

Proposition 306: Clean Elections Commission

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Proposition 306 would curtail the authority and independence of the Arizona Citizens Clean Elections Commission, a nonpartisan commission created by voters to educate the electorate, provide campaign funding for qualifying candidates and enforce campaign finance rules and laws.

Arizona voters in 1998 created the Clean Elections system, which provides a voluntary system of public financing for those running for legislative and statewide offices. Candidates who accept public funds agree to limit their spending and not take funds from other sources.

The Citizens Clean Elections Commission (CCEC) oversees the Clean Elections program, funding candidates, acting as watchdog on campaign activities, enacting rules as necessary and educating voters about candidates and elections. The commission does not rely on operational funding from the state budget, instead utilizing monies from various fees.

Understanding Arizona's Propositions

Arizona voters will be asked to pass judgment on five measures on the ballot in the November 2018 general election. Four propositions call for amendments to the Arizona Constitution.

Two propositions were placed on the ballot by the Legislature, two others through the initiative process and the remaining one via a signature-gathering campaign challenging legislation passed by the Legislature and signed into law by the governor.

As in past years, ASU Morrison Institute for Public Policy examined Arizona's propositions to offer voters independent and nonpartisan assessments based on relevant documents and views expressed by subject-matter specialists and those who support and oppose particular measures.

"Understanding Arizona's Propositions" will provide information on each ballot proposal, how each came about, what it would do if passed, and its likely impact.

The CCEC is comprised of five members – two Republicans, two Democrats and one independent. By law there can be no more than two members of any political party. In order to maintain its independence, the CCEC is independent from the state Legislature and governor, and is empowered to establish its own rules of operation, although these must be adopted in adherence to public meetings and public records laws, with all public business conducted in open meetings that allow for public comment. CCEC decisions also can be challenged in court.

The major provision in Proposition 306 would generally weaken the commission's ability to enforce campaign finance laws by giving the Governor's Regulatory Review Council (GRRC) the power to review and possibly veto all proposed commission rules and regulations. The governor appoints six of the seven GRRC board members, and they serve at the pleasure of the governor. The seventh member is a representative from the Department of Administration, who

serves as the council chair. There are no requirements or limitations in regard to the partisanship of Council members.²

The statutory referral to the ballot divided legislators along party lines – Republicans for it, Democrats against.

Proponents see the need to reign in an independent state agency that has been out of control by subjecting it to the same controls imposed on most other state agencies. In particular, the Legislature, the governor and the GRCC in recent years have sought to curtail the ability of the CCEC to regulate "dark money" groups that finance candidates and campaigns but decline to reveal their funding sources or supporters. Proposition 306 would enable the GRCC to reverse Clean Elections decisions regarding dark money regulation.

Another provision of Proposition 306 would prohibit candidates from using Clean Elections funds to make payments to political parties or tax-exempt independent political organizations attempting to influence elections. This provision stems from charges brought before the Commission by Republicans who claimed that some Democratic candidates funneled their Clean Elections money to the Democratic Party.

The CCEC investigated the allegations but did not find any evidence that public money had been used improperly; money paid to the party went for standard campaign goods such as voter lists. The CCEC did, however, tighten controls over the use of public funds for purchasing services.

Opponents of Proposition 306 believe there are adequate and proper controls over the use of Clean Elections funds and that the proposition would saddle and hamstring Clean Elections candidates with unnecessary regulations and deny them the right to purchase vital services needed to conduct a viable campaign.

Opponents also argue that the charge that the CCEC is allowing candidates "to give away Clean Elections funds to political parties" is a manufactured issue designed to draw a "yes" vote for the proposition from those who otherwise might be inclined to vote against it.

In support of the ballot measure is an organization known as "Stop Taxpayer Money for Political Parties," which is supported by the Arizona Free Enterprise Club whose supporters are kept anonymous. Also on board as proponents is Americans for Prosperity.

The League of Women Voters (Clarksdale) and the Arizona Advocacy Network are among the organizations in opposition to Proposition 306.

¹ To further its independence, the Citizens Clean Elections Commission is exempt from requirements of the Administrative Procedures Act. The proposition would change that exemption, forcing the CCEC to follow the state's rulemaking requirements. This would lead to CCEC rules being reviewed and possibly reversed by the Governor's Regulatory Review Council or the attorney general.

² See GRRC website https://grrc.az.gov/council)

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