

## San Diego City Beat – October 12, 2005

### Tough Sell Made Easier?

#### Clean-Election Advocates Hope Voter Distaste for Corruption Propels Public Financing of Campaigns

by Emily Grant

If the San Diego Union-Tribune's editorial stance is an indicator of broader public opinion, supporters of so-called "clean elections" have their work cut out for them.

The local grassroots group Neighborhoods for Clean Elections' (NCE) "Declaration of Independence From Private Money" was still hot off the press when the U-T slammed the group's primary objective in a July 28 editorial under the headline "Public financing cannot buy integrity."

The daily paper called the proposal an "expensive mandate without a funding source," an "open-ended drain on the city's treasury," "fiscal insanity" and "absurd."

Probably not the reception NCE was hoping for, but the group's organizers are fired up, and they're not going to let a nasty old editorial knock their eyes off the prize. San Diego has a big fat corruption problem, and NCE thinks they have a solution: take private money out of the political process by paying for campaigns with taxpayer dollars.

Tito Zevallos, who participated in similar clean-election initiative efforts in 2002 and 2003, said public campaign financing "is certainly not the most appealing of subjects to discuss because it sounds like a lecture in economics. When you approach someone and tell them the words 'campaign finance reform,' their brain switches to the beach."

But, he added, "when you talk to people about corruption, they perk up."

However, San Diego State University professor Brian Adams says public financing is a tough sell. "People like campaign-finance reform," he said, "except when it comes to public financing. They don't want to use taxpayer money to finance these campaigns."

Proponents estimate the price tag at \$4 million per year, but NCE co-organizer John Hartley, a former member of the City Council, doesn't think that's too much, especially considering the future cost savings. "The money [to fund public campaigns] will come from money that is now a giveaway to special interests," Hartley said.

The need for cleanliness is more important now than ever before, Zevallos said, as San Diego transitions to a new form of government that concentrates power in the mayor's office—lots of private money will want to find its way into one person's hands.

Opponents of clean elections might say San Diego's campaign system is a good one spoiled only occasionally by a few bad apples, but Hartley's having none of that. "The system's bad," he said. "You have to be a saint like Donna Frye to not get controlled by special interests."

Under the city's private financing system, individual contributions are limited to \$250 per election for City Council races, \$300 for mayor and city attorney races. Corporations are banned from contributing to campaigns. All candidates and independent committees must disclose their contributions and expenditures in periodic reports during and after campaigns.

Zevallos isn't satisfied. "Campaign finance laws, as strict as they are in San Diego, are not going to work—you still have the same environment because the candidate has to go to the private money," he said.

Professor Adams agrees. Lobbyists and other special interests, he noted, can orchestrate contributions from dozens, if not hundreds, of individuals. It's called "bundling." It's how Lance Malone, the strip-club lobbyist convicted this summer of corruption charges, was able to contribute thousands of dollars to the campaigns of former City Councilmembers Michael Zucchet, Ralph Inzunza and Charles Lewis. Bundling is perfectly legal, as long as the individuals contributing money are not reimbursed, which is one of the things Malone and strip-club owner Michael Galardi got in trouble for.

When a lobbyist or other interested party bundles contributions, it doesn't appear on the surface that a candidate is accepting large-dollar special-interest money; disclosure statements do not indicate that 50 individual checks have arrived at a candidate's doorstep, tied together with a red ribbon and marked "xoxo, your favorite lobbyist."

Campaign-finance-disclosure laws are intended to shine light on who's contributing to candidates, but there are negative consequences, said Susan Lerner, executive director of California Clean Money Campaign. "Just having disclosures has the opposite effect," she said. If disclosures show large contributions have been made by or on behalf of a labor union, then the public is left with the idea that a candidate "belongs" to that union. "If you believe that politicians are for sale, then disclosures confirm your worst fears," Lerner said. "Even though [disclosures] are essential, they are not the answer in and of themselves."

Having clean elections, she added, "doesn't mean there are no lobbyists or PACs"—political action committees—"in the system, it just levels the playing field, so that neighborhoods have as much influence as a large corporation. Right now, our system favors the large-money contributors, and there's no way for the public to catch up."

Currently, San Diego doesn't limit a candidate's ability to spend money on behalf of his or her own campaign, as we saw with businessman Steve Francis' unsuccessful attempt to win the recent mayoral primary election. Clean elections take into account when candidates spend their own money, allowing publicly financed candidates to receive additional money when running against someone funding their own campaign.

Voters in Portland, Ore., passed a clean-election initiative last May, covering the offices of mayor, commissioner and auditor. The city's Campaign Finance Fund will line the coffers of local candidates for three elections scheduled in May 2006. Candidates who opt into Portland's public-finance system may raise \$15,000 from private individuals as seed money, which helps a person explore their candidacy and helps with start-up costs of running a campaign. To qualify for public funds, candidates first "demonstrate community support" by raising 1,000 contributions of \$5 each. When the candidate fulfills the requirements of the city's program, he or she gets up to \$150,000 as a primary allocation. In exchange, candidates agree to abide by spending limits and accept no private contributions. If candidates are outspent by third-party independent expenditures or candidates who didn't opt into the system, publicly financed candidates may apply for "matching funds" to be disbursed to them from the campaign fund, up

to \$150,000.

NCE's Hartley said the San Diego proposal would be similar. The maximum amount of public funds available would vary by office, with more money available to citywide mayoral candidates than to City Council candidates elected by district. Since the goal is for clean elections to improve city government, and not to waste money on "the person screaming in the wind," Hartley said, the system would set the bar high enough to fund only viable or proven candidates.

So far, clean elections are operating in cities and states. Arizona and Maine have full public financing of state offices; San Francisco and Los Angeles have partial public financing of campaigns for municipal office.

Lerner said the program in Arizona, propelled by a series of campaign-finance scandals dating as far back as the early '80s, has received such wide support that voters almost immediately ask whether a candidate is "clean." A total of 110 candidates participated in clean elections in Arizona in 2004, with 84 of them winning their primaries. Voters elected 46 clean candidates to the Arizona legislature.

However, studies show waning public support of clean elections in Arizona, sliding from 64 percent in 2002 to 57 percent in 2004. Recent events reveal some abuse of the system. The Arizona Citizens Clean Elections Commission ordered David Burnell Smith, a member of Arizona's House of Representatives, to vacate his seat, repay more than \$34,000 to the state campaign fund and pay a \$10,000 fine after it ruled that he had overspent in his clean campaign and violated disclosure laws. Smith has taken the commission to court in an attempt to retain his office. Proponents of clean elections acknowledge that abuse can occur, but they point out that the commission took swift action to punish Smith.

Hartley met with clean-elections leaders in Arizona in August.

In January, NEC will officially kick off its drive for signatures to place a clean-election initiative on the November 2006 ballot. Then, the public-information campaign begins.

“If you look at Arizona, it takes a wretched scandal to crystallize public opinion and to allow people to actually consider alternatives” to the status quo, Lerner said. “Now, it’s really a question of our activists in San Diego getting out to the public and letting people learn about the system, that it’s up and running in other places, that it’s successful and practical and can have a positive effect.”