

# Accounting & Accountability

## An argument in favor of Measure 6

by Phil Keisling and Paula Krane

1998 the most expensive election in Oregon history. During the 1998 election cycle, 10 legislative candidates spent more than \$200,000 each, and 36 additional candidates exceeded \$100,000 each all for a part-time citizen legislator position that pays \$1,200 a month. These figures present a dismal picture of the current political landscape.

In competitive races, about 80 percent of a candidate's campaign funds typically come from political action committees along with corporations and unions. Only a small fraction comes from individuals. Candidates' dependence on such vast sums from so few sources affects subtly, but profoundly their vision and independence. In some cases, candidates avoid speaking about or even forming opinions on particular issues for fear of alienating important donors.

Once candidates are elected, donors invariably get access, and access often gets results. Contributors may attempt to reinforce of officeholders' existing sympathies or to deter them from supporting certain new ideas. Overt threats or promises are extremely rare. What is almost universally understood, however, is that donors will not disregard a politician's record when calculating their generosity or opposition in future campaigns. Oregon is lucky: few financial corruption scandals have rocked state government in recent years. But it is unrealistic to conclude that campaign contributions don't influence the political process.

Clean Money campaign reform creates a voluntary system that allows more candidates to run for office without having to be full-time fundraisers. Publicly-funded candidates have more time to talk with

Just 47% of eligible citizens voted in Oregon's 1998 general election—the lowest turnout in Oregon history. At the same time, state legislative candidates spent \$11.4 million, making

## The Oregon Political

The Oregon Political Accountability Act, **Measure 6** on the November 2000 ballot, seeks to reduce the influence of private contributions in Oregon's political process by providing public funds to candidates for Governor, Secretary of State, Treasurer, Attorney General, State Senator, and State Representative who:

- gather a specified number of five dollar donations, in order to establish a base of public support.
- agree to spending limits.
- agree not to accept private donations after an initial qualification period.

The sponsors of the Oregon Political Accountability Act (OPAA) maintain that the existing system in which campaigns are financed privately "undermines democracy in Oregon" in many ways. According to the sponsors, the current system...

- "diminishes the free speech rights of non-wealthy voters and candidates whose voices are drowned out by those who can afford to monopolize the arena of paid political contribution...
- burdens public officeholders who are candidates with time-consuming fundraising and thus decreases the time available to talk with voters and carry out public responsibilities...
- diminishes elected officials' accountability to constituents; compels elected officials to

be more accountable to large contributors... A candidate who decides to participate in the Political Accountability Act begins by signing a letter of intent to become a **participating candidate**. Participating candidates must gather a certain number of \$5 contributions in order to qualify for public funds. The number of contributions required for each of the offices are: Governor—8,000; Secretary of State—6,000; Attorney General and Treasurer—4,000; State Senator—500; and State Representative—300. Candidates may also accept "seed money" donations in amounts of up to \$100 from either individuals or political parties, and various in-kind donations.

When a candidate has gathered enough \$5 contributions, she or he then applies for certification. The Secretary of State then makes sure that the candidate's campaign has complied with the provisions of the Political Accountability Act.

A candidate who qualifies becomes a **certified candidate** and is then eligible for public funding. After certification, candidates can spend only the \$5 contributions, seed money, and funds from the Political Accountability Fund. Funds cannot be used for anything but the campaign at hand, and no other contributions can be accepted, except in-kind donations. Any money not spent by a campaign is returned to the Political Accountability Fund.

As far as spending limits go, certified candidates agree to specified limits for each election. All

contributions and expenditures by participating and certified candidates will be made public knowledge by the Secretary of State's office. A non-certified candidate must report receiving or spending funds that exceed the amount of public funding available to qualifying candidates in the same race. If a certified candidate is outspent by a candidate not participating in OPAA or by opposition groups independent of the opponent's campaign, the Political Accountability Fund will match the difference between the OPAA spending limit and the amount spent by the opposition. For example, if an election's spending limit is \$1000 and a non-participating opponent spends \$1500, the OPAA-certified candidate gets \$500 more for spending. The maximum amount of matching funds available to a candidate is equal to the basic amount of money given to each certified candidate in the race.

