

PUBLIC FINANCING OF ELECTIONS

Big donors and special interests have come to dominate the financing of American elections. Candidates rely on donations from a handful of wealthy donors, while super PACs increasingly exert an outsized influence on our elections. As a result, elected officials are more responsive to large donors than to their constituents.

Public financing of elections offers a powerful antidote to the outsized influence of wealthy donors.

When we finance elections with public money, we create an incentive for candidates to spend more time fundraising from small-dollar donors and more time listening to voters. We encourage new and diverse candidates to seek public office. We ensure that the donor base looks more like the fabric of the community rather than a handful of wealthy elites.

HOW DOES IT WORK?

Public financing refers to government programs that provide limited public funds to candidates for campaign expenses. To receive public funds, candidates often must agree to certain restrictions like accepting only small-dollar private contributions, limiting campaign expenditures, and participating in public debates.

Different programs leverage public money in different ways. Some states and localities make lump-sum grants to candidates; others provide tax benefits to citizens to incentivize political giving. Most jurisdictions now adopt one of two dominant models: matching funds and vouchers.

MATCHING FUNDS

The government “matches” certain small dollar donations that a candidate earns with public funds at a set rate—e.g. New York City will soon match certain small-dollar contributions 8-to-1.

VOUCHERS

The government distributes “vouchers” representing a small amount of public funds to each eligible resident, which they may donate to a participating candidate—e.g. Seattle sends four \$25 vouchers to every eligible resident.

WHY HAVE PUBLIC FINANCING?

- ❖ **Reduce corruption.** Large contributions from big donors and special interests have a corrupting influence on our democracy. Public financing reduces opportunities for corruption by enabling candidates to run competitive campaigns without chasing after big donors.
- ❖ **Make democracy more responsive.** Public financing changes how candidates interact with voters. It allows them to broaden their donor base and spend more time responding to the concerns of actual voters.
- ❖ **Encourage new and diverse candidates to seek public office.** Incumbents and people with connections to wealth have an easier time running for office. Public financing makes it possible for any citizen with broad-based support to bring their fresh ideas to the political arena.
- ❖ **Expand and diversify political participation.** The vast amount of money in our elections drowns out the voices of everyday people. Public financing advances the First Amendment right of *all* Americans to meaningfully participate in the political process.

WHERE IS IT HAPPENING?

The first public financing programs were enacted following the Watergate scandal of the 1970s. Since then more than thirty jurisdictions have adopted some form of public financing, including states like Arizona, Connecticut, Maine, and Michigan, and local governments like New York City, Seattle, Albuquerque, and Montgomery County, Maryland, among many others.

TAKE ACTION

Here are three ways you can build support for public financing in your community:

- ❖ **Learn** about the nuts and bolts of a public financing program at <http://campaignlegal.org/democracy>.
- ❖ **Connect** with advocacy groups and individuals in your community who are already organizing for campaign finance reform.
- ❖ **Identify** potential champions in government. This means elected officials who support campaign finance reform, as well as elections and/or ethics officials who would be excited to administer the program.

Questions? Contact Campaign Legal Center (CLC) at info@campaignlegal.org. CLC is a nonpartisan, non-profit organization based in Washington, D.C. CLC holds candidates and government officials accountable regardless of political affiliation.