)	5% (7)
b) I am opposed to the specific provisions of the Maine Clean Election Act.	28% (41)	13% (19)	10% (15)	10% (15)	32% (48)	7% (10)
c) I believe that public funds are better used for purposes other than election campaigns.	44% (67)	15% (23)	8% (12)	7% (11)	20% (31)	5% (8)
d) I believe that the use of public funds adds burdensome reporting requirements to election campaigns.	27% (41)	14% (22)	11% (17)	18% (27)	24% (36)	6% (9)
e) I did not want to learn a new campaign finance system.	13% (19)	5% (8)	10% (15)	9% (13)	53% (81)	11% (16)
f) I did not want restrictions on my campaign spending.	19% (29)	12% (18)	8% (12)	10% (15)	46% (70)	6% (9)
g) I had sufficient funds without using public funds.	26% (39)	21% (31)	12% (18)	7% (11)	28% (42)	5% (8)
h) I believe that public funding forces taxpayers to fund candidates that they may not support.	44% (67)	16% (25)	7% (10)	8% (12)	21% (32)	4% (6)

*\*Missing: a=6, b=9, c=5, d=5, e=5, f=4, g=8, h=5*

**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

**Questions for All Candidates (Participating and Non-Participating) in the 2000 Elections**

16. In your opinion, which played a greater role in attracting new candidates to run for office? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |  |
|--------------|------------------|--|
| 24% (25)     | 64% (96)         | Open seats due to term-limited vacancies |
| 25% (26)     | 3% (4)           | Public funding for campaigns             |
| 43% (44)     | 19% (28)         | Both factors played equal roles          |
| 8% (8)       | 14% (21)         | Unsure                                   |
- \*Total missing=17*

17. How aware do you think voters were that some candidates chose to use public funds for their campaign in the 2000 elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                        |
|--------------|------------------|------------------------|
| 10% (10)     | 3% (5)           | Extremely aware        |
| 17% (18)     | 4% (6)           | Very aware             |
| 38% (40)     | 27% (41)         | Moderately aware       |
| 26% (27)     | 35% (54)         | Somewhat aware         |
| 9% (9)       | 31% (48)         | Little or no awareness |
- \*Total missing = 11*

18. In your opinion, what effect did the Public Financing Program have on the role of the State Democratic Party in the 2000 elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                           |
|--------------|------------------|---------------------------|
| 40% (40)     | 34% (51)         | Strengthened the role     |
| 48% (48)     | 56% (83)         | Had no effect on the role |
| 11% (11)     | 10% (15)         | Weakened the role         |
- \*Total missing = 21*

19. In your opinion, what effect did the Public Financing Program have on the role of the State Republican Party in the 2000 elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                           |
|--------------|------------------|---------------------------|
| 27% (27)     | 16% (23)         | Strengthened the role     |
| 52% (51)     | 64% (93)         | Had no effect on the role |
| 21% (21)     | 21% (30)         | Weakened the role         |
- \*Total missing = 24*

20. In your opinion, to what extent did the Public Financing Program increase the number of candidates other than Democrats or Republicans who ran for office in the 2000 elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                     |
|--------------|------------------|---------------------|
| 4% (4)       | 5% (7)           | Very great extent   |
| 26% (26)     | 10% (16)         | Great extent        |
| 26% (26)     | 14% (21)         | Moderate extent     |
| 29% (29)     | 32% (49)         | Some extent         |
| 16% (16)     | 40% (62)         | Little or no extent |
- \*Total missing = 13*

**Questions for All Candidates Regarding Elections in 2002 and Future Years**

21. Are/Were you a candidate this year in Maine's 2002 primary or general elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |  |
|--------------|------------------|--|
| 47% (48)     | 54% (84)         | Yes → ( <i>Continue with Question 22</i> ) |
| 53% (54)     | 46% (72)         | No → ( <i>Skip to Question 23</i> )        |
- \*Total missing = 11*

22. Are/Were you a Public Financing Program participating or non-participating candidate this year in Maine's 2002 elections? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                             |
|--------------|------------------|-----------------------------|
| 87% (42)     | 35% (29)         | Participating candidate     |
| 13% (6)      | 65% (54)         | Non-participating candidate |
- \*Total missing = 1*

23. Assuming that you were to run for state office in 2004, would you run as a participating candidate under the Public Financing Program? (*Mark only one response* ☒)
- | <u>Part.</u> | <u>Non-part.</u> |                |
|--------------|------------------|----------------|
| 68% (70)     | 15% (22)         | Definitely yes |
| 25% (26)     | 22% (32)         | Probably yes   |
| 4% (4)       | 23% (34)         | Probably no    |
| 3% (3)       | 41% (60)         | Definitely no  |
- \*Total missing = 18*

**Appendix IV: Survey of Candidates for Office  
in the Maine 2000 Elections**

24. To what extent, if at all, do you agree with the following statements about the **2002 and future** elections in Maine:  
(For rows a through h, mark only one response in each row ☒)

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) Increasing numbers of candidates will choose to run with public funds.	30% (31) 14% (22)	45% (47) 26% (40)	16% (17) 30% (47)	7% (7) 17% (26)	2% (2) 10% (15)	-- 4% (6)
b) Increasing amounts of money will be spent for issue advocacy ads.	17% (17) 29% (44)	28% (28) 34% (52)	35% (35) 18% (28)	13% (13) 10% (15)	2% (2) 5% (8)	6% (6) 5% (7)
c) Special interest groups and lobbyists will play an increasingly significant role.	12% (12) 29% (45)	16% (16) 26% (41)	26% (27) 8% (12)	17% (17) 14% (22)	24% (24) 14% (22)	6% (6) 8% (13)
d) Independent expenditures* will play an increasingly significant role.	15% (16) 32% (49)	32% (33) 23% (35)	21% (22) 16% (25)	21% (22) 16% (25)	4% (4) 6% (9)	7% (7) 7% (10)
e) Well-financed individuals and groups will continue to try to find a way to influence decision-makers.	50% (52) 43% (66)	34% (35) 33% (51)	10% (10) 8% (12)	5% (5) 10% (15)	1% (1) 4% (6)	1% (1) 2% (3)
f) The Public Financing Program should be repealed.	4% (4) 37% (58)	1% (1) 8% (13)	2% (2) 6% (10)	2% (2) 8% (13)	83% (85) 28% (44)	8% (8) 11% (17)
g) The Public Financing Program should be continued.	70% (70) 14% (21)	12% (12) 9% (13)	7% (7) 6% (9)	2% (2) 9% (14)	5% (5) 52% (79)	4% (4) 10% (15)
h) The Public Financing Program cannot be definitively evaluated based on one election year.	18% (18) 21% (32)	22% (22) 23% (36)	26% (27) 15% (23)	18% (18) 10% (16)	13% (13) 22% (34)	4% (4) 8% (13)

Note: In each cell, responses for participating candidates are on top and non-participating candidates below.  
\*Total missing: a=9, b=14, c=12, d=12, e=12, f=18, g=18, h=13

\* Independent expenditures are defined as spending by individuals or groups on communications with voters that expressly advocate the election or defeat of clearly identified candidates by using terms like "vote for," "vote against," or "re-elect." These expenditures are made without coordination or consultation with any candidate. In certain cases, independent expenditures can trigger matching funds for participating candidates.

**Additional Comments**

25. Please provide any other comments you feel are important about the effects of Maine's Public Financing Program.

See Appendix VI for a complete listing of the comments provided to this question by survey respondents.

Thank you very much for participating in this survey!

# Appendix V: Survey of Candidates for Office in the Arizona 2000 Elections



United States General Accounting Office

## Survey of Candidates for Office in the Arizona 2000 Elections

### Purpose

As required by a recently enacted federal law, the U.S. General Accounting Office (GAO), the investigative and auditing agency of the U.S. Congress, is conducting a study of the effects of publicly financed campaigns in elections. Publicly financed elections are also referred to as “clean elections.” Specifically, Congress passed the Bipartisan Campaign Reform Act (P.L. 107-155) in March 2002, and section 310 of this act mandates that GAO study and report on the programs for public financing of election campaigns in two states—Arizona and Maine. As a part of this study, GAO is surveying all candidates who ran in the 2000 primary, as well as general election, for the state legislature or the Corporation Commission in Arizona. Generally, this survey is intended to obtain the candidates’ perspectives on how public financing of campaigns affected the **2000 Primary and General Elections** in Arizona. GAO is also conducting a similar survey in Maine. The results of GAO’s two surveys will be used to help inform Congress about the effects of publicly financed campaigns in elections.

### Arizona’s Campaign Finance Reform Act

Arizona voters passed the Citizens Clean Elections Act in November 1998. This Act created a new campaign financing system to provide full public funding to “participating candidates” for legislative and statewide offices. Candidates who do and do not participate in this program are defined as follows:

- **Participating Candidate** – a candidate who is qualified to receive public funding by collecting a predetermined number of \$5 contributions from registered voters and by agreeing to abide by contribution and spending limits and participating in required debates.
- **Non-participating Candidate** – a candidate who uses traditional means for financing campaigns. However, these candidates are also affected by the Act, which imposes limits on contributions and new reporting requirements.

### Directions for Completing this Questionnaire

**This questionnaire should be completed by the candidate.** Your input is important in understanding the impacts of public financing on campaigns and elections from a candidate’s perspective. Results from the survey will be reported in aggregate.

Please complete this questionnaire and return it within 2 weeks of receipt. A pre-addressed, postage-paid envelope is enclosed. If you have any questions, please contact Ms. Lindy Coe-Juell in GAO’s Los Angeles field office at 213-830-1048 or by e-mail at [CoeJuellL@gao.gov](mailto:CoeJuellL@gao.gov).

