

## **A Clean Money Convert: Former foe backs public financing of campaigns**

Timm Herdt, Columnist, Ventura County Star March 24, 2004

To read Marc Spitzer's biography, you wouldn't peg him as an advocate for public financing of political campaigns.

In fact, when an initiative qualified for the ballot in 1998 to establish public financing in Arizona, Spitzer was a vocal opponent. He was Republican leader of the Arizona Senate at the time. He is also a member of the Heritage Foundation, the conservative public policy think tank, and an attorney who previously worked for a button-down accounting firm.

In short, he's no liberal who believes in big government. But Spitzer is a convert. Since the Arizona Clean Money initiative passed in 1998, he campaigned for and was elected to the Arizona Corporations Commission -- roughly the equivalent of a public utilities commission. "The world didn't end with public financing in Arizona," he said Tuesday. "In fact, it got much, much better."

Spitzer came to Sacramento to testify in support of a bill to establish public financing of legislative and statewide elections in California.

He said that when he decided to run for the commission in 2000, "I raised my \$5 individual contributions from a variety of groups, about equally divided between Republicans and Democrats."

"Then I went out and spent the rest of the campaign talking to voters -- what a concept! People are campaigning before groups that had previously been untouched. It is a wonderful thing. It is a tonic."

He readily admits his motivation to become a guinea pig -- the first Republican to run for statewide office under public financing -- was strategic.

As a Republican, he said, he was concerned that unions would pay for hit pieces against his candidacy. Under the public-financing law, if an outside group spends money against a candidate then that candidate receives a dollar-for-dollar increase in public funds. His motive was to neutralize the unions' role in his coming campaign.

"To do an independent expenditure against a Clean Money candidate is suicidal," he said.

During the course of the campaign, a strange thing happened. Freed from having to spend endless hours raising campaign contributions, Spitzer took off across the state. "I ended up at a lot of union halls," he said.

"Remember, I had started this to neutralize the unions. Ironically, before the end of the race I had been endorsed by nearly every one of the unions. Had I run the old country club race, raising money at wine and cheese parties in Phoenix, it would have turned out entirely differently."

The California proposal, AB2949, by Assemblywoman Loni Hancock, D-Berkeley, would establish voluntary public financing of campaigns for the Legislature and state offices.

To qualify for public financing, candidates would first have to collect a threshold number of \$5 contributions from individuals in their districts -- 500 for a candidate for Assembly, 1,000 for a candidate for Senate, 7,500 for a candidate for statewide office other than governor, and 15,000 for a candidate for governor.

Once that grass-roots base of small donors is established, the candidates would be eligible to receive public financing to conduct their campaigns.

Hancock hasn't identified the source of the money for California, an estimated \$74 million a year.

In Arizona, the money comes from a combination of sources: voluntary check-offs on income tax returns, fees on registered lobbyists and a 10 percent surcharge on civil and criminal fines.

Public financing of campaigns is a difficult political issue. Voters are naturally suspicious of a system that uses taxpayer money to pay for political campaigns. Politicians are wary of a system that would disrupt the special-interest fund-raising machine that put them into office.

Spitzer says he understands the reluctance to embrace the idea, but that the benefits are too valuable to pass up.

Since the Arizona initiative passed, voter turnout has gone up -- setting a record in 2002 for a nonpresidential election. Public approval for the Arizona Legislature's performance has gone up 12 percent. More women, minorities and people of modest means have stepped forward to run for office.

In his job, Spitzer said he has had to deal with an electricity crisis, complex telecommunications issues and securities regulation. Because of public financing, he has never accepted a dime from Enron or Verizon or Merrill-Lynch.

"I had no strings," he said. "It was a wonderful, liberating experience to be able to deliberate just on the merits ..."

"The question shouldn't be how can you afford to do this, but how can you afford not to."

## **San Francisco Chronicle opinion piece by Marc Spitzer, Arizona Corporations Commissioner July 16, 2004**

Arizona has something that California should adopt: clean money/clean election public financing of campaigns. With campaigns heating up, donations pouring in and the California budget still in crisis, now is the right time to look at instituting

real reform in California's campaign- financing system.

