



SC Voters for Clean Elections

P.O. Box 8325 • Columbia, SC 29202 • 803-808-3384 • www.scpronet.org

A project of the South Carolina Progressive Network

What are publicly financed elections (sometimes called clean elections)?

Publicly financed elections are those that are paid for by the people rather than special interests. It is a system of funding political campaigns that removes money as the driving force in determining who wins elections. While to many jaundiced voters it sounds too good to be true, clean elections have worked in the states with the vision to embrace a more equitable – and smarter – way of driving our democracy.

To reduce the nearly absolute power of money and incumbency, clean elections allow any citizen wanting to run for office access to public funding, providing they agree to spending limits, pledge not to take private donations, and raise a number of small, qualifying pledges (to weed out the serious from the not so serious).

The system is voluntary and constitutional. While it can apply to all elections, the plan outlined here is for candidates running for legislative and statewide offices.

Who own the elections now?

Of the \$90 million raised by all SC state candidates in the last 9 years, less than 1 percent came from contributions of \$200 or less. Giving the most were business interests: primarily banking, insurance, real estate, lawyers, health, construction, utilities, transportation, communication and agriculture. Candidates themselves contributed nearly 20 percent.

- The average cost of winning a Senate seat rose nearly 100 percent between 1996 and 2004 (from \$51,537 to \$95,394).
- The average cost of winning a House seat rose 25 percent between 1998 and 2004 (\$20,027 to \$24,954).
- SC lead the nation with 72% uncontested legislative seats in the 2002 general election.
- 95 percent of the winners in the 2004 general election were the candidates who raised the most money.
- 90 percent of the winners were incumbents.
- 98 percent of the winners were either incumbents, spent the most money, or both.

How would a candidate qualify for public financing?

- Declare their intent to be a publicly funded candidate and pledge to accept no private donations.
- Raise a minimum number of small, qualifying contributions (\$5) from registered voters in their districts that would indicate public support:
 - 200 for House (\$1,000)
 - 400 for Senate (\$2,000)
 - 1,500 for Statewide offices (\$7,500)
 - 4,000 for Governor (\$20,000)
- Submit the names to the Election Commission
- Accept spending limits
- Use funds only for campaign purposes
- Return any unused funds to the Election Commission

How much would it cost for South Carolina voters to own the elections?

A system of publicly financed elections in South Carolina that would provide generous funding for candidates would cost each voting-age citizen of South Carolina **\$3.44 a year, less than a penny a day**. The \$10 million annual cost of publicly financed elections is less than .002 percent of the 2005 state budget. In other words, taxpayers spent \$30 million last year to run a legislature that is primarily financed by special interests.

Costs for publicly financing elections was figured on the basis of average amount spent for a particular seat in the last two legislative elections and the average cost of statewide races. This amount is multiplied by 2.5 percent to cover the unlikely event of all candidates for all offices running with public financing.

This amount also creates a very generous surplus to fund publicly financed candidates up to 300 percent of the original amount if they are outspent by privately financed candidates.

Publicly financed House candidates would get \$25,000 for a full, contested elections cycle. The average contributions to winning House candidates in the last two election cycles was \$24,400. Clean Elections House candidates are eligible for up to \$75,000 if they are outspent by a privately financed candidate. Forty percent of this amount, (\$10,000) would be available for a contested primary, and 60 percent (\$15,000) would be available for a contested general election.

Publicly financed Senate candidates would get \$75,000 for a full contested election cycle. The average contributions to winning a Senate candidate in the last two election cycles was \$77,176 (This was 1996 and 2000. The average in 2004 went up to \$83,500. Bill sponsors want to cap the amount at the 2000 average). Clean Elections Senate candidates are eligible for up to \$225,000 if they are outspent by a privately financed candidate. Forty percent of this amount, (\$30,000) would be available for a contested primary, and 60 percent (\$45,000) would be available for a contested general election.

Constitutional (statewide) officers would get the average amount spent to win their respective seats in the last two general elections:

Publicly financed candidates for statewide office would get 40 percent of their funding for contested primaries and 60 percent for contested general elections. They would also be eligible for up to 300 percent of the original grants if they are outspent by a privately financed candidate.

TOTAL COST OF PUBLIC ELECTIONS: \$3.44 annually per voting-age citizen

Less than a penny a day per person, or \$10,197,192 per year.

It can be strongly argued that the amount of money for the public to own the elections could be substantially less than these calculations. These figures are intended to be attractive to the incumbent legislators who will have to approve any system of public financing and to show that Clean Elections are affordable.

A 2002 Governor's Task Force on Campaign Finance Reform recommended that South Carolina adopt public financing for legislative and statewide offices and calculated that the initial annual cost would be between \$5 million and \$7 million.

The dollar amounts for the campaigns were taken from the candidates' financial disclosure records at the state Ethics Commission and reflect the amount **raised** by candidates. The population numbers are from the State Data System of the Budget and Control Board.

It's a good idea, but will it work?

In 2000, Maine became the first state to hold a full general election with publicly financed candidates. Of the 116 out of 352 candidates who chose to participate in the "Clean Election" program, 63 percent were Democrats, 34 percent Republicans and 32 percent were incumbents. Almost half the races had at least one "clean" candidate. There was more competition, with a 40 percent increase in contested primaries and an increase in the number of women running for office. One-third of Maine's legislature was elected without any ties to special interest money (17 of 35 Senate seats and 45 of 151 House seats). Some 54 percent of the Clean Election candidates won, many receiving supplemental funds to keep pace with their opponent's spending. In 2002 Maine's clean candidates won 26 seats in the Senate, and 60 percent of the legislative candidates ran clean.

In Arizona, half of the 2002 statewide and legislative candidates ran publicly financed campaigns, including the winning governor.

In December 2005, Connecticut became the first state to adopt clean elections for legislative and statewide offices by an act of the legislature, as opposed to a public referendum.

SC Clean Elections Act: (H 3520-Rep. Neal: S-438 Sen. Pinckney)

A Clean Election Act has been introduced in the SC state legislature every session since 2000. The comprehensive bill provides the specifics of how clean elections would work in SC. Another bill (H-3518) has been introduced that calls for a constitutional amendment that would allow publicly financed elections. Both bills have been re-introduced for the 2009 legislative session. A new bill (H-3519: S-441) calling for a study committee to come up with a clean election pilot program has also been filed.

This fact sheet was prepared by the South Carolina Progressive Network with the help of the National Institute on Money in State Politics. The Network can be reached at 803-808-3384 or network@scpronet.com. More info at: www.scpronet.com