If the return envelope is misplaced, the return address is:

U.S. General Accounting Office  
Ms. Lindy Coe-Juell, Analyst  
350 Figueroa Street, Suite 1010  
Los Angeles, CA 90071

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

**Candidate Status in the 2000 Elections**

1. Were you a *participating* or *non-participating* candidate in Arizona's 2000 elections? (Mark only one response )

28% (39) Participating candidate (Used public funding for campaign)

72% (102) Non-participating candidate (Did not use public funding for campaign)

\*Missing =2

**Overall Effects of Arizona's Public Financing Program in the 2000 Elections**

2. To what extent, if at all, do you agree with the following statements about the Public Financing Program for the 2000 elections? (For rows a through i, mark only one box in each row)

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) The Public Financing Program increased voter choice by providing an opportunity for more people to run for office.	67% (26) 9% (9)	26% (10) 9% (9)	3% (1) 20% (20)	5% (2) 30% (30)	-- 28% (28)	-- 5% (5)
b) Overall, the Public Financing Program increased the number of competitive races.	54% (21) 3% (3)	18% (7) 7% (7)	18% (7) 17% (17)	3% (1) 22% (22)	8% (3) 45% (46)	-- 7% (7)
c) The requirement to collect \$5 contributions increased the amount of time participating candidates spent talking to constituents at the grassroots level.	56% (22) 2% (2)	21% (8) 8% (8)	13% (5) 10% (10)	-- 18% (18)	10% (4) 52% (53)	-- 11% (11)
d) Overall, the Public Financing Program resulted in less money being spent by candidates in the 2000 elections.	28% (11) --	13% (5) 6% (6)	15% (6) 10% (10)	21% (8) 6% (6)	10% (4) 58% (57)	13% (5) 20% (20)
e) The Public Financing Program enhanced the public's confidence in government.	23% (9) --	28% (11) 3% (3)	18% (7) 6% (6)	8% (3) 7% (7)	15% (6) 71% (72)	8% (3) 14% (14)
f) The Public Financing Program resulted in more equality in financial resources among candidates.	45% (17) 6% (6)	29% (11) 11% (11)	11% (4) 15% (15)	13% (5) 20% (19)	3% (1) 39% (38)	-- 8% (8)
g) During the 2000 elections, the Public Financing Program infringed on the First Amendment guarantee of free speech.	8% (3) 34% (34)	5% (2) 5% (5)	3% (1) 5% (5)	-- 10% (10)	67% (26) 27% (27)	18% (7) 18% (18)
h) Once elected, candidates who participated in the Public Financing Program have been more likely to serve the broader interests of their constituents as a whole and less likely to be influenced by specific individuals or groups.	41% (16) 2% (2)	15% (6) 5% (5)	8% (3) 5% (5)	3% (1) 4% (4)	23% (9) 68% (69)	10% (4) 16% (16)
i) The Public Financing Program had little or no impact on election outcomes.	13% (5) 18% (18)	5% (2) 9% (9)	23% (9) 15% (15)	10% (4) 20% (20)	38% (15) 30% (30)	10% (4) 9% (9)

Note: In each cell, responses for participating candidates are on top and non-participating candidates below.

\*Total missing: a=3, b=2, c=2, d=5, e=2, f=8, g=5, h=3, i=3

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

**Campaign Spending and Issue Advocacy Ads in  
the 2000 Elections in Arizona**

3. Approximately what percentage of your campaign funds in 2000 was spent on each of the following activities during the primary and general elections combined? *(Percentages should add to 100 percent)*

<u>Part.</u>	<u>Non-part.</u>	<u>Activity</u>
7% (37)	16% (89)	<b>General Operations</b> (Fundraising, travel, equipment, etc.)
18% (37)	15% (89)	<b>Advertising</b> (Radio, TV, newspaper, etc.)
65% (37)	63% (89)	<b>Printing/Postage</b> (Direct mail, campaign literature, signs, etc.)
7% (37)	2% (89)	<b>Salaries and Compensation</b>
2% (37)	4% (89)	<b>Other:</b> _____

*Note: Includes only responses that add to 100 percent*

*\*Total missing = 17*

4. Issue advocacy ads do not use terms expressly advocating the election or defeat of clearly identified candidates. For instance, issue advocacy ads do not use terms such as "vote for" or "vote against." An example of an issue advocacy ad would be a general public communication in a newspaper that presents information on three or more candidates' voting records on a particular issue such as gun control, abortion, taxes, or the environment. By using issue advocacy ads, groups may promote their views and positions on issues without triggering matching funds for candidates participating in the Public Financing Program. How important were issue advocacy ads on the outcome of your race in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
5% (2)	4% (4)	Extremely important
5% (2)	6% (6)	Very important
16% (6)	16% (16)	Moderately important
45% (17)	24% (24)	Little importance
29% (11)	51% (51)	Of no importance

*\*Total missing = 4*

5. How easy or difficult was it for you to comply with the Citizens Clean Elections Act's reporting requirements in your 2000 campaign? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
23% (9)	5% (5)	Very easy
28% (11)	3% (3)	Somewhat easy
18% (7)	22% (22)	Neither easy nor difficult
18% (7)	34% (33)	Somewhat difficult
13% (5)	36% (35)	Very difficult

*\*Total missing = 6*

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

**Questions for Only Participating Candidates in the 2000 Elections**

If you were a **participating candidate** in the Public Financing Program in the 2000 elections, please answer Questions 6 through 11; otherwise, if you were a **non-participating candidate** in the 2000 elections, please skip to Question 12.

6. To what extent, if at all, do you agree with the following statements as to why you chose to run your campaign with public funds in the 2000 elections: *(For rows a through g, mark only one box in each row ☒)*

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) Other than collecting "seed money" and the \$5 contributions, I am opposed to traditional methods of funding election campaigns.	25% (9)	25% (9)	11% (4)	14% (5)	25% (9)	0% (0)
b) I did not want to feel obligated to special interest groups or lobbyists.	65% (24)	16% (6)	3% (1)	5% (2)	11% (4)	0% (0)
c) I did not think I would be able to raise enough funds through traditional means to run a competitive campaign.	26% (10)	18% (7)	11% (4)	13% (5)	32% (12)	0% (0)
d) Receiving public funds allowed me to spend more time discussing issues.	50% (19)	24% (9)	8% (3)	11% (4)	8% (3)	0% (0)
e) The matching funds provision of the program discouraged opponents, special interest groups, and lobbyists from campaigning against me.	16% (6)	5% (2)	18% (7)	8% (3)	37% (14)	16% (6)
f) I ran with public funding due to particular circumstances in my district; however, I still have strong reservations about supporting the overall goals of the Public Financing Program.	8% (3)	0% (0)	3% (1)	3% (1)	84% (32)	3% (1)
g) I believe that the Public Financing Program promotes the accountability of legislators to the public.	42% (16)	26% (10)	11% (4)	5% (2)	13% (5)	3% (1)

*\*Missing: a=3, b=2, c=1, d=1, e=1, f=1, g=1*

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

<p>7. Overall, to what extent was the availability of public funding a factor in your decision to run for office in 2000? <i>(Mark only one response ☒)</i></p> <p>36% (14) Very great extent          21% (8) Great extent          13% (5) Moderate extent          5% (2) Some extent          26% (10) Little or no extent  <i>*Missing = 0</i></p> <p>8. How easy or difficult was it for you to collect the qualifying \$5 contributions? <i>(Mark only one response ☒)</i></p> <p>10% (4) Very easy          33% (13) Somewhat easy          8% (3) Neither easy nor difficult          38% (15) Somewhat difficult          10% (4) Very difficult  <i>*Missing = 0</i></p> <p>9. Based on your experience in collecting \$5 qualifying contributions for your race, the set number of individual contributions required was ... <i>(Mark only one response ☒ and explain your choice)</i></p> <p>8% (3) Too high          87% (34) About right          5% (2) Too low  <i>*Missing = 0</i></p>	<p>10. Was the amount of public funding you received in the 2000 elections adequate enough for you to run a competitive campaign? <i>(Mark only one response ☒)</i></p> <p>5% (2) Yes, much more than adequate          15% (6) Yes, more than adequate          31% (12) Yes, adequate          36% (14) No, less than adequate          13% (5) No, much less than adequate  <i>*Missing = 0</i></p> <p>11. Did you engage in fundraising activities during the 2000 elections for any of the following groups or individuals? <i>(For rows a through c, mark one box in each row)</i></p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th align="center">Yes</th> <th align="center">No</th> </tr> </thead> <tbody> <tr> <td>a) A state political party?</td> <td align="center">21% (8)</td> <td align="center">79% (31)</td> </tr> <tr> <td>b) A political action committee (PAC)?</td> <td align="center">16% (6)</td> <td align="center">84% (32)</td> </tr> <tr> <td>c) Other, not listed above? <i>Please specify: _____</i></td> <td align="center">11% (3)</td> <td align="center">89% (25)</td> </tr> </tbody> </table> <p><i>*Missing = a=0, b=1, c=11</i></p>		Yes	No	a) A state political party?	21% (8)	79% (31)	b) A political action committee (PAC)?	16% (6)	84% (32)	c) Other, not listed above? <i>Please specify: _____</i>	11% (3)	89% (25)
	Yes	No											
a) A state political party?	21% (8)	79% (31)											
b) A political action committee (PAC)?	16% (6)	84% (32)											
c) Other, not listed above? <i>Please specify: _____</i>	11% (3)	89% (25)											



**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

**Questions for Only Non-Participating Candidates in the 2000 Elections**

If you were a **non-participating candidate** in the 2000 elections, please answer Question 12; otherwise, if you were a **participating candidate** in the 2000 elections, please skip to Question 13.

