

# DEFEAT



## Publicly Funded Election Failures

South Dakota is not the first state to propose a publicly funded campaign law. The example of other states around the country should serve as a warning. Public funding sounds nice in theory, but in practice it becomes a slush fund for people who want free money.

All of these stories are compiled by the [Center for Competitive Politics](#).

### Arizona

Arizona passed a public funding campaign law in 1998 for candidates who choose to participate. It was upheld by the Supreme Court and put in to effect in the 2000 election.

- In 2004, Yuri Downing was criminally indicted after misusing over \$100,000 in public campaign funds. He spent money on parties, restaurants, and office equipment. He was ordered to pay back the funds in entirety, but only ended up paying \$15,000
- The Republican candidate for senate in 2010 Robert Green submitted false documents about how much he had raised to receive \$21,000 in public matching funds
- An Arizona House candidate fundraised \$7,000 late in the election cycle which was matched by public funding, and he spent the money on a post-election party instead of returning it
- Several accounts of candidates using public money to pay their own companies for “campaign activities”

### Maine

Maine passed a public funding campaign in 1996 that established a voluntary taxpayer system and put spending limits for state elections.

- An investigation found that the Green Independent Party in Maine had recruited a woman to run as their candidate only to gain access to public funds
- A man who ran for state senate in 2006 forged signatures from supposed contributors to gain more than \$18,000 in public funds

### New York City

NYC’s campaign finance program began in 1988 and provided public matching (\$6 of public funding for every \$1 raised by a candidate up to \$1,050)

- A group of city council candidates were investigated for giving public campaign dollars to a for-profit company that turned no-profit. Private businesses working with campaigns are exempt from donation limits, so candidates would direct the public funds to the company, and the company could turn around and give money in large sums to the political campaign
- Candidates in NYC were investigated for hiring union workers to work on campaigns, which was considered an illegal coordinating activity
- Candidates do not have to keep private donations and public funding books separate, so public funds have likely been spent on victory parties and volunteer appreciation days