Funding for the Political Accountability Act will be generated by repealing the Political Tax Credit for contributions to candidates who are eligible to apply for public funds. Tax credits for contributions to political committees, ballot measure committees, and candidates for races not affected by Measure 6 will remain in place. The overall amount of money that can be distributed to candidates in a given year is limited to \$5 multiplied by the number of Oregonians eligible to vote.

constituents and hear their concerns, without having to court wealthy donors and political action committees. Although pundits and politicians in Washington, D.C. tend to dismiss campaign finance reform as politically impossible, Clean Money Campaign Reform has already been approved by voters in Maine, Arizona and Massachusetts, and by legislators in Vermont.

A diverse working group including the League of Women Voters, Common Cause, business and labor leaders, Democrats, Republicans and independents circulated petitions in support of Oregon's version of Clean Money Campaign Reform, and gathered over 100,000 signatures more than enough to qualify the Oregon Political Accountability Act for the November ballot. Under the act, candidates qualify for public funds if they gather a certain number of \$5 contributions from individual supporters, pledge to accept no additional funds, and agree to strict spending limits. Requiring candidates to collect a specified number of \$5 contributions (the number varies depending on the office—see sidebar) is intended to screen out those who lack serious intent or support, while allowing all candidates, including independents and third party members, reasonable

access to public funds.

Funding for the Oregon Political Accountability Act will come from two sources: a partial repeal of the Political Tax Credit and funds allocated by the legislature from the state budget. The repeal of the Political Tax Credit will supply funds by eliminating credits to individuals who donate to candidates who are eligible for public funding. Funds designated by the legislature are estimated to be about \$10 million dollars for the first cycle under the OPAA, which is about one-tenth of one percent of the current Oregon state budget. No new taxes will be proposed, and revenue-neutral opportunities for obtaining funds will be a priority.

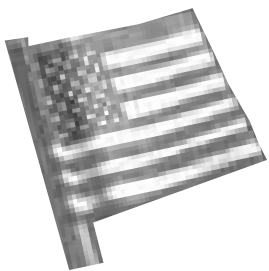
The status quo in Oregon is a politics of avoiding risks, which brings us carefully choreographed fights over carefully chosen issues. The biggest casualties are innovative ideas and independent thinking. Important policy matters are glossed over or avoided altogether in political campaigns. Too often, they reappear as simplistic take it or leave it ballot initiatives. Meanwhile, campaign funds finance a barrage of TV, radio and print ads that either induce sleep with their banal generalizations (Quality schools! Safe neighborhoods! Livable environment!) or disillusionment through mean-

spirited, negative attacks.

If public funds are made available to pay for political campaigns, politicians will be more willing to take risks and talk about substantive issues, rather than playing it safe. Debate over issues important to Oregonians will become more direct and conclusive, as politicians will be free to speak their minds without fear of backlash from contributors. Candid discussions about issues such as the minimum wage, health care reform (including a patient's bill of rights for HMOs), and federally subsidized low-income housing are much more likely to take place if we remove big money from politics.

America's most expensive election last fall was New York's senate race between Charles Schumer and Alfonse D'Amato. Together, they spent \$40 million or almost \$8 per vote cast. Meanwhile, candidates vying for Oregon's House District 22 spent \$17 per vote cast. To restore voters' faith in the democratic process, Oregon must fundamentally change how candidates raise and spend campaign funds.

Phil Keisling is the former Oregon Secretary of State. Paula Krane is president of the League of Women Voters of Oregon. For more information on the campaign, call 1-877-92BFAIR or visit [www.nobigmoney.com](http://www.nobigmoney.com).



# The Political Accountability Act

by Richard F. LaMountain

**T**he Oregon Political Accountability Campaign's initiative to fund campaigns for state offices with Oregon

taxpayers' money has recently qualified for the November ballot. Measure 6, the Oregon Political Accountability Act, is endorsed by Phil Keisling, Norma Paulus, Oregon Action, Common Cause, and the League of Women Voters, among others. The measure's supporters claim it would enhance democracy. In truth, it would do the opposite.

Under the Political Accountability Act, any candidate for Governor, Secretary of State, State Treasurer, Attorney General,

or the state legislature could declare himself a participating candidate and seek to qualify for campaign funds from a new Political Accountability Fund. Eligible candidates would include anyone seeking the nomination of a major or minor party, or running as an independent.

