

Clean Sweep

Ballot measure would ban 'taxpayer money' for political campaigns



O'CONNOR HOUSE

This is the second in a series of stories that will examine the efforts of Arizona icon Sandra Day O'Connor to improve how the state is governed as it moves into its second century.

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The system that allows Arizona residents to use government money to campaign for political office is teetering after a federal judge ruled earlier this year that a major component of the scheme is unconstitutional. Many powerful special interest groups, nonetheless, are hoping to deliver the knockout blow at the ballot box this fall, rather than wait for it to collapse on its own.

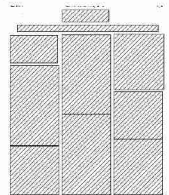
Business associations such as the Arizona Chamber of Commerce and Industry, the National Federation of Independent Business and the Greater Phoenix Chamber of Commerce are putting their money and influence behind a proposal to push Arizona's Clean Elections system to the sidelines.

There's no reason, business advocates say, for the state to spend millions of dollars to pay for political campaigns when lawmakers are eliminating state services and considering tax increases to offset budget shortfalls. They also argue from an ideological standpoint that government should not contribute financially to political campaigns because it limits the impact of private-sector donations to traditional candidates.

"Probably the worst possible place to spend public funds is on subsidizing political campaigns," said Glenn Hamer, president of the Arizona Chamber of Commerce and Industry.

Those who support the Clean Elections system, though, say business groups want to repeal the system because it took away their power to recruit and aid candidates who would advance a pro-business agenda at the Capitol.

"The chambers (of commerce) have never liked Clean Elections because it radically reduced their influence in deciding who ran for public office," said Mike Valder, who



founded the nonpartisan watchdog Clean Elections Institute.

Prior to 1998 when voters approved the Clean Elections system, business groups played a larger role in candidate recruitment because they were the primary source of campaign contributions. Now, though, candidates may pay for their campaigns with government money that is collected from fees on traffic tickets and voluntary donations from taxpayers — money that dilutes the influence of private contributors.

In that regard, Clean Elections supporters say, the system is working exactly as planned. They argue the elimination of public financing would empower special interest groups and make it much more difficult for people to run for office if they don't have political connections.

"The main concept is that, if you don't want to take money from special interests ... you shouldn't have to," said Rep. Doug Quelland, a Phoenix Republican who has used Clean Elections funding in his four legislative campaigns.

Still, many Republican lawmakers, even some who have used Clean Elections money in their own campaigns, are determined to get rid of the system one way or another.

"I don't want it to be limping along. I want to put it out of the state's misery," said former Sen. Jonathan Paton, a Republican from Tucson. "I think it has been a ruinous failure in all its permutations."

Before Paton resigned from the Legislature in February to run for Congress, he sponsored SCR1009, which would effectively gut the Clean Elections system by amending the state Constitution to prohibit "taxpayer money" from being used for political campaigns.

Paton for years has been trying to eliminate Clean Elections, but now he'll have to work from the sidelines to convince his former colleagues in the Legislature to put the measure on the ballot. It's already been approved by the Senate, but it still needs approval from the House and voters.

The measure is backed by the O'Connor House Project, and efforts to limit the power Clean Elections and its regulatory body has on the elections process are viewed favorably by the Goldwater Institute, a libertarian government watchdog group, though it does not support or oppose specific legislation. Both groups have significant influence at the Capitol.

The Goldwater Institute is a plaintiff in a federal lawsuit to eliminate the matching funds provision of the Clean Elections system, which allows publicly financed candidates to receive extra money beyond their initial funding allotments when they are outspent by privately funded rivals or when they are targeted by independent expenditures.

It argued the matching funds limit First Amendment free speech rights of those who give their money to privately funded candidates because that money would then trigger funding for his or her opponent. In February, a federal district

court judge agreed, citing a 2008 U.S. Supreme Court ruling that reached similar conclusions and was the basis for the Goldwater Institute's challenge.

The decision has been appealed to the 9th Circuit Court of Appeals, which will hear arguments on the case in April.

Nick Dranias, the Goldwater Institute attorney in the lawsuit, said Clean Elections is an unconstitutional government intrusion.

"In essence, you have the government controlling the elections that are supposed to control the government," he said.

