



Highlights of [GAO-10-390](#), a report to the Subcommittee on Financial Services and General Government, Committee on Appropriations, U.S. Senate

Why GAO Did This Study

The 2000 elections in Maine and Arizona were the first in the nation's history where candidates seeking state legislative seats had the option to fully fund their campaigns with public moneys. In 2003, GAO reviewed the public financing programs in Maine and Arizona and found the programs' goals were to (1) increase electoral competition; (2) increase voter choice; (3) curb increases in campaign costs; (4) reduce interest group influence; and (5) increase voter participation. GAO reported that while the number of candidates who participated in the programs increased from 2000 to 2002, it was too soon to determine the extent to which these five goals of the programs were being met. Senate Report 110-129 directed GAO to update its 2003 report. This report: (1) provides data on candidate participation and (2) describes changes in five goals of Maine's and Arizona's programs in the 2000 through 2008 elections and the extent to which changes could be attributed to the programs. To address its objectives, GAO analyzed available data about candidate participation, election outcomes, and campaign spending for the 1996 through 2008 legislative elections in both states, reviewed studies, and interviewed 22 candidates and 10 interest group officials selected to reflect a range of views. The interview results are not generalizable to all candidates or all interest groups. GAO is issuing an electronic supplement with this report—GAO-10-391SP—which provides data and summaries of statistical analyses conducted.

View [GAO-10-390](#) or [key components](#). To view the e-supplement online, click on [GAO-10-391SP](#). For more information, contact William O. Jenkins Jr. at (202) 512-8777 or jenkinswo@gao.gov.

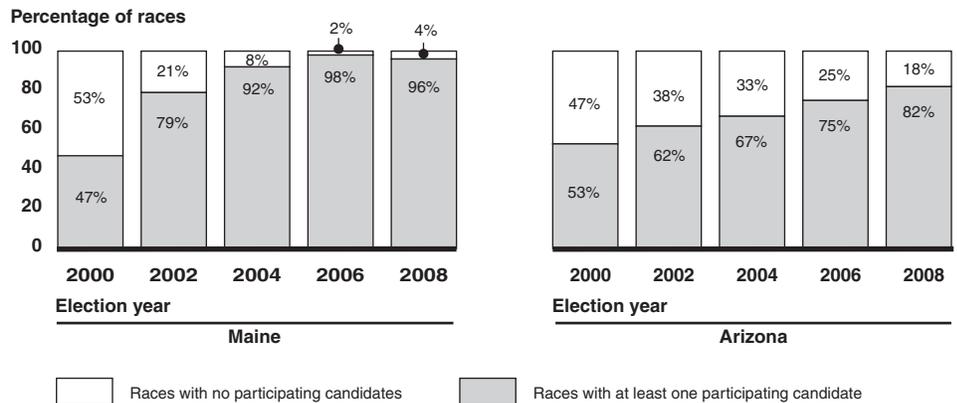
CAMPAIGN FINANCE REFORM

Experiences of Two States That Offered Full Public Funding for Political Candidates

What GAO Found

In Maine and Arizona, legislative candidates' participation in the public financing programs, as measured by the percentage of candidates participating and the proportion of races with a participating candidate, increased from 2000 to 2008. Specifically, the participation rate of candidates in Maine's general elections increased from 33 percent in 2000 to over 80 percent in 2006 and 2008. Meanwhile, the participation rate of candidates in Arizona's general elections increased from 26 percent in 2000 to 64 percent in 2008. Also, the proportion of races with at least one candidate participating in the program generally increased from 2000 through 2008.

Percentage of Legislative Races with at Least One Candidate Participating in the Public Financing Programs, Maine and Arizona General Elections, 2000 through 2008



Source: GAO analysis of Maine and Arizona election results data.

While there was some evidence of statistically significant changes in one of the five goals of Maine's and Arizona's public financing programs, we could not directly attribute these changes to the programs, nor did we find significant changes in the remaining four goals after program implementation. Specifically, there were statistically significant decreases in one measure of electoral competition—the winner's margin of victory—in legislative races in both states. However, GAO could not directly attribute these decreases to the programs due to other factors, such as the popularity of candidates, which affect electoral outcomes. We found no change in two other measures of competition, and there were no observed changes in voter choice—the average number of legislative candidates per district race. In Maine, decreases in average candidate spending in House races were statistically significant, but a state official said this was likely due to reductions in the amounts given to participating candidates in 2008, while average spending in Maine Senate races did not change. In Arizona, average spending has increased in the five elections under the program. There is no indication the programs decreased perceived interest group influence, although some candidates and interest group officials GAO interviewed said campaign tactics changed, such as the timing of campaign spending. Data limitations, including a lack of comparable measures over time, hinder analysis of changes in voter participation.