## Private Funding is the Only Fair Way

The Political Accountability Act's most fundamental problem is its main premise: The current system of privately financed campaigns for nomination and election to [state] offices...undermines democracy in Oregon and creates a danger of actual corruption by encouraging elected officials to take money from private interests

that are directly affected by government actions.

The reality is the opposite: privately funded campaigns do not corrupt, but assure a link between people and government—a link that government financing would sever. Oregonians pay hard-earned taxes to support the government that makes the laws they must live by. It is only just that they should have the right to seek to influence its decisions. Many do this by contributing money to candidates who support their positions on matters important to them. It is arrogant and insulting for the act's supporters to assume that these people, and the representatives they elect, are corrupted by giving or receiving such contributions.

Moreover, the Political Accountability Act would extract money from taxpayers to give to candidates they oppose. Republicans would be forced to fund the campaigns of Democrats; Democrats would fund Libertarians; Libertarians would fund Socialists and so on. As Thomas Jefferson said, To compel a man to furnish contributions of money for the propagation of opinions

civic and party involvement. Ideally, success in politics requires rigorous, independent thinking; well-articulated ideals within the broad political mainstream; and courtesy and civility toward others. In these ways a candidate inspires confidence in his fellow citizens and proves that he could represent them well in public office. Once he accomplishes this, many will give of

would likely decline to participate, as they would be able to raise substantial private funds and would be unwilling to tie their expenditures to those received by their less qualified opponents. The result then would be as today: experienced candidates from broad-based parties with mainstream views and the financial resources those attributes command would win, and unqualified and narrowly-based candidates would lose. The only difference: they would have taxpayers money to lose with.

One valid concern about the current system is that people of inherited wealth, however slim their qualifications, achievements, or real world experience, have the means to run for office, whereas others with equally slim records, do not. Unfair as this may be, it does not justify forcing taxpayers to give campaign money to every aspiring candidate who can meet a low contribution threshold. Ultimately, party activists and primary voters must be trusted to choose the best and most-qualified candidates for their parties nominations, not just sons and daughters of

prominent or monied parents.

### Public Support?

Measure 6 states that candidates who collect the requisite number of qualifying contributions would demonstrate public support for a credible run. But the number of such contributions is set ludicrously low. To qualify for tax-

payer funding, a candidate seeking a major party's nomination for a House seat would need \$5 contributions from just 300 residents of his district—a total of \$1,500 from .6 percent, or six people

which he disbelieves and abhors, is sinful and tyrannical. But this ballot measure would force Oregonians to do just that.

### Credibility & Money

The other premise is that money brings a candidate credibility. In truth, it's the other way around: a candidate's credibility brings him money, and a lack of credibility keeps him from getting it. By giving a candidate government money solely on the basis of his having collected a few small contributions, the measure would bestow credibility on someone who hasn't earned it. This would trivialize the hard work and preparation of genuinely credible candidates, and subvert the winnowing out process that provides Oregonians with stable, knowledgeable and experienced candidates.

A candidate for public office wins true credibility over a period of years by a record of consistent, sustained effort and achievement showing that he is reliable, responsible and trustworthy. Most successful candidates develop and demonstrate these traits through

their time or money to help him win that office. A candidate does not win true credibility from his efforts in regard to any one election. Yet under the Political Accountability Act, a one-shot effort to collect a few hundred or thousand tiny contributions from a fraction of voters in a state or legislative district is enough to qualify someone for funding. Such a temporary effort would prove nothing about the candidate, his qualifications, or his likely conduct if elected, or even about how his contributors who would need to give him only the cost of a fast-food meal truly regard him.

The act would not, as its preamble asserts, create a level playing field or more competitive elections: It would only encourage those who have not earned political credibility to run for office. Credible candidates



One thing is certain: if it becomes possible to win taxpayer money so easily, the ranks of long-shot candidates — especially at the

out of every thousand, of a district containing some 50,000 people. Five hundred of a senate district's residents five people out of every thousand would need to give five dollars to a state senate candidate. Fewer than three Oregonians per thousand would need to give five dollars to a gubernatorial candidate. Would such a low threshold really prove a candidate's public support? One thing is certain: if it becomes possible to win taxpayer money so easily, the ranks of long-shot candidates especially at the legislative level would explode.