12. To what extent, if at all, do you agree with the following statements as to why you chose to run your campaign with private rather than public funds in the 2000 elections: *(For rows a through i, mark only one box in each row)*

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) I am opposed to public funding of election campaigns.	47% (46)	7% (7)	8% (8)	7% (7)	29% (28)	2% (2)
b) I am opposed to the specific provisions of the Citizens Clean Elections Act.	45% (43)	12% (11)	5% (5)	9% (9)	26% (25)	2% (2)
c) I believe that public funds are better used for purposes other than election campaigns.	54% (53)	10% (10)	4% (4)	5% (5)	26% (26)	1% (1)
d) I believe that the use of public funds adds burdensome reporting requirements to election campaigns.	51% (50)	12% (12)	9% (9)	11% (11)	14% (14)	3% (3)
e) I did not want to learn a new campaign finance system.	5% (5)	9% (9)	11% (11)	10% (10)	55% (53)	9% (9)
f) I did not want restrictions on my campaign spending.	22% (21)	8% (8)	7% (7)	12% (12)	43% (42)	7% (7)
g) I had sufficient funds without using public funds.	26% (25)	10% (10)	10% (10)	18% (18)	35% (34)	1% (1)
h) I believe that public funding forces taxpayers to fund candidates that they may not support.	63% (62)	5% (5)	4% (4)	6% (6)	20% (20)	2% (2)
i) I did not want to participate in the Public Financing Program because the legal status of the program was uncertain for much of the 2000 election cycle.	33% (32)	9% (9)	4% (4)	10% (10)	41% (40)	3% (3)

*\*Missing: a=4, b=7, c=3, d=3, e=5, f=5, g=4, h=3, i=4*

**Questions for All Candidates (Participating and Non-Participating) in the 2000 Elections**

13. In your opinion, which played a greater role in attracting new candidates to run for office? *(Mark only one response)*

Part.   Non-part.

16% (6)   58% (57)   Open seats due to term-limited vacancies

37% (14)   8% (8)   Public funding for campaigns

39% (15)   29% (29)   Both factors played equal roles

8% (3)   5% (5)   Unsure

*\*Total missing=6*

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

14. How aware do you think voters were that some candidates chose to use public funds for their campaign in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
5% (2)	2% (2)	Extremely aware
13% (5)	8% (8)	Very aware
39% (15)	21% (21)	Moderately aware
26% (10)	30% (30)	Somewhat aware
16% (6)	40% (40)	Little or no awareness

\*Total missing = 4

15. In your opinion, how effective or ineffective were the required debates as a forum for informing citizens about campaign issues in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
5% (2)	3% (3)	Very effective
34% (13)	16% (16)	Generally effective
24% (9)	23% (23)	Neither effective nor ineffective
24% (9)	27% (27)	Generally ineffective
13% (5)	32% (32)	Very ineffective

\*Total missing = 4

16. In your opinion, what effect did the Public Financing Program have on the role of the State Democratic Party in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
63% (24)	40% (39)	Strengthened the role
34% (13)	55% (54)	Had no effect on the role
3% (1)	5% (5)	Weakened the role

\*Total missing = 7

17. In your opinion, what effect did the Public Financing Program have on the role of the State Republican Party in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
11% (4)	11% (11)	Strengthened the role
56% (20)	70% (70)	Had no effect on the role
33% (12)	19% (19)	Weakened the role

\*Total missing = 7

18. In your opinion, to what extent did the Public Financing Program increase the number of candidates other than Democrats or Republicans who ran for office in the 2000 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
8% (3)	5% (5)	Very great extent
13% (5)	14% (14)	Great extent
29% (11)	23% (23)	Moderate extent
16% (6)	22% (22)	Some extent
34% (13)	36% (36)	Little or no extent

\*Total missing = 5

**Questions for All Candidates Regarding  
Elections in 2002 and Future Years**

19. Are/Were you a candidate this year in Arizona's 2002 primary or general elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
39% (15)	58% (59)	Yes → <i>(Continue with Question 20)</i>
61% (23)	42% (42)	No → <i>(Skip to Question 21)</i>

\*Total missing = 4

20. Are/Were you a Public Financing Program participating or non-participating candidate this year in Arizona's 2002 elections? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
93% (14)	19% (11)	Participating candidate
7% (1)	81% (47)	Non-participating candidate

\*Total missing = 1

21. Assuming that you were to run for state office in 2004, would you run as a participating candidate under the Public Financing Program? *(Mark only one response ☒)*

<u>Part.</u>	<u>Non-part.</u>	
71% (27)	13% (13)	Definitely yes
21% (8)	23% (23)	Probably yes
8% (3)	27% (27)	Probably no
--	38% (38)	Definitely no

\*Total missing = 4

**Appendix V: Survey of Candidates for Office  
in the Arizona 2000 Elections**

22. To what extent, if at all, do you agree with the following statements about the 2002 and future elections in Arizona: (For rows a through h, mark only one response in each row ☒)

	Very great extent	Great extent	Moderate extent	Some Extent	Little or no extent	No Basis to Judge
a) Increasing numbers of candidates will choose to run with public funds.	56% (22) 18% (18)	31% (12) 35% (36)	10% (4) 18% (18)	3% (1) 14% (14)	-- 14% (14)	-- 2% (2)
b) Increasing amounts of money will be spent for issue advocacy ads.	10% (4) 17% (17)	18% (7) 38% (39)	36% (14) 20% (20)	8% (3) 13% (13)	13% (5) 7% (7)	15% (6) 6% (6)
c) Special interest groups and lobbyists will play an increasingly significant role.	13% (5) 28% (28)	5% (2) 16% (16)	23% (9) 21% (21)	18% (7) 11% (11)	36% (14) 18% (18)	5% (2) 6% (6)
d) Independent expenditures* will play an increasingly significant role.	15% (6) 26% (26)	18% (7) 26% (26)	21% (8) 27% (27)	26% (10) 9% (9)	13% (5) 9% (9)	8% (3) 4% (4)
e) Well-financed individuals and groups will continue to try to find a way to influence decision-makers.	41% (16) 54% (55)	46% (18) 19% (19)	10% (4) 14% (14)	3% (1) 6% (6)	-- 5% (5)	-- 2% (2)
f) The Public Financing Program should be repealed.	11% (4) 52% (53)	-- 5% (5)	5% (2) 3% (3)	-- 8% (8)	76% (29) 22% (22)	8% (3) 10% (10)
g) The Public Financing Program should be continued.	77% (30) 16% (16)	3% (1) 6% (6)	8% (3) 7% (7)	-- 6% (6)	13% (5) 57% (56)	-- 8% (8)
h) The Public Financing Program cannot be definitively evaluated based on one election year.	15% (6) 29% (29)	8% (3) 15% (15)	28% (11) 12% (12)	8% (3) 15% (15)	36% (14) 22% (22)	5% (2) 7% (7)

Note: In each cell, responses for participating candidates are on top and non-participating candidates below.  
\*Total missing: a=2, b=2, c=4, d=3, e=3, f=4, g=5, h=4

\* Independent expenditures are defined as spending by individuals or groups on communications with voters that expressly advocate the election or defeat of a clearly identified candidate, made without coordination or consultation with any candidate. In certain cases, independent expenditures can trigger matching funds for participating candidates.

**Additional Comments**

23. Please provide any other comments you feel are important about the effects of Arizona's Public Financing Program.

See Appendix VI for a complete listing of the comments provided to this question by survey respondents.

Thank you very much for participating in this survey!

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# Appendix VI: Comments Received in Our Survey of Candidates for Office in Maine's and Arizona's 2000 Elections

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Our survey by mail<sup>1</sup> of all candidates for office in Maine's and Arizona's 2000 elections contained an ending statement inviting respondents to provide any comments they believed were important about the effects of the respective state's public financing program (see app. IV and V). We did not independently evaluate the merits of the respondents' comments. However, we did group and list the comments by topic, as presented in the following two sections—the first for comments provided by Maine candidates and the second for comments provided by Arizona candidates. With some exceptions, such as responses that were irrelevant or unclear, substantially all of the comments are arrayed by topic in a table in the respective section. To ensure inclusiveness and avoid subjectivity in presenting the comments, we did not eliminate any candidate's comments even though the comments perhaps were the same as (or very similar to) comments made by another candidate. Also, except for some minor editing for grammar or clarity, the comments are presented as worded by the responding candidates.

As perhaps may be expected, many of the comments followed ideological lines. For example, although there were some exceptions, nonparticipating candidates generally commented that financing the campaigns of political candidates was an inappropriate use of tax dollars, whereas participating candidates usually endorsed public financing. Collectively, the widely divergent and sometimes virulent comments seem to indicate that reaching a consensus regarding the value of the public financing programs may be unlikely, at least in the foreseeable future.

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## Comments Provided by Maine Candidates

We received written comments from 157 respondents to our survey of candidates for office in Maine's 2000 elections. In reference to Maine's public financing program, the 157 respondents consisted of 97 nonparticipating candidates and 60 participating candidates. Table 25 presents the comments of the responding candidates.

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<sup>1</sup>Appendix I discusses the scope and methodology of our work regarding the survey questionnaires we mailed to candidates. This work—including pretesting of the questionnaires, initial distribution, and follow-up inquiries—was conducted during July through December 2002. We mailed the survey to the candidates in mid-August 2002, which was close in timing to the primary election date in each state. Maine's primary election was June 11, 2002, and Arizona's primary election was September 10, 2002. Although the survey was mailed to candidates who ran in Maine's and Arizona's 2000 elections, some of the comments provided by the candidates were related to events surrounding the 2002 elections in each state.