Meanwhile, the O'Connor House Project and its lobbying arm, Government for Arizona's Second Century, began working last year to convince lawmakers of the need to get rid of Clean Elections.

In May, a survey of O'Connor House participants showed 78 percent supported pursuing the reform and two-thirds of the group felt it was an important change. About 100 of the most influential Arizonans participated in the project, which was organized by former U.S. Supreme Court Justice Sandra Day O'Connor.

"In my view, Clean Elections hasn't lived up to its billing," said Deb Gullett, a lobbyist for Government for Arizona's Second Century and a former legislator. "It has not leveled the playing field. If anything, it has corrupted the playing field."

Gullett said the fact that Quelland and another legislator, David Burnell Smith in 2006, tripped the Clean Elections Act's "death penalty" and faced removal from office for violating public financing rules points to an effort by candidates to game the system.

Many of the O'Connor House participants also are business leaders, and Clean Elections supporters have seized on the idea that business interests were advancing their selfish interests under the guise of a bipartisan coalition.

"I don't know if (Justice O'Connor) is aware that the Chamber of Commerce has taken over the O'Connor House Project and is using it to lobby for one of their top priorities," said Valder of the Clean Elections Institute.

That argument is hogwash, said Gullett. While the business community was included in O'Connor House Project discussions, the roster of participants was exceedingly diverse.

"It was as disparate a group of people from across the state that you could come up with," she said.

But if it reaches the ballot this year, Gullett said Government for Arizona's Second Century won't be involved in the campaign because its status as a 501(c)4 nonprofit prevents it from taking part in political campaigns. She said, however, that another entity could be formed in association with the O'Connor House and with the mission to convince voters to strike down Clean Elections.

How well SCR1009 will resonate with voters remains to

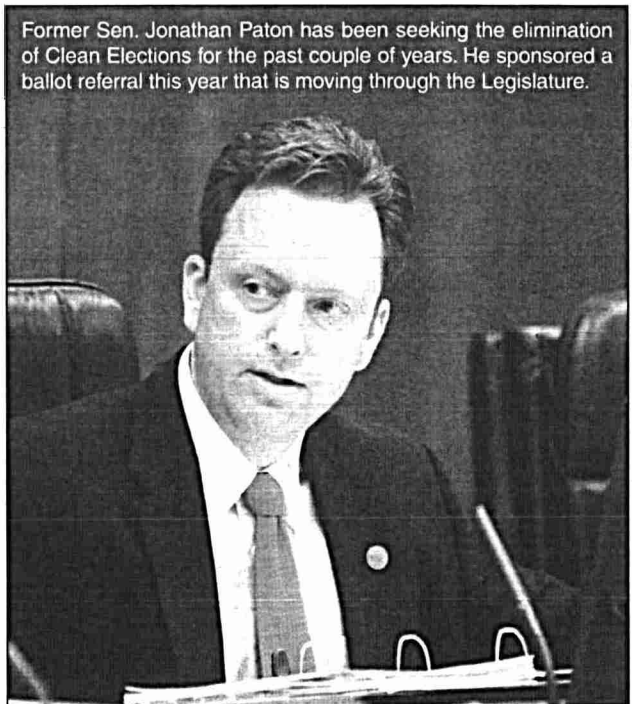
be seen. The measure was narrowly approved by the Senate March 1 on a 16-12 vote, with all Democrats voting against it.

Voters in the past have resisted outright repeal of Clean Elections. In 2004, business interests funded an effort to ask voters to scrap it. Polling at the time showed an overwhelming percentage of voters favored keeping the system, and the initiative failed to qualify for the ballot.

But this time may be different. In a political climate in which voters are angry about congressional bailouts for Wall Street bankers and large financial institutions, they may be more open to halting a public finance program. The measure's wording seems designed to play on those attitudes, as it prevents "taxpayer money" from being used to fund a political campaign rather than repeal Clean Elections.

Paton said his measure was written in a way that would appeal to a greater number of voters. But that's needed, he said, because Clean Elections is "deceptively" named to imply its candidates and the way of funding them is better than the traditional model. Voters believe it has "cleaned up" politics simply because of the name, he said.

"That's why they exist and they know it. It's a great bit of branding," he said. ■



Former Sen. Jonathan Paton has been seeking the elimination of Clean Elections for the past couple of years. He sponsored a ballot referral this year that is moving through the Legislature.

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