### Funding for Narrowly-based Candidates

In previous elections, narrow, specialized interest groups have needed to form coalitions with other groups behind broader-based, multi-issue candidates that are more likely to appeal to a majority of Oregonians. But under the Political Accountability Act, candidates representing those interests, whose limited messages would have kept them from raising adequate funds before, could easily win the means to thrust themselves directly into the electoral fray.

Look at geography-based issues. There may be a House candidate in North Bend whose sole issue would be to remove the New Carissa's remains from the beach; in Burns, to protect Steens Mountain grazing; or in Hillsboro, to expand the Portland area's urban growth boundary. In their districts of 50,000 people, these candidates would likely be able to collect 300 \$5 contributions from beach dwellers, ranchers and construction workers, respectively. Equally aggressive and better organized would be the ideological single-issue candidates. The state's professional lobbies on hot-button issues like abortion, guns and dams likely would seek to place a candidate in every legislative district. Then there are the political fringe candidates, these include socialists, ecotopians and radical libertarians, who have for decades been rejected by Oregon voters. These candidates have failed not for lack of money, but for outlandish ideas, which have kept them from attracting money. But they too would likely find several hundred qualifying contributors in many legislative districts.

Given all the state's other geographic and ideological interests, it is easy to see that the act would fund a profusion of narrowly-based candidates, each of whom would stand little chance of victory. This would Balkanize Oregon politics and cost taxpayers millions.

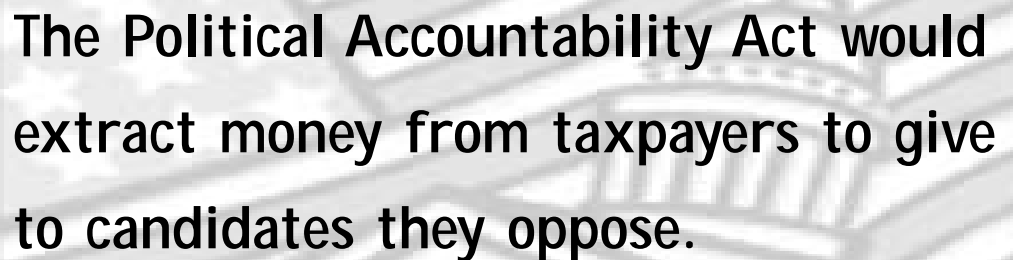
### Campaign Costs Could Double

The Political Accountability Act might vastly increase the amount spent on state elections. Take just the legislature. In 1998, legislative candidates spent \$12.4 million. Under the act, that figure could double. Consider that in the major party primaries in each of the 30 Senate and 60 House districts, if just three candidates per district became certified and funded, it would cost \$8.1 million. If one of these candidates won the nomination in every third House and

land district, a conservative Republican would likely lose, whether he spent one dollar or half a million; the same goes for a liberal Democrat in a conservative eastern Oregon district. Yet under the act, either of these candidates could qualify for as much money as a candidate in a competitive two-party district. Given Oregon's many single-party districts, this would waste hundreds of thousands and perhaps millions of taxpayers dollars.

### A Citizen's Right to Contribute

The Act would require a legislative candidate to raise 75 percent of his qualifying contributions from residents of his own district. But this would violate the rights of Oregonians in other districts. A legislator makes laws for the whole state not just for his district's



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Senate district, the general election outlays would cost another \$1.8 million. And if one minor party or independent candidate became certified in every district, that would cost \$5.4 million. This would all add up to \$15.3 million, from the taxpayers' pockets, for certified candidates alone almost \$3 million more than all legislative candidates, with private funding, spent in 1998. Matching funds provided to certified candidates who are outspent by non-participating opponents or targeted by independent expenditures could add several million dollars more. Non-participating candidates could conservatively expect to raise \$10 million in private funds. This would amount to total spending of around \$25 million more than double the amount spent in 1998 for the same races.

Measure 6 makes no allowance for the political realities of single-party legislative districts. In a liberal Port-

residents. Therefore, any Oregonian should be free to contribute to any candidate running for any legislative seat.

The Political Accountability Act would be a radical departure from our private campaign finance system: a system that respects and encourages citizen and private sector involvement, and rewards those who have worked hard to gain enough experience and credibility to become serious, constructive candidates. Why reject this freedom-based system for one where narrowly-focused interest groups can force all Oregonians to fund the campaigns of sure and often deserving losers?

Richard F. LaMountain is a former writer and editor for Conservative Digest.