**Appendix VI: Comments Received in Our  
Survey of Candidates for Office in Maine's  
and Arizona's 2000 Elections**

**Table 25: Comments Received in Our Survey of Candidates for Office in Maine's 2000 Elections**

<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
<b>Use of public funds</b>	<p>The public financing program is a tax on the citizens of this state and is allowing a large amount of money to be spent by some individuals at taxpayers' expense.</p> <p>Tax funding of campaigns is an immoral and unproductive welfare program for politicians and will not work. I advocate abolishing all contribution and spending limits and reporting requirements. Campaign finance laws protect incumbents and enhance the power of the press, while destroying the First Amendment rights of others.</p> <p>I am opposed to spending Maine's hard-earned tax dollars on campaigns. If you are popular with your constituents and they believe in you and what you stand for, they will donate to your campaign.</p> <p>I totally disagree with using the state's tax dollars and general fund to finance candidates. If clean elections was based on only the amount collected for the signatures, I may support it. Otherwise, it adds one more layer of state bureaucracy.</p> <p>No taxpayer should be forced to support a candidate financially. Political action committee (PAC) spending and union support (i.e., workers paid with no management accounting for cost) made the so-called "clean" election system a joke. GAO's questionnaire is slanted towards the continuance of this outrageous program.</p> <p>My strongest objection to the program is that it forces taxpayers to fund candidates that they may not support.</p> <p>Many people complained to me that their money should not be used for everyone. They felt the candidate should raise his or her own money with a cap on the amount spent.</p> <p>Public funding is a bad way to finance campaigns.</p> <p>There are better uses of public money. If people would use it, accountability exists in the private funding system.</p> <p>Publicly funded elections fly directly in the face of freedom.</p> <p>Tax dollars should not be used for campaigns.</p> <p>Paying health insurance for our retired teachers should be done before we begin to subsidize names on ballots. Maine has the highest state and local taxes of any state in the nation, and our income tax hits its highest rate at approximately \$14,000 per year. Our legislative districts are small; raising campaign contributions by canvassing door to door and attending PTA meetings is the norm. People know each other here.</p>	<p>This is a good program and should be continued, although some changes are needed.</p> <p>This is a great program. It needs to be continued, with some tightening-up of loopholes.</p> <p>This is a terrific program, even if it is not perfect.</p> <p>My personal experience was that the public financing program was a valid attempt at campaign reform.</p> <p>While the public financing program is not perfect, it begins the process of returning power to the people.</p> <p>The program has enhanced democracy and will return power to voters in the long run.</p> <p>This program helps the electoral process and is good for democracy.</p> <p>Maine's public financing program should be a pilot program for federal elections.</p> <p>The Maine Clean Election Act is the best thing that could ever happen to our government. It is a great example for national elections, and such reform should be greatly encouraged.</p> <p>I support the use of publicly funded elections. I think it is good for the people of Maine and, for that matter, any state.</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>The money spent on this program could be spent on the needs of senior citizens, such as prescription drugs.</p> <p>Maine cannot afford to fund candidates at the expense of taxpayers.</p> <p>I am not a proponent of the public financing program. In difficult times, as we now have, I do not feel that taxpayers should be funding elections.</p> <p>Public financing is another drain on public funds.</p> <p>The public financing program is another sock-it-to-the-taxpayer form of taxation. In my opinion, voters were not aware of what they were voting for in 1996. The voters saw the words "clean elections" and thought it would solve the issue. The program infringes on the First Amendment guarantee of free speech.</p> <p>With \$250 million or more in revenue shortfalls versus spending commitments, Maine should not be financing elections when there are insufficient funds to pay for day-to-day operations of government.</p> <p>Due to the present state deficit, the public funding program should be reduced or repealed. It is a luxury that the state can ill afford. It is hard for me to use taxpayers' money when there are so many more important needs.</p> <p>Public financing is wonderful for first-time candidates because they have difficulty raising money. But, special interests will always find ways to promote their allies. Thus, all in all, tax money can be put to better use.</p> <p>I ran with traditional financing in 2000 and with public financing in 2002. Public funding has made it easier to run as a state representative; I have more time to go to the voters' homes. But, I am not sure if they like candidates spending taxpayer money.</p> <p>Taxpayer funds should not be spent in this manner. Taxpayers have no real understanding of the process and the "games" that are played.</p> <p>There are lots of problems with this program. It should be repealed.</p> <p>Public financing has added millions of dollars to political campaigns without any other noticeable changes. We are spending public funds on something that is of no benefit to the taxpayers. Ask the person on the street if his or her legislator is a participant or not in the public financing program. The blank stare you get will answer your question.</p> <p>The current budget crisis will erode public support for taxpayer funding of politicians, as will the giving of \$1 million in public funds to a Green Party candidate for governor.</p>	

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
<b>Number of candidates and electoral competition</b>	<p>The only reason more candidates will opt for public financing is that the law and its implementation are punitive towards traditionally funded candidates.</p> <p>This year (2002), there seem to be quite a few candidates, at least in my area, who have chosen to be clean election candidates. They did it only to avoid having to raise money. They did not talk to constituents to obtain the \$5 contributions; friends did it for them. The law has made candidates more lazy, especially incumbents.</p> <p>More candidates are choosing public financing because it involves no fundraising efforts. It is a somewhat lazy approach of letting taxpayers do your work.</p> <p>If the goal of Maine's public financing program was to elect people for office who would not normally be elected, I believe it was partly successful. Time will tell if the people got what they wanted.</p> <p>Maine's public financing system has proven to be very successful. It especially helped to recruit female candidates.</p> <p>The public financing program has made it easier to find candidates in rural districts.</p> <p>The program may have encouraged some candidates to run, but it has not had much effect in my opinion.</p> <p>This may be a simplistic view, but I think the Maine Clean Election Act does make a difference. Although I withdrew my candidacy, I considered it much more seriously because I knew public funding would help me to run a decent campaign against a very strong incumbent.</p> <p>The program has encouraged massive fraud by having insincere "paper candidates" take the money and run half-hearted campaigns just to tie up the incumbent. Also, they use the money (for phone banks, graphic artists, overhead, etc.) to support other competitive campaigns. Further, because fundraising expenditures are not deducted, conventional candidates have a financial disadvantage.</p> <p>People voted for the Maine Clean Election Act because they thought dirty campaigning (e.g., personal attack ads) would stop. Yet, the 2000 election was one of the dirtiest campaign scenes that I have witnessed in over 30 years. I got many calls asking, "How come so and so can say that about her opponent?" I explained that all Maine's Act does is to ensure that tax dollars will pay for participating candidates' campaigns. This is a very bad piece of legislation.</p> <p>Races will continue to get nastier because, by law, independent expenditures and issue advocacy spending cannot be coordinated with or attributed to candidates.</p>	<p>The program gives a greater number of people a chance to run for office.</p> <p>I support Maine's public financing program. We have been able to recruit more candidates of diverse backgrounds.</p> <p>I know my opponent could not have run without public funding, and I am pleased that he did run.</p> <p>Without public funding, I would not have been able to launch a campaign or run as a candidate.</p> <p>Absent the public financing program, I seriously doubt that I would have ever run for office. And, I am sure that many other candidates were similarly influenced by the program.</p> <p>I remain a committed supporter of clean elections. A greater and more varied population of candidates is now able to run. The requirements are high enough to exclude candidates who lack community support or credibility. The system is well run in Maine.</p> <p>Public financing is changing the nature and number of candidates and campaigns in Maine. In particular, third-party candidates are accessing funds to run viable campaigns. In general, my constituents seem to support the motivating principles that initiated this program but do not understand where the money is coming from.</p> <p>I have significant concerns when a third-party candidate, such as the Green Party's gubernatorial candidate in the 2002 election, can get public funding even though he received a mere 5 percent of the votes in the previous election. It is a terrible waste to use public funds for an unelectable candidate's propaganda.</p>

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	<p>I am very concerned about how marginal third-party candidates will influence the outcome of close elections. I think we will have too many officials elected with less than 50 percent of the vote. We may need to have run-off elections.</p> <p>Public financing only clutters the field of candidates by putting radicals on the ballots—radicals who get support only from a few other radicals. If a candidate cannot garner enough support to run, he is not capable of performing the duties of office. The people know who should run, and they show it with contributions. Get rid of public financing!</p> <p>Soliciting contributions enlightens the voters about the political program of the potential candidate. Also, this traditional fundraising process shows the reluctance of voters to contribute or not contribute to the candidate's program.</p> <p>Public financing is creating a Green Party spoiler in the governor's race in the 2002 election.</p>	<p>Candidates running for a higher or statewide office (e.g., governor) should have to demonstrate viability by first being elected to serve in a lower office.</p> <p>The only reservation I have is that public financing can be obtained by people who cannot win an election because they are too single-issue oriented or are not widely supported. They become spoilers, potentially causing candidates to be elected by a plurality rather than a majority.</p> <p>There are about 4,000 to 5,000 voters in each House district. A candidate's physical ability to campaign has at least as much to do with the outcome as money. It is possible to knock on every door in a district if necessary.</p> <p>Party loyalty and party organization are critical to helping a clean elections candidate. Such candidates must have a "campaign place" in order to be effective.</p>
<b>Interest Group Influence</b>	<p>The implication that publicly funded candidates are "clean" and traditional candidates are not is offensive to me. The hypothesis that Maine legislators are driven by whoever provides financial support to campaigns is bogus. This program is a solution looking for a problem.</p> <p>I resent the fact of being labeled a dirty candidate if I do not participate in the program.</p> <p>The "clean election" designation for those taking advantage of the public funding program implies that the traditional candidate may not be "clean." This is unfortunate and should be changed.</p> <p>The use of "clean" is a poor choice of words as it denotes a negative for the other candidates.</p> <p>I think the public is being deluded into thinking that public financing takes big money out of elections and that the term "clean candidate" means something. I also think partisanship is even more involved in elections now than when individuals had to pay their own way or raise their own funds.</p> <p>Maine's current law does not adequately limit the behind-the-scenes roles played by the most powerful players, that is, the parties and their most powerful lobby groups—business, labor, National Rifle</p>	<p>Accepting public financing gives me the feeling that I truly represent the people and not a lobby.</p> <p>Running as a clean election candidate was a liberating experience that most people seemed to appreciate.</p> <p>The program has contributed to lessening the impact on and control of candidacies by special interests. However, term limits have increased the impact of lobbies in the halls and committee rooms. The final result regarding the influence of lobbies may be negligible, but more "regular" people are running for office.</p> <p>Public confidence in politics is crucial if democracy is to survive. Publicly financed campaigns help to increase that confidence by leveling the playing field and driving candidates</p>



