

SB 42, the *California Fair Elections Act*

Allow Public Funding of Campaigns So Elections Are Won, Not Bought

SB 42 by Senators Tom Umberg, Ben Allen, and Sabrina Cervantes and Assemblymember Alex Lee will put the California Fair Elections Act on the ballot to allow public funding of election campaigns to empower voters in any jurisdiction in California.

Why California Needs the *California Fair Elections Act*

- **The amount of money in politics is outrageous and is corrupting the system. Since 2020, over \$650 million dollars has been raised by California candidates.** This massive fundraising buys access for special interests, but shuts out the rest of us. We need to change the way we finance election campaigns so politicians can focus on the job we sent them to accomplish.
- **81% of California voters** believe Big Money campaign contributors have too much influence over elected officials.*
- **Five California charter cities have public funding of campaigns** that amplify the voices of everyday voters so they can compete with Big Money: Los Angeles, San Francisco, Oakland, Berkeley, and Long Beach.
- **But public funding of campaigns is banned everywhere in California but charter cities.** General law cities, counties, districts, and the state currently don't have the same right to pass public funding that charter cities have.

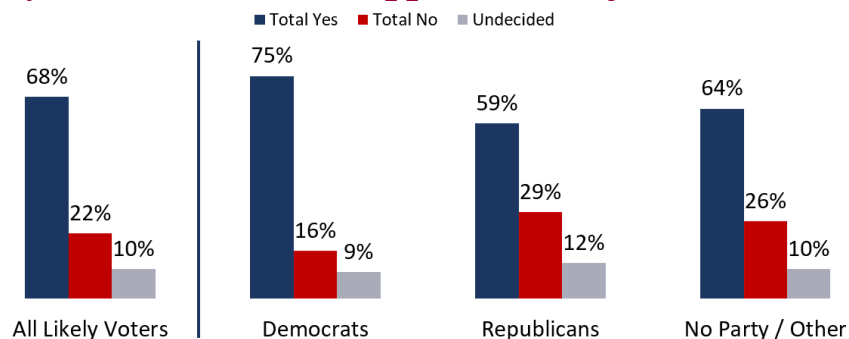
SB 42 Will Put a Measure on the Ballot to Allow Public Campaign Funding

- **Places the *California Fair Elections Act* on the November 2026 ballot to allow public funding of campaigns** in any city, county, district, and the state itself as long as the systems meet specific requirements.
- Requires that **public funding candidates abide by expenditure limits.**
- Requires that **candidates must meet strict criteria to qualify** such as requiring candidates receive small dollar contributions or vouchers from a specified number of adult residents.
- **Prohibits the use of public funds to pay for legal defense or fines.**
- **Prohibits candidates receiving public funds from repaying personal loans** with public funds, or repaying personal loans with private donations after the campaign ends.
- **Prohibits public funding from discriminating** based on party or against challengers in favor of incumbents.
- Bans public campaign funds from coming from money earmarked for education, transportation, or public safety.

***California Fair Elections Act* Sponsors and Supporters**

- SB 42 is sponsored by **California Clean Money Campaign, California Common Cause, and League of Women Voters of California.**

68% of Likely California Voters Support the *California Fair Elections Act*!



*California Clean Money Campaign poll of 837 likely November 2024 voters from May 23-June 10 based on possible title, summary, supporters, and opponents that would appear on the ballot label.

“If the public doesn’t finance political candidates, special interests will happily step in.”

George Skelton story on original *California Fair Elections Act*, Los Angeles Times, 4/3/2023

Different Types of Public Funding Systems Allowed by *California Fair Elections Act*

The *California Fair Elections Act* will not institute public funding anywhere. But it allows any jurisdiction to pass a public funding system as long as it follows basic requirements. Here are kinds of public funding systems allowed:

- **Matching Funds Systems:** Donations from small donors are magnified by matching them with public funds. Los Angeles, San Francisco, and Berkeley all provide 6-to-1 matching funds on small donations. New York City provides 8-to-1 matching funds on donations up to \$175. Empowers small donors to compete with larger donors.
- **Democracy Voucher Systems:** Residents receive vouchers they can give to candidates who agree to abide by specified contribution and spending limits. Seattle provides (and Oakland will soon provide) four \$25 vouchers to every adult resident, allowing everyone to help fund the candidate of their choice even if they can’t afford to donate.
- **Full Funding Clean Elections Systems:** Candidates qualify by raising enough small contributions and then receive a public grant to fully fund their campaign, as long as they don’t raise any additional private funds. Used in Connecticut, Maine, Arizona, and Albuquerque. Ensures candidates aren’t influenced by private donations.
- **Full Funding Democracy Vouchers:** California Clean Money Campaign has proposed a hybrid of vouchers and full public funding that would allow candidates to qualify for full public funding grants by getting a large enough number of vouchers instead of contributions. Candidates could turn in extra vouchers for extra funds.

Proven Benefits of Public Funding of Campaigns

- **Amplifies the voices of everyday voters** and provides candidates with a viable alternative fundraising method not reliant on large wealthy donors or special interests.
- **Allows qualified candidates from all walks of life to compete and win.** Public funding systems help qualified candidates run competitive campaigns even if they aren’t wealthy or have wealthy donors. Los Angeles now has the most diverse city council ever, with all but one of 15 councilmembers elected using matching funds.
- **Increases the diversity of campaign contributors.** A study by Maplight found that during the first cycle of the matching funds program in Berkeley (in 2018), donors to participating campaigns were spread across more of the city.¹ A 2020 study from Georgetown University found that since Seattle began Democracy Vouchers in 2017 the donor pool has become increasingly large and diverse.²

Publicly Funded Candidates Can Beat Big Money

- **85% of Connecticut candidates** for the General Assembly used public funds to seek office in 2018. The result was that 99% of their campaign funds came from real people (compared to 49% before their Clean Elections program). Connecticut had nearly the highest percent of monetarily competitive legislative races in the nation.
- **Democracy Voucher candidates in Seattle beat millions spent against them.** In 2019, Amazon.com and other corporations spent \$2.6 million in independent expenditures trying to defeat a slate of candidates who were using democracy vouchers, but 4 out of the 6 candidates they opposed who were using vouchers won anyway.
- **Matching Funds helped Los Angeles Mayor Karen Bass defeat a billionaire.** In the 2022 mayoral election, Karen Bass’s billionaire opponent Rick Caruso spent over \$108 million. Despite that, the \$2.3 million in matching funds helped provide her with enough funds to get her message out and prevail.

**Pass the *California Fair Elections Act* to let every jurisdiction in California
make elections about ideas not money!**

¹ “2018 Fair Elections in Berkeley”, Maplight, 2019, <https://maplightarchive.org/story/2018-fair-elections-in-berkeley/>

² “Building a More Diverse Donor Coalition — An analysis of the Seattle Democracy Voucher Program in the 2019 Election Cycle”. Jennifer Heerwig, Stony Brook University and Brian McCabe, Georgetown University, 2020. <https://georgetown.app.box.com/s/r2skqxfnc230ukkb3dfqgm4576phzabd>

