



**AAHH!**

## **The Clean Money News Keeps Getting Better**

There's fresh evidence, from the legislative floor to the voting booths to the halls of academia, that the Clean Money, Clean Elections model of full public financing is making a dramatic difference in the politics of Arizona and Maine. In a year when we are experiencing the first-ever billion-dollar presidential campaign, and fundraising for congressional campaigns is skyrocketing, it's worth paying attention to the real changes that are possible when you offer candidates an alternative source of "clean" public funding for their races.

Clean Elections has made a difference in Arizona and Maine, where more candidates are running and competitiveness has increased, according to a May 2004 paper entitled "Do Public Funding Programs Enhance Electoral Competition?" [<http://campfin.polisci.wisc.edu/publications.asp>] Professor Kenneth Mayer and his colleagues in the Department of Political Science at the University of Wisconsin-Madison offer some striking conclusions. Among their findings:

- "There is no question that public funding programs have increased the pool of candidates willing and able to run for state legislative office. This effect is most pronounced for challengers, who were far more likely than incumbents to accept public funding."
- "Public funding appears to have increased the likelihood that an incumbent will have a competitive race." In Arizona, it more than doubled from 22% of all races in 1998 to 45% in 2002.
- "Fears that clean money would be tantamount to an incumbent protection act are unfounded, as are, as near as we can tell, objections that money would be used by fringe candidates who would do nothing but feed at the public trough."
- "Arizona experienced a significant jump in the number of contested races in 2002, increasing from about 40% in 2000 to over 60% in 2002. Not only was this increase large, it also reversed the previous trend of uniformly fewer contested elections between 1994 and 2000. While we cannot attribute this shift entirely to public funding (which was also in place for 2000), it is likely to have played a key role."

In Arizona's 2004 general election, 46 candidates for state legislature and corporation commission were elected running "clean." Ten of Arizona's statewide elected officials, including its governor, attorney general, treasurer, and the entire Corporations Commission have been elected under Clean Elections. Fifty-eight percent of the state house and 23% of Arizona state senators ran "clean." This is an increase from 2002, when the house was 45% and the senate 17% clean.

In Maine's 2004 primaries, 71% of the candidates ran "Clean"—up from 50% in 2002 and 31% in 2000. The Portland Press-Herald reported that the bumper crop of candidates resulted in the most contested party primaries in almost a decade. This fall, nearly 80% of Maine legislative general election candidates ran "Clean" and 83% of that state's senate and 77% of the house is composed of legislators who participated in the Clean Elections system.

And the candidates credit Clean Elections with making the difference: "There's a number of people who could not afford to have run had it not been for the Clean Elections Act," Republican Robert Haggitt of Biddeford, a House candidate, told the Press-Herald. "I'd like to go into the Legislature not being beholden to anybody," said Timothy Driscoll, another House candidate who ran "clean." Echoing other prior participants in Clean Elections, Driscoll said "It's all about getting out door to door." Knowing you don't have to raise private money, he added, "gives you more time to do that."

In addition to changing how candidates run for office, and expanding the choices before voters, Clean Elections is also starting to make a difference in legislative outcomes.

While Congress was passing a Medicare prescription drug bill that pours tens of billions into the pockets of pharmaceutical companies, HMOs and doctors—without doing anything to limit their price gouging—Maine was putting the finishing touches on Maine Rx+, which went into effect this past January. Under this program, all but the wealthiest families in Maine, and anyone with high drug costs, will be able to buy any drug on the Medicaid list for the Medicaid price, saving as much as 60% off market prices. The state is also negotiating for price rebates from drug manufacturers. If a company refuses, Maine will require doctors to get prior approval before prescribing that company's medication. The state also recently passed laws requiring prescription drug manufacturers to disclose how much they spend advertising their products in Maine and requiring retail prices on receipts to show the actual costs of drugs.

Senate Majority Leader Sharon Treat gives three reasons for the passage of Maine's far-reaching prescription drug plan, which she has been fighting to implement and expand. First, because Maine's districts are small, "Campaigning is hugely grassroots oriented." She adds, "Because of campaign finance reform, we're spending more time door to door, rather than fundraising." She continues, "that means you're out there hearing from people about what they care about—health care and prescription drugs, especially the prices." All of Maine's legislators "get very direct contact with the public" when they campaign, "and the public is desperate." A second reason is that severe budget pressures are prompting legislators to reduce Medicaid costs by limiting drug prices and the third being campaign contributions. "Look at how much money the pharmaceutical companies have given to people running for Congress. In Maine, campaigns for state office are largely publicly funded, so you don't see that same level of direct contributions from the pharmaceutical industry to state legislators," she says.

It looks like change is also coming to Arizona politics as well. Two years ago, Arizonans had a unique choice on Election Day: a candidate for governor funded by wealthy special interests or a candidate for governor who was running with full public funding and not had taken a contribution of more than \$5 from any voter. They chose the Clean Elections candidate, Janet Napolitano.

The first fruits of the transformed leadership have begun to appear. On the day she was sworn into office, Gov. Napolitano issued an executive order establishing low-cost prescription drug subsidies for seniors - something her opponent wouldn't have done - having run the old-fashioned way, depending on big money from special interests like the pharmaceutical companies.

In May 2004, a coalition of Republican moderates and Democrats in the legislature over-rode conservatives who hold the leadership of the state assembly and enacted a budget that guarantees all-day kindergarten for more than 150 of the state's poorest schools this fall, raises subsidies to community colleges, and provides financial help to thousands of working families in need of child care—provisions long opposed by top lawmakers indebted to private contributors. Twenty-six of the thirty-one votes needed to pass the budget in the state assembly came from Clean Elections candidates and supporters.

In a typical state legislature, any such maverick tendency would be cut off by leadership threatening to turn off the campaign money spigot, by going to influential lobbyists and PACs if necessary. But in Arizona, when a candidate runs Clean she is no longer subject to that kind of dirty dealing.

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AAHH! is an occasional e-mail bulletin on how Clean Money in politics can help average citizens, published by Public Campaign, a non-partisan, non-profit organization devoted to comprehensive campaign finance reform. Every day, we pay more as consumers and taxpayers for special interest subsidies and boondoggles because of our system of privately financed elections. It's time for a change. This AAHH! is a compilation of AAHH! #8 and AAHH! #9 and includes data from November 5<sup>th</sup>, 2004 Public Campaign press release.

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