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	<p>Association, abortion rights, etc. They put out the most blatant negative ads and literature. Successful candidates know exactly to whom they are beholden, even if the candidates received no money directly from these groups.</p>	<p>back to grassroots campaigns that connect them directly with voters.</p>
	<p>If the program's purpose was to ensure some integrity in the election process, it is a huge failure. If they lack integrity, candidates and supporters will always find loopholes.</p>	<p>There is no question that public financing requires constituent participation. Running a campaign is not about getting and raising money; it is about meeting and talking to the people and engaging them in the election process.</p>
	<p>I feel that the program has increased negative presentations by advocacy groups, and it could have the effect of weakening the two-party system. Special interests rather than candidates will have the greatest voice. Without their consent, candidates could be endorsed by groups in ads that do not reflect the candidates' views.</p>	<p>I welcomed the ability to be independent from groups who try to exert influence on the basis of monetary support.</p>
	<p>I believe the program has helped restore the public's faith in the integrity of candidates. Hopefully, many other states, and eventually Congress, will adopt public funding of elections.</p>	<p>To be elected to the state legislature and not feel beholden to anyone except my constituents is a liberating feeling.</p>
	<p>I did not accept funding from any group. I ran a low-key campaign and paid my own bills. In this way, when I walked through the door at Maine's House of Representatives, I was my own person. I owed no one person or any group anything.</p>	<p>The most important effect of the public financing program has been to free legislatures from the influence of campaign contributors.</p>
	<p>The public funding program removes a certain contact with people for fundraising. Some view traditional candidates as being influenced by funding services; others view such candidates as being responsive.</p>	<p>The program has removed private fund raising. The issue is: How influential were the private check writers on the way legislators voted. It did not impact me, because I voted on the basis of whether legislation was good or bad for my constituents and the people of Maine.</p>
	<p>I have found that voters generally do not care whether you are running as a publicly funded candidate or not. Maine's Act was passed as a knee-jerk reaction to a ballot irregularity.</p>	<p>I like the idea of not having to answer to big companies after they give big bucks to your campaign.</p>
	<p>Until honest people are elected, you will not have clean elections. Maine's law does the complete opposite of its intended purpose.</p>	<p>I felt a great deal of freedom after being elected because I had only my constituents to answer to.</p>
		<p>Make Maine's law stronger and continue to reduce the role of lobbying groups.</p>
		<p>The program may lead to changing this country from an oligarchy of corporate and special interests to something approaching democracy. I probably would not be a traditionally</p>

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<b>Campaign spending: independent expenditures and issue advocacy spending</b>	<p>Independent expenditures are a big problem for senate and statewide office races.</p> <p>Maine now has a soft money problem where none existed before. Our campaigns are now much more expensive, and the races have more dirty politics than ever. Political action committees (PACs) spend the same or more money now—in addition to the “clean funds,” doubling expenditures. The public can no longer trace the money being dumped into campaigns. Special interest groups and lobbyists are stronger here now more than ever because it is almost impossible to get elected without PAC expenditures. More issue advocacy and soft money move through the party organizations. This program was a bad move for Maine.</p>	<p>funded candidate because financial influence is too much of a precedent in state and national campaigns.</p> <p>It is time that the rich, both personal and companies, be stopped from running our country. With “clean elections,” the candidates’ time and energy will be spent on communicating and working with the people they represent.</p> <p>The general public is in great need of education regarding the benefits of publicly financed elections systems. The public believes that all politicians are bought and paid for by special interest groups, and the public is not all wrong.</p> <p>I wish PACs and special interests could be stopped from interfering with democracy.</p> <p>The way Maine’s law is now written, a publicly funded candidate must demonstrate a strong fund-raising ability and come up with more private donors than usually found in a traditional campaign. Where are likely donors found? Sources are the same as used by traditional candidates—groups with membership lists, such as political parties, unions, service organizations, non-profit and activist entities, and church groups, as well as people you work with. In short, special interests have not been removed from campaigns.</p>
		<p>I am very concerned that independent expenditures and issue advocacy will be the major source of information for the voters. Both of these types of communications come from somewhere other than the candidate, perhaps even serving to trump the candidate’s message due to unlimited funds. The increase in independent expenditure is an unintended consequence of public funding.</p>

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	<p>Maine's public financing program has created a major problem with soft money—independent expenditures and issue advocacy—where none existed before.</p>	<p>Issue advocacy spending is a loophole in the clean elections law. Under current policy, participating candidates can benefit from such spending without breaking the rules of the public financing program. It puts candidates who follow the program fairly at a disadvantage. We must not allow issue advocacy communications to mention the names of candidates or parties.</p>
	<p>The public financing program has created a soft money problem in Maine, when no problem existed prior to the change.</p>	
	<p>Independent expenditures are increasing. Every candidate under a true clean election system should receive exactly the same amount of funds, and independent expenditures should not be allowed under the law.</p>	
	<p>I ran as a traditional candidate in 2000. I am running with public funds in 2002 because my opponent is also publicly financed. There are too many ways that independent expenditures can be made and just as many ways the incumbent can spend to inform his or her constituency. Public financing is not always really an equal playing field. Why not just limit the amount of money a candidate can raise?</p>	<p>Independent expenditures are the only trouble spot. I do not know how to solve it, except by requirement to file (maybe 6 weeks before the election) an "intent" to make expenditures on behalf of a candidate. It drove me crazy when a group in 2000 did a mailing on my behalf that misled voters on where I stood on the issue. I had no control over the mailing, which also resulted in freeing up money for my opponent to spend.</p>
	<p>It is erroneous to believe that candidates are unaware of independent expenditures. Both Democratic and Republican party leaders use PACs to exploit the loophole.</p>	
	<p>If public funds are used, PACs should be outlawed.</p>	
	<p>The "clean" candidates are using "leadership PACs" to collect funds for other candidates. The parties are finding ways to get around limits. Labor unions and interest groups are just going on as usual.</p>	<p>There is no accountability for independent expenditures. A publicly financed candidate is at the mercy of last-minute independent expenditures for opponents and has no opportunity to respond in kind before the election.</p>
	<p>PAC money can be used by all except the candidate. It is much too easy to get around the regulations.</p>	
	<p>In its infancy, the public funding program creates more of a hardship for the participating candidate, as the races most often are composed of one participating and one non-participating candidates. Traditional candidates have the ability to go to special interest groups and bury a publicly financed opponent under a volume of ads.</p>	<p>Candidates should not be allowed to create their own PACs.</p>
	<p>The public financing program does not help the system because more independent expenditures are occurring, which thwarts the intent of the program.</p>	<p>Leadership, particularly in the Democratic Party, continues to raise monies to share with candidates.</p>
	<p>I have already seen an extensive shift to advocacy advertising. It is a real change in how elections are done. Total spending has really grown.</p>	<p>There should be limits on independent expenditures and outside monies. I ran my campaign in one of Maine's poorest counties; to ask individuals to finance large amounts for politics is obscene.</p>
	<p>Independent candidates, such as myself, are seriously disadvantaged in that there are no limits on issue advocacy spending and independent expenditures, since no one does these on our behalf. I did not chose public financing, but not because of spending limits. I won each of my races with increasing majorities and spent far less than \$6,000. Campaigns do not have to be expensive.</p>	<p>To limit "hard" money from going "soft," there must be restrictions (e.g., disclosure, disincentives, etc.) on independent expenditures.</p>

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<b>Campaign spending: overall amounts</b>	<p>I think that if you are running as a clean candidate, none of the parties should spend money on the candidate.</p> <p>There is more money in Maine politics than ever before. The clean elections law has done more harm than good.</p> <p>Public financing of elections has increased the amount of money spent on campaigns in this state. I am sorry that I voted as a legislator for this program.</p> <p>Having a publicly financed opponent in 2000 drove my spending higher because I knew he had enough money for radio and TV; and, his party was running negative ads against some of our candidates. I bought several thousand dollars of radio ads that I had not planned to spend. I expect to spend less money in the 2002 election because my opponent did not qualify for public funds.</p> <p>I was unopposed in my 2000 campaign; the total cost was only about \$1,900. Public financing reduces the fund-raising of traditionally financed candidates. Some constituents who support public financing no longer contribute to the campaigns of privately funded candidates, although the constituents still support the candidate and did contribute in the past.</p> <p>I found that candidates who were in the public financing program bragged about the fact that they spent more money than when they were not in program because it was not money they had to raise.</p> <p>All candidates should be allowed to receive and spend no more than \$5,000 per campaign year to support their campaign—or an amount equal to that of their opponent, if less than \$5,000.</p> <p>I limited my campaign expenditures to \$5,000 and dedicated my efforts to the less-costly, door-to-door campaign.</p> <p>The provisions of the law that made corporate contributions illegal and reduced the maximum contributions from individuals were good.</p> <p>Allowing matching funds for little effort by a public financed candidate does not make sense. An example is the Green Party candidate in the 2002 gubernatorial race. Consistently unable to get votes from Maine voters, he will probably get over \$1 million of taxpayer money and may become a “spoiler.”</p>	<p>I feel that the public financing program decreased the amount of money spent in my race.</p> <p>Publicly financed campaigns helped me to be more responsible with my finances. I made a conscious effort to be more thrifty so as not to deplete the public coffer.</p> <p>Maine's public financing program has removed a lot of “big money” from legislative races.</p> <p>I take exception to the fact that candidates who participated in the public funding program were still able to be associated with PACs.</p> <p>If you are a “clean election candidate,” you should not be allowed to form a PAC for a leadership position.</p> <p>A candidate should be allowed to spend only the allotted amount of money—with no other financing, such as PACs.</p> <p>Unfortunately, pressure to raise money for the party caucuses will continue to affect voting within the parties at the state level.</p> <p>More funds should be available to challengers than to incumbents, who have the advantage of receiving extra press coverage and using their office newsletters and materials from previous elections.</p>