Recently, I spent time in Sacramento, speaking with California legislators about the clean-money system in support of AB2949, a bill sponsored by Assembly member Loni Hancock, D-Berkeley, that would bring publicly financed state campaigns to California. I found that California's Legislature faces the same challenges as Arizona's -- only more so.

I served four terms in the Arizona state Senate. I understand the difficulty in crafting a state budget, particularly in light of a structural deficit that appears to compel reductions in programs, tax increases, or both. But the necessity of legislators raising money from special-interest groups, all with a finger in the political pie, makes it that much harder to achieve the proper balance that is at the heart of good government.

The great benefit of the clean money/clean elections movement is that policy-makers no longer have their hands tied by the campaign-finance system. They are free to exercise their judgment based upon the broad public interest, rather than have the debate dictated by narrow special interests or even by party leaders who control big purse strings.

This partially explains why Arizona passed a balanced, bipartisan budget in May, while California's budget remains mired in stalemate. In Arizona, 26 of the 31 representatives who voted for the state's compromise budget were clean elections candidates.

I'm a classical conservative, nurtured on "The Federalist Papers," and my thesis is: 1) Lobbyist dominance over political fund-raising would rot Madison in his grave; and 2) The clean-elections movement is indeed consistent with the best traditions of American governance.

The term "special interest" was not offensive to our founding fathers. Federalist No. 10 described how our Constitution would control enlightened self-interest in a uniquely American way. But the framers would be appalled as Washington lobbyists shovel millions at congressional incumbents, bastardizing political theory.

In Arizona, clean elections are a reform tonic. I ran four times for the state Senate (successfully), first as challenger to an incumbent. Here's the dirty little secret about legislative fund-raising: Lobbyists contribute not to help candidates win (few incumbents face serious challenge), but to gain access to the political sphere and influence the lawmaking process. These lobbyists are thus indifferent to philosophy, integrity or intelligence.

We can do better than that. Those who seek office deserve better than lobbyist/donors who don't even care whether they win or lose. I can personally assure you that clean-election contributors do indeed care about the candidate -- and their involvement improves the political process.

Let's examine the practical effects of the clean-election movement:

-- Arizona voters' 1998 approval of clean elections did not repeal private fund-raising. It provided an alternative. But **clean elections aren't easy -- "clean" candidates must actually communicate with registered voters** in their districts (instead of having lobbyists and party activists hold \$250- per-person fund-raisers without effort by the incumbent) to qualify for public funding.

-- **Clean elections will not eliminate corruption; such is beyond the power of man, much less statute.** But lobbyist-mercenaries raising money for politicians while simultaneously seeking legislative favors debases generally honest elected officials.

-- **Clean elections do not exclude interest groups from political campaigns. That's like removing bubbles from champagne.** Indeed, clean elections' appeal for grassroots, \$5 contributions empowers anti-abortion, pro-choice, pro-gun, anti-gun, teachers, retirees, real estate agents and myriad "enlightened" interest groups in the best tradition of American democracy.

-- Public finance is not inconsistent with American political tradition. Since 1976, some very conservative presidential candidates have campaigned with public funds, and the Tucson city elections have gone just fine.

The 19th-century political scientist Alexis de Tocqueville noted the fundamental goodness of the American people, yet our corporate and political institutions demand righteous self-examination. Corporate scandals in the last several years have lost investors trillions and cost tens of thousands of innocent workers their jobs. Even those who oppose campaign-finance reform now agree that politicians' compulsion to seek cash from lobbyists impairs their ability to legislate in the public interest.

As Arizona corporation commissioner, I was the first to earn statewide office under Arizona's Clean Elections Law. It made sense to Arizona voters that candidates for Corporation Commission ought not to solicit campaign contributions from the same utility companies they would, if elected, then regulate.

With the campaign season in full swing, I will leave it to you to determine whether your candidate for state Assembly or Senate is spending his or her time talking to voters and seeking support from previously ignored groups or whether they must spend all their time "dialing for dollars."

My clean elections campaign compelled me to seek support from Arizonans I might otherwise have passed by, such as the Apache County Republican who said, "I like clean elections, because we shouldn't have to write \$1,000 checks to fund campaigns." I couldn't have said it better. California should import this Arizona tonic.