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	<p data-bbox="354 464 1101 537">Lots of public money goes to the participating candidates, who spend about four times the amounts they would spend if taxpayer funds were not being used.</p> <p data-bbox="354 573 1101 646">The public funds are too easily spent—overkill on signs and junk—a big waste. Many candidates who use public funds know it is a joke; but, it is easy money.</p> <p data-bbox="354 682 1101 863">The amount of money needed to finance a House of Representatives race in rural Maine is not the same as that needed for urban areas. If the Maine Clean Election Act is retained, the initial dollars to be distributed to a participating candidate should be recalculated based on the particular district's record. Having an opponent who was publicly funded forced me to more than double my funding and expenditures in 2002 compared to 2000.</p> <p data-bbox="354 898 1101 972">Because public funding amounts are based on average expenditures in previous cycles, the program pours money into non-competitive races and provides insufficient funds for competitive districts.</p> <p data-bbox="354 1008 1101 1060">Public funding is more important in Senate races than House races because of geography and the need for more campaign dollars.</p> <p data-bbox="354 1096 1101 1169">In early 2002, thousands of dollars were given out in public financing for a special election to fill a vacated legislative seat. These sums led to a spending spree for a seat to be filled for only a few weeks.</p> <p data-bbox="354 1205 1101 1276">Participation in the public financing program makes a candidate think before spending. The program is a step in the right direction and is good for cleaner elections.</p>	<p data-bbox="1130 464 1520 720">In 2000, inadequate funding was available for Senate races. As an incumbent, I had a huge advantage over my publicly funded opponent. In 2002, I faced a traditionally funded opponent. Loopholes allowed him to raise money in an uncontested primary—money that never will be matched and gave him an unfair advantage.</p> <p data-bbox="1130 756 1520 993">In 2000, I had no opposition in my race for the state legislature. However, because I am so passionate about public financing, I ran as a clean elections candidate. In 2002, I am running again with public funds. I have a Republican opponent and feel that I have more than enough money to win again.</p>
<b>Program scope</b>	<p data-bbox="354 1289 1101 1341">All candidates should be on an equal playing field. Either all candidates or none should be publicly financed.</p> <p data-bbox="354 1377 1101 1402">The program is flawed because it is not mandatory and universal.</p> <p data-bbox="354 1438 1101 1484">Public financing should be for all candidates or none. As it stands now, the program is a farce.</p> <p data-bbox="354 1520 1101 1623">For this system to work, it must become a requirement across the board. I sincerely hope this will happen, because it then will accomplish what I would like to believe was the original purpose—to elect representatives unencumbered by obligation to select populations.</p> <p data-bbox="354 1659 1101 1705">The program should apply only to candidates for the state legislature and not to gubernatorial candidates.</p>	<p data-bbox="1130 1289 1520 1419">I believe that public financing should not be granted to incumbents. The program's purpose should be to encourage newcomers and not to perpetuate career politicians.</p>

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<b>Program administration</b>	<p>The Maine Governmental Ethics and Election Practices Commission is run by the majority party. Thus, one party is "off the hook," and the other party's members are harassed.</p> <p>The reporting procedures are a burden and unreliable.</p> <p>Sections of Maine's law regarding reporting are problematic. What happens when a non-participant goes over time frames and limits for outside expenditures?</p> <p>The reporting forms and information requirements are worse than those for tax purposes.</p> <p>The idea of publicly financed campaigns is good. It is my perception, however, that Maine's program adds to the time spent on filling out and filing forms. One of my greatest fears is that I may make a mistake on a form, or fail to submit a report on time, and be held up to criticism as an incompetent or a criminal. The system should be simplified if it is to be effective.</p> <p>The requirement for \$5 contributions should be dropped; people do not understand it.</p> <p>The use of money orders for the \$5 contributions should be banned. Anyone can generate money orders to get credit for the required number of contributors.</p> <p>I do not believe the public in general knows a great deal about the public funding process, unless they know a particular candidate who is running in the program.</p> <p>I did not run with public funds because I did not want to deal with the requirements. But, even though I got no public money, I ended up having to deal with the program's requirements anyway because my opponent participated. So, in the future, I think that I will run with public funds if my opponent does.</p> <p>Another bureaucracy will expand, more forms will be created, and the bureaucracy in general will begin to influence who runs for public office and how. Eventually, the state will be making more rules in how people should run.</p>	<p>The possibility of abuse should be studied so as to avoid candidates taking advantage of the process. Greater clarity needs to be brought to the process. A candidate was able to spend \$385 for a dinner for four people, while I was not allowed to purchase a copy machine that cost less.</p> <p>My local jurisdiction consistently violated my civil rights and made it almost impossible for me to comply with the new law in a timely fashion.</p> <p>To be useful, matching funds based on last-minute expenditures by a non-participating candidate should be sent out earlier than the last week of the campaign. Also, collection of the \$5 contributions should be allowed in cash if the donees sign the appropriate form.</p> <p>There are lots of issues dealing with the timing of funds. My opponent "hid" his expenses until the last minute. So, my matching funds came too late to be helpful.</p> <p>Planned expenditures (with the knowledge of the candidate) timed just before the election must be controlled. The matching funds arrive so late they have to be returned because it would be a waste to run a responding ad for the election.</p> <p>When the \$5 contributions are received, the routing numbers on the checks should remain private for their protection. Also, the law needs to be more specific about whether more than one check is needed for contributions from family members.</p> <p>Other than the last-minute expenditures of funds on behalf of Republican and Democratic candidates—expenditures made so late (although no doubt planned much earlier) that the matching funds could not be intelligently spent—I</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
		<p>believe that the public financing program worked well and was fairly implemented by the state officials.</p> <p>One loophole involves bank accounts opened by a candidate's family members and used to promote the candidate.</p> <p>I ran against an incumbent who was able to send out a flyer at state expense describing her accomplishments as a state senator, and she had weekly articles in the press. None of this counted as campaign expenses. The limitations of Maine's Act prevented me from countering this. I could afford only one flyer and just one or two small newspaper advertisements. Our press releases on issues were not considered newsworthy, while an incumbent senator's activities were. GAO's survey did not explore the effect that incumbency has on campaigning.</p> <p>There remain loopholes to be closed, such as last-minute expenditures that might incur a small "penalty" but would result in an election victory.</p>
<b>Other</b>	<p>At the outset, the system seemed complicated. But, once tried, the participants showed that it could be almost fun, politically speaking. Candidates had an additional chance for face-to-face contact with potential constituents, and the candidates boasted about how well they were able to do.</p> <p>I did not use public funding because I did not have time during the busy legislative session.</p> <p>The public program is ridiculous. Repeal this program or remove the holes left for money to still flow in. In its current form, the program is a sham.</p> <p>The name of the program should be changed to "Maine's Taxpayer-Funded Elections Law."</p> <p>In the 2000 election, I came in on the deadline and was unable to qualify for public funding; the funds would have assisted me greatly. In the 2002 election, I did qualify and find that I can better use my time talking with and listening to people in the district. I support the Maine Clean Election Act.</p>	<p>In Maine, the essential reality is that you are at a competitive disadvantage if you do not run as a participating candidate.</p> <p>My opponent and I both used public funds. We treated each other with respect, and we encouraged our supporters not to use dirty tricks. We cooperated in trying to show that a clean campaign was better for all, even though we disagreed remarkably on the issues.</p> <p>Term limits must be repealed. Limits are needed only on the number of years in committee chair and leadership positions. State agencies and lobbyists are becoming more and more powerful because of term limits.</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>No one wants to run for office. The biggest problem is low pay and the amount of time spent in the state capital. You have to be retired or a secondary wage earner in order to take the time needed.</p> <p>I am pleased to be running as a publicly funded candidate in my second campaign (2002); it proved to be simpler to manage.</p> <p>More time is needed to evaluate the program.</p> <p>For every hour of effort that goes into drafting a law, three are spend trying to skirt it.</p> <p>In 2000, my publicly financed opponent found numerous ways to get around the regulations. It made a mockery of the intent of the law. The program gave her free assistance, which was worth a great deal financially. Whatever one person invents, another person will find a way to circumvent.</p> <p>Influential parties and organizations are already trying to sway public opinion against public financing.</p> <p>The law had no effect on number of votes cast.</p> <p>The program is a wasted effort..</p>	<p>In 2000, I decided to run for office because of term limits. Because I was new to politics, the Democratic chair thought I should go with public funding. It was right for me at the time.</p> <p>The state legislature wanted to make many changes in the public funding program after the first election cycle. Small tweaking is okay; but, in my opinion, there should be no real big changes until after one or two more election cycles.</p>

Source: Response to question 25 of GAO's survey of candidates for office in Maine's 2000 elections (see app. IV).

Note: Each sentence (or paragraph) entry under a given topic in the table is a comment uniquely attributable to one candidate. That is, under each topic, each entry is a comment from a separate person. Some candidates provided comments that covered more than one topic. In these instances, the table presents the applicable portion of the comments under the appropriate topic.

## Comments Provided by Arizona Candidates

We received written comments from 86 respondents to our survey of candidates for office in Arizona's 2000 elections. In reference to the state's public financing program, the 86 respondents consisted of 66 nonparticipating candidates and 20 participating candidates. Table 26 presents the comments of the responding candidates.



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**Table 26: Comments Received in Our Survey of Candidates for Office in Arizona's 2000 Elections**

Topic	Nonparticipating candidate comments	Participating candidate comments
<b>Use of public funds</b>	<p>The public financing program should be judged unconstitutional. Arizona laws already restrict campaign fundraising and provide for full disclosure. The public funding program is an issue of the Democrats, was given a catchy name on the ballot, and is supported by the liberal media. The program's purpose is to gain advantage over Republicans.</p> <p>The public was hoodwinked to approve this initiative (by a margin of less than 1 percent) with ads stating the initiative would "get dirty money out of politics."</p> <p>The public financing program should be available for all city, state, and federal elections.</p> <p>Since the number of participating candidates increased significantly from 2000 to 2002, many candidates must feel that public financing is a good program. I surely do. In 2000, there was too much uncertainty about the law to use it in a competitive district. I spent only \$7,000 and lost by 180 votes out of 12,000. My opponent spent \$40,000 or nearly \$200 for each of the 180 votes.</p> <p>Although it would have saved me time and money, I do not believe it is the government's role to finance campaigns. Taxes are too high, and these dollars should be used on beneficial programs.</p> <p>Public financing is campaign welfare.</p> <p>The program wastes public funds, infringes on free speech rights, goes against the founding principles of our country, and increases fraud.</p> <p>Arizona is in dire financial need. These funds should be spent on existing programs now being cut or eliminated. Candidates, staff, and precinct committeemen start looking like beggars trying to achieve their quotas of \$5 contributions.</p> <p>The program is a socialist scam.</p> <p>Public funding is a terrible program and will destroy the democratic elections process if continued.</p> <p>Most candidates, including me, have little faith in the ability of the new public financing program to work. The program is tyrannical, punitive, and anti-American. It is lazy man's financing.</p> <p>All candidates should raise their own money. If you cannot raise money—i.e., you do not have support—you should not be given tax</p>	<p>Public financing is a very good thing but definitely is not a panacea for our money-dominated political system.</p> <p>The program is costing taxpayers a lot of money that could be going to more worthwhile uses for the state.</p> <p>The program is an excellent example of campaign finance reform. All states should have it.</p> <p>Having run as a participating candidate, I am convinced of the value of public financing of elections. Candidates have more time to spend with voters, adequate funds are provided for message delivery, and participants must demonstrate that they possess the bona fides of a serious candidate.</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>dollars. Yes, reform is needed, but funding everyone with public money is not the answer.</p> <p>The law is a disaster and is designed to benefit the state's Democratic Party.</p> <p>Arizona's law is a moral outrage, suppresses free speech, and violates political and civil rights. The public financing program fails in its objective to "take the money out of politics." The program simply creates a new political game with new rules and with money still playing a key role.</p> <p>The public funding program is bad policy, forces people to support candidates they do not agree with, and is unconstitutional.</p> <p>The public funding program is unconstitutional.</p> <p>The program is the worst concept to be proposed for elections. The government should not be buying elected officials.</p> <p>Public funding is a terrible program that should be discontinued. It is a sham by liberals to obtain money to get elected.</p> <p>Because I believe in true freedom of speech not hampered or helped through government, I do not support public financing of private campaigns. Further, the implementation of Arizona's Act has all but eliminated free, fair, and democratic elections in the state.</p>	
<b>Number of candidates and electoral competition</b>	<p>There may be more candidates this year, but there is less debate about even fewer ideas. The hot issue in the Republican gubernatorial and Attorney General campaigns this year (2002), was cash versus accrual accounting and punctuality in campaign paper work. A vigorous campaign about education, taxes, and health care was lost because a government agency charged with regulating finance for traditional candidates could not decide what the rules were before the contest began and dictated the terms of the public dialogue by distracting the media and the public with press conferences, egregious fines, and threats to disqualify legitimate candidates from the ballot. Arizona gained candidates, but we lost debate on the issues that matter.</p> <p>Clean elections money allowed some good candidates to be able to run.</p> <p>I think it is a great way to get more people to run for office in Arizona. Had I known more, I would have run as a participating candidate in 2000.</p> <p>Why should taxpayers fund fringe candidates? What publicly funded candidate ran and won who would not have won with the traditional method of raising money?</p>	<p>While I fully support the public financing program, the court challenges reduced its efficacy in both 2000 and 2002.</p> <p>The program increased the number of candidates running; most are not qualified.</p> <p>Public financing is the only way that concerned, qualified, working individuals can become directly involved in the electoral and governing process. It provides for a more direct form of participation in our republican form of government.</p> <p>Clean elections open the door to the American dream of running for office. Now, not just the rich and those "in bed" with lobbyists can run. Qualified people can run and strengthen our democracy. I can only hope more states adopt public financing to clean</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>It is very difficult to assess the Arizona system from the 2000 cycle. The system was in legal limbo for a significant time, and fewer candidates participated for that reason. The 2002 cycle has many more participating candidates and will be a more realistic test run. Hopefully, the system will fulfill its promises.</p>	<p>up politics.</p>
	<p>There were no new people elected because of public funding. Term limits are the reason for new faces.</p>	<p>More candidates are able to run for office.</p>
	<p>The program is great. It increased the competition dramatically in 2002, and the effect should be huge by 2004.</p>	<p>I ran for statewide office in 2002. Without public funding, I would not have run.</p>
	<p>Public funding is insufficient to offset a well-heeled opponent.</p>	<p>Since 2000 was the first election under the public financing program, participation was not as great as it is this year (2002).</p>
	<p>Pubic financing has opened up the political process to individuals who, in the past, either could not self-finance their campaign or had little or no access to contributors.</p>	
	<p>The program increases the number of unqualified candidates.</p>	
	<p>The program helps to bring in more candidates. Some changes are needed in the law, but it should not be repealed.</p>	
	<p>Under the program, some not very bright people are getting elected, not because of their views or abilities but because they can make a bigger splash with signs and advertising. The balance now is too far in favor of publicly financed candidates.</p>	
	<p>Under the public funding program, fringe candidates with no support run and waste resources.</p>	
	<p>"Clean elections" is a bad law that favors incumbents with established name recognition.</p>	
	<p>Public funding helped many new candidates run in 2000, especially in Tucson. The program was a significant boost to the Pima County Green Party, which ran candidates in most races. Many of these candidates made respectable showings at the polls. The program is very positive and should be continued.</p>	
	<p>Too many candidates are running (prompted by term limits, redistricting, and government funding), and confusing elections are resulting. Candidates lacking viability are being encouraged (rather than discouraged) from running. The traditional funding system is an excellent way to separate the wheat from the chaff early on, before the public is forced to confront a herd of candidates on the ballot.</p>	
<b>Interest Group Influence</b>	<p>Special interests can hide behind the collection of the \$5 qualifying contributions. Under normal campaign limits, a special interest could at best raise 10 to 20 percent of a traditional candidate's money. With clean elections, a special interest can be responsible for collecting all of a participating candidate's \$5 qualifying</p>	<p>In 1996, I had to raise my own money. In 2000, it was wonderful not having to raise money and not having to jump through hoops to get endorsements to obtain money.</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>contributions. In reality, under clean elections, special interest involvement can be hidden or cloaked from disclosure.</p>	<p>To me, it was wonderful not having to go to individual committees to grovel for money. I felt more powerful and independent. It was a better feeling than when I ran in 1998.</p>
	<p>In Arizona, the publicly funded candidates accepted seed money from special interests at the same rate that I did as a non-participating candidate. If anyone believes that I can be influenced by \$270, then they do not want me.</p>	
	<p>Special interest groups and lobbyists have had, do have, and will always have a significant influence on the process.</p>	<p>Public financing takes special interest money out of government. This approach is the only way that elections should be run, at both the state level and nationally.</p>
	<p>A candidate should serve his or her constituency instead of special interest groups.</p>	
	<p>The public funding program does help to reduce the impact of lobbyists.</p>	<p>With public financing, my interaction with traditional lobbyists changed; they had to pursue me. Some PACs seemed to automatically oppose me, even though I might have supported their issues. These entities seemed to respect only those candidates whom they could support financially. Arizonans seem well aware that the link between special interest money and special interest laws is strong and want to change it. Arizona and Maine are leading the way in the nation. Let's hope a federal clean elections law is passed.</p>
	<p>The program does remove a lot of special interest money from the process, which results in better public policy.</p>	
	<p>Having candidates interface with \$5 contributors to get funding is much better than obtaining money from special interest contributors.</p>	
	<p>The worst thing I disliked was that spokespersons for the Citizens Clean Elections Commission constantly referred to traditional candidates as bad apples. However, I felt that my integrity and honesty were intact.</p>	
	<p>Any candidate still needs groups of people for support, whether it is for financial support or the vote. So, a participating candidate can still be lobbied. The public funding program does not make a participating candidate any less biased.</p>	<p>Lobbyists will have less influence on candidates and legislators.</p>
	<p>Well-organized candidates were able to raise the \$5 qualifying contributions with the assistance of organizations, unions, and special interest groups. I would have had to do it all on my own, with individual contributions. That was not possible for me; I did not have a campaign organization to help.</p>	
	<p>In 2000, I ran with traditional funding. But, in 2002, because of an extremely wealthy candidate in my race, I chose to try the public financing program. It has been a disaster, and I would never do it again. It was easier to obtain sufficient money through fundraisers than to collect the \$5 contributions. Labor unions collected most of the \$5 contributions for Democratic candidates; there was not much work done by the candidates.</p>	
	<p>The cash nature of the \$5 contributions makes bundling and illegal activity in collection significant and not trackable. Under the public funding program, lobbyists are able to continue</p>	

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>their influence by simply "volunteering" to collect \$5 contributions for participating candidates.</p> <p>Public funding does not produce "clean" campaigns or any real fairness. Political influence of special interests remains undiminished. Influence is gained by arranging for qualifying contributions.</p> <p>Special interests continue to exert tremendous influence on both privately and publicly funded candidates. The only difference is that the influence on privately funded candidates is fully disclosed and reported, while the influence on "clean" candidates is not disclosed anywhere.</p>	
<b>Campaign spending</b>	<p>Clean elections allowed many people to just waste and spend money to run.</p> <p>I object to the fact that a participating candidate can get public money to match or equal the amount of money provided by supporters of a traditional candidate. Clean elections is a bad law.</p> <p>In my first two elections, I spent about \$18,000, whereas my opposition spent \$42,000. So, money did not buy the election; the message did.</p> <p>The program is unfair to non-participating candidates. Participating candidates get more money than non-participating candidates, which raises the cost of campaigns from being kitchen-table campaigns to high-priced, complex campaigns. Some candidates spend money on non-campaign activities. The money should not go directly to candidates.</p> <p>I feel strongly that there should be spending limits on all candidates.</p> <p>Public financing has greatly increased the cost of campaigns.</p> <p>The program has fueled the campaign services industry, allowing more money to go to owners of printing shops and yard sign makers. Public financing had little effect on the outcome of elections in 2000. Voters may be disappointed to know that tax dollars had this end result.</p> <p>The 2002 election is the most costly I have ever witnessed. We received more full color mailings than has ever been the case. In the 2000 election, at least one candidate took public money, hired family, and never appeared anywhere. Incumbents with campaign money from previous years still have an advantage. The limitations on campaign contributions to non-participating candidates are arbitrary and unfair.</p> <p>Except for gubernatorial candidates, the amounts of public funding are significantly insufficient.</p>	<p>The proliferation of campaign materials direct mailed in the 2002 primary has become disgusting.</p>

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>Rural candidates are disadvantaged because of the huge, disproportionate cost of travel. Public funds are not available in time to meet the logistics of traveling to a sign printer and then distributing signs over vast areas and multiple communities.</p> <p>The 2002 election cycle has pointed out some glaring problems with Arizona's Act, including a possible inadequacy of funding and problems with interpretation of the law.</p> <p>It was disappointing to see how tax dollars were spent by the participating candidates—computers and other equipment kept for personal use after the election, travel expenses, dinners out, and parties. It was a disgrace.</p> <p>In the primary election, the program does not provide enough money for a new candidate to compete against an incumbent or to compete in a redistricted area. Also, late in campaigns, non-participating candidates have a great advantage in planning and controlling expenses.</p> <p>Public funding can be used as an unfair weapon. In one primary in 2000, my publicly funded opponent obtained matching money and spent the entire amount on a smear campaign directed at me. The goal seemed not so much to win but to destroy my credibility in order to improve the chances of another competing candidate who had a similar political philosophy. Receiving six negative campaign flyers in the mail at one time—flyers that were publicly financed—was objectionable.</p> <p>Participating candidates were allowed a higher level of spending than me. As soon as I raised more than they were allowed in the primary, they received more funds. I should have been allowed to raise and spend as much as they were allowed in the primary and general elections.</p> <p>Public funding sounds good in theory but fails miserably in terms of producing positive results. Campaigns are more expensive. Statewide candidates spend a great amount of time begging for \$5 contributions. A traditional candidate actually has much more time to meet constituents, talk to them about issues, and get to know their concerns.</p> <p>There is no level playing field. Those accepting taxpayer financing enjoy a tremendous advantage over those who raise money from friends and family in terms of actual cash available for campaigning, as well as advantages in reporting requirements, disclosure of campaign strategy, and the burden of horrendous IRS-style audits. My publicly funded opponent was given funds to communicate with voters to match money that I spent to pay taxes, fund official legislative business, and raise funds. A taxpayer-financed candidate will generally enjoy a 25-percent cash advantage over a traditionally funded one.</p>	

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
<b>Program scope</b>	<p>I believe all candidates should get public funds and that the \$5 contributions requirement should be dropped. I dislike asking people for money, whether it's the public or special interests. I'd rather pay my own way or have each candidate get an equal amount. I would not participate in the public funding program unless all candidates received the funds, without the \$5 contribution requirement.</p> <p>If you want a system for financially challenged candidates, establish a welfare program to provide seed money for individuals who can prove financial need.</p>	
<b>Program administration</b>	<p>The Citizens Clean Elections Commission does not have clear rules; it is very easy to make mistakes in filings, which can result in severe sanctions or penalties. This is discouraging possible new candidates from considering the public financing route. The absolute power of the Commission is scary.</p> <p>The reporting is not fair and equal for both types of candidates. Traditional candidates have to report more often than candidates who use public money. Clean elections changed the rules many times during the campaign.</p> <p>A non-participating candidate has to go through all the ridiculous reporting requirements. A participating candidate does not need to use funds to raise money; but, a non-participating candidate does, and it gets counted towards what a participating candidate gets from the public. This is totally unfair.</p> <p>There are too many reports.</p> <p>The reporting obligations are significant and time consuming, but the system is well thought-out.</p> <p>Our system is draconian in its reporting requirements. The Citizens Clean Elections Commission struggles with interpretation of the law and is often challenged. The law places unfair limits on contributions to non-participants. In short, it is a terrible law and should be repealed.</p> <p>The Citizens Clean Elections Commission is just another government agency gone amuck.</p> <p>Even when running unopposed, non-participating candidates still have to do all the time-consuming reporting.</p> <p>The program puts unreasonable reporting demands on non-participating candidates, which detracts from the campaigning process.</p> <p>The Citizens Clean Elections Commission needs to be more professionally trained to give accurate answers. Information given out is often wrong or it changes without notification. Also, the</p>	<p>Public funding needs to be available early in order for the recipient to plan his or her campaign advertising effectively. All printers and advertisers require payment in advance.</p> <p>The pamphlets (covering all candidates) distributed to every registered voter were very informative. Plus, the pamphlets included a vote-by-mail request form, which should help voter turnout.</p> <p>I complained to the Secretary of the State and the Attorney General about an opponent who inappropriately received additional financing. Nothing was done about it; I never even received an answer.</p> <p>The Citizens Clean Elections Commission tells you what you can say, whom you can say it to, when you can say it, and how you say it. This is a grotesque violation of our First Amendment rights.</p> <p>I went to all of the available training programs but still was fined at the end of my campaign for not properly closing my committee. The Secretary of State's office took over a month to notify me, and the fine was \$10 per day. Since I had spent all of my public money, the fine (\$270) was mine to pay. My opponent tried to get the Commission to fine me for accepting an in-kind contribution of sign poles. To defend myself required much time and effort. Clearer rules would be helpful.</p>

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	<p>Commission needs to be able to skim finance reports and act on violations. Enforcement is weak.</p>	<p>Not all bugs were worked out during the first year (2000). Some candidates nearly lost their seats trying to do the process. Things tended to operate much better this year (2002).</p>
	<p>Arizona's Act places different standards on participating and nonparticipating candidates in direct violation of the Fourteenth Amendment equal protection clause. Upon some perceived violation, an unelected board can remove a candidate's name from the ballot without any recourse for the state's citizens.</p>	<p>There should be stiffer penalties for participating and nonparticipating candidates who break the law.</p>
	<p>A nonparticipating candidate has to go through all the ridiculous reporting requirements. Also, a participating candidate does not need to use funds to raise money, whereas the fund-raising expenditures made by a nonparticipating candidate are counted toward what a participating candidate gets in public funds. This is totally unfair.</p>	
	<p>The Citizens Clean Elections Commission is the fourth branch of government and is accountable to no one. The Commission makes its own rules for all candidates.</p>	
	<p>The Commission should have spent some time and money on public information ads. My district has many rural areas, and many people had not heard of the clean elections program. I spent most of my time trying to explain the law rather than discussing important education, health, and environment issues. Therefore, I was not able to get the qualifying signatures needed to obtain public funding.</p>	
	<p>Under the public financing program, reporting is overly burdensome, and the Commission is not accountable to anyone. Before the program, Arizona already had a good system of limited contributions and open reporting requirements.</p>	
	<p>As the rules change, candidates and their finance managers become confused about requirements.</p>	
	<p>The additional requirements for both participating and nonparticipating candidates have become a political tool to bludgeon opponents with.</p>	
	<p>The candidate debates and forums were not advertised sufficiently, and turnout was poor at best.</p>	
	<p>Arizona's law has served only to get candidates in trouble due to the capricious, ad hoc nature of the Citizens Clean Elections Commission and its unfair, confusing campaign finance rulings and procedures.</p>	
	<p>The Commission has gotten politically involved and hurt several campaigns.</p>	



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	<p>To assure compliance with reporting requirements necessitated having a full-time person, which resulted in less time for campaign issues.</p> <p>The Commission's red tape and subjective rulemaking are barriers to involvement. Constituents think the paperwork is ridiculous and a waste of time and would prefer to give me a \$100 check rather than mess with a \$5 contribution and paperwork. I stopped trying to qualify for public funds because I was taking 15 to 20 minutes to explain the program to voters rather than discussing issues. Also, the timeline for qualifying is absurd; funding can occur as late as 1 week before the election, which penalizes a participating candidate. The Commission has become an advocacy group that shoots from the hip publicly and has unclear rules and onerous obligations. The Commission has no accountability for its actions and is attempting to influence the outcomes of elections rather than simply reviewing the process.</p> <p>The current funding program uses processes that are very similar to the way the Soviet Union mismanaged its economy.</p> <p>Arizona's Act requires traditional candidates to disclose to their opponents on a daily basis their every campaign activity during the heat of the campaign. This is information that the "clean" candidates keep secret until after the election. Think about filing your taxes every day, itemizing every expenditure, and making it available on the Internet for all to see. It's practically the same for candidates who refuse government funds, but not for those who accept them. The cost of compliance is immense, and the advantage given your opponent is insurmountable. Also, this year (2002), the Commission decided to randomly audit 10 traditional candidates during the campaign, even though there were no allegations of impropriety. This served only as a means for the government to distract the candidates from their campaigns in order to give yet another advantage to the preferred "clean" candidates. Also, the Commission zealously audited every candidate against whom a "clean" candidate complained, regardless of whether the complaint had validity or not. This just another "service" the Commission provides to the candidates it prefers.</p> <p>The computer software was not compatible with a MAC.</p>	
<b>Other</b>	<p>Most candidates, myself included, had little faith in the ability of the new public financing program to work.</p> <p>Public funding would be fine if our law did not punish people who fund privately. As it is now, the law is very unfair.</p> <p>Public funding, the Redistricting Commission, and term limits have "dumbed down" the legislature.</p> <p>Several publicly funded candidates with less than creditable backgrounds are now running for legislative seats. The public</p>	

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<b>Topic</b>	<b>Nonparticipating candidate comments</b>	<b>Participating candidate comments</b>
	<p>funding program gives the candidates the power to run without much personal financial loss or scrutiny of past transgressions.</p>	
	<p>I entered the 2000 campaign late in the process. I would have used public financing if my decision to run had not occurred 2 weeks before submittal of petitions.</p>	
	<p>Individual contribution limits should be lowered from \$5 to \$1.</p>	
	<p>The program has resulted in more public debate and media coverage.</p>	
	<p>Public funding laws in Arizona need to be improved by making them less complex and more consistent internally.</p>	
	<p>The grossly misnamed law ("clean elections") violates the First Amendment.</p>	

Source: Response to question 23 of GAO's survey of candidates for office in Arizona's 2000 elections (see app. V).

Note: Each sentence (or paragraph) entry under a given topic in the table is a comment uniquely attributable to one candidate. That is, under each topic, each entry is a comment from a separate person. Some candidates provided comments that covered more than one topic. In these instances, the table presents the applicable portion of the comments under the appropriate topic.

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# Appendix VII: GAO Contacts and Acknowledgments

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## GAO Contacts

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