

# Report on the Limited Public Financing System for Candidates for Statewide Office in the 2006 Election

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## I. Introduction

"On or before January thirtieth of any year next following a year in which elections are held for statewide elective office, the director shall prepare and submit a report relating to the matters entrusted to him under this chapter to the clerk of the senate and to the commission established by section three of chapter fifty-five...." [M.G.L. c.55C, s.3]

To the Clerk of the Senate and the Commission to Select the Director of Campaign Finance:

In accordance with Massachusetts General Laws Chapter 55C, Section 3, I hereby submit this report summarizing the Commonwealth's system of limited public financing of campaigns for statewide elective office during the 2006 election.

Chapter 774 of the Acts of 1975 established the public financing system in Massachusetts by creating the State Election Campaign Fund (SECF) and outlining the statutory responsibilities of the five agencies involved in administering the system. The system has been modified over the years and was replaced for the 2002 election by the Clean Elections program, which also offered financing to candidates for the Legislature and Governor's Council. The Clean Elections Law was repealed in 2003, and the system that had been in effect in 1998 was restored for the 2006 election.

This report outlines the workings of the public financing program and provides specifics on its operation in the 2006 election, including the availability and distribution of funds to participating candidates.

A total of \$1.36 million was released to three candidates, all of whom were running for governor. The total outlay is about \$350,000 less than the 1998 figure, which was a record high for this program. (The most ever distributed in a public financing program was the \$4.1 million released during the Clean Elections program in 2002, but that covered candidates for the Legislature and Governor's Council as well as statewide office.)

Once again, the amount of funding available in 2006 was far less than what was needed to fully fund the limited public financing program. No candidate received the full amount to which he or she would have been entitled under statute due to limited funding. In fact, most candidates

received no money at all, despite having taken the required pledge to observe spending limits in return for eligibility for public funds.

Despite such obstacles, the public financing system was implemented in a professional and efficient manner during the 2006 election, due in large part to the coordination between the Office of Campaign and Political Finance (OCPF), the Office of the Secretary of the Commonwealth, the Department of Revenue, the Office of the Comptroller, and the Office of the Treasurer and Receiver General. The work of each of these agencies contributed to the system's effectiveness and, therefore, each deserves recognition for its efforts.

An extra word of thanks also goes out to the candidates and the political committees, who cooperated with this office by making early submissions of qualifying candidate statements and making our task of certification that much easier.

Respectfully submitted,

Michael J. Sullivan Director Office of Campaign and Political Finance

January 30, 2007

### **II.** Historical Overview

The system for partial public financing of campaigns for statewide office in Massachusetts has been in place for every election since 1978, with one exception. That was in 2002, when the Clean Elections program covered candidates for statewide office, as well as those running for the Legislature and the Governor's Council. That system was repealed in 2003 and the previous program, for statewide candidates only, was reinstituted.

Modeled in some aspects on the federal system of financing presidential candidates, the current system offers limited funds to candidates for the six statewide "constitutional" offices: Governor, Lieutenant Governor, Attorney General, Treasurer and Receiver General, Secretary of the Commonwealth, and Auditor. The funds are provided from voluntary contributions of \$1 by state income tax filers.

In the eight statewide elections since its institution, public financing has provided more than \$9.3 million to candidates, most recently more than \$1.3 million in 2006.

Year	Amount Available	Amount Disbursed
1978	\$175,161.00	\$162,521.56
1982	\$679,930.19	\$489,912.39
1986	\$888,498.25	\$865,412.88
1990	\$450,003.85	\$380,356.06
1994	\$358,438.01	\$256,758.60
1998	\$1,753,463.36	\$1,719,614.99
2002	\$4,088,405.12	\$4,088,405.12
2006	\$1,613,689.19	\$1,361,222.11
TOTAL:	\$10,007,588.97	\$9,324,203.71

#### Disbursements to Candidates from the State Election Campaign Fund 1978-2006 Statewide Elections

Note: Any funds remaining after the election are carried over to the next statewide election.

The largest outlay of public financing funds above was in 2002, when almost \$4.1 million was distributed during the Clean Elections program. That program ultimately provided partial funding to 10 candidates (though only one was seeking statewide office). Not counting the Clean Elections funds, the limited public financing program has distributed \$5,235,799 to candidates since 1978.

A total of 99 candidates have received public funds since 1978: 89 under the limited financing system, the other 10 under the Clean Elections program. The number of candidates

who received money has varied over the years, depending on such factors as each candidate's particular circumstances and the changing criteria for receiving funds. The law now stipulates, for example, that candidates for governor are eligible to receive full funding before any other statewide candidates may receive funds. In addition, starting with the 1998 election, candidates wishing to be eligible for public financing were required to agree to statutory spending limits.

	Prim	ary	General		
Year	Eligible for funds	Received funds	Eligible for funds#	Received funds	Total recipients
1978	22	12	10	8	16
1982	12	12	16	3	13
1986	11	9	10	10	16
1990	17	15	14	8	19
1994	19	10	16	8	14
1998	13*	4	7	5	8
2002	12	10	6	6	10**
2006	14*	2	4	3	3

#### Candidates' Eligibility for and Receipt of Public Funds 1978-1998

\* Denotes candidates who agreed to observe spending limits, a requirement for receiving public funds that started with the 1998 election.

\*\* Only one of the candidates who were certified to receive financing was seeking statewide office; the rest were running for House seats.

# Candidates who won their primaries or otherwise reached the November ballot, such as unenrolled candidates.

## **III.** The State Election Campaign Fund

The sole source of funding for limited public financing in Massachusetts is the State Election Campaign Fund (SECF), which was established under M.G.L. Chapter 10, Section 42. Under Section 42, taxpayers may direct \$1 of their tax liability on their annual income tax returns to the SECF (\$2 for joint returns). Such a designation does not increase a filer's tax liability or decrease the amount of a refund. From 1976 to 1993, however, the funding was by an "add-on" system, by which taxpayers could contribute to the SECF only by adding \$1 or \$2 to their tax liability.

Throughout its history, the SECF has been hindered by limited participation by taxpayers. Before 1994, when designating money to the fund meant an increase in tax liability, less than 5 percent of the tax returns included a contribution to the fund. The switch to a check-off in 1994 meant a substantial increase in participation, with the rate of donations moving closer to 10 percent. In the most recent tax year for which figures are available, 2005, 7 percent of tax returns designated funds to the SECF.

State Election Campaign Fund				
<b>Taxpayer Participation Rates and Amounts Collected</b>				
1993-2005				

Tax Year	Number of	Participation	Amount Collected
	donations	rate	
1993	42,587	1.5 %	\$56,648
1994	279,523	9.9%	\$394,150
1995	247,097	8.5%	\$351,705
1996	291,872	9.9 %	\$417,791
1997	320,284	10.4 %	\$449,991
1998	279,600	8.8 %	\$382,270
1999	326,599	10.2%	\$447,283
2000	325,878	9.9%	\$445,798
2001	341,008	10.3%	\$465,545
2002	305,810	9.2%	\$419,308
2003	265,373	8.1%	\$365,895
2004	247,744	7.5%	\$341,128
2005	231,576	7.0%	\$321,389

Chapter 43 of the Acts of 1994 changed the funding mechanism for the SECF from a voluntary \$1 taxpayer donation (add-on) to a \$1 taxpayer designation (check-off), or \$2 for a joint return, effective tax year 1994.

Source: Massachusetts Department of Revenue

Despite the increase in participation, the public financing system continued to be hindered by limited funding by taxpayers, and the 2006 election was no exception. A total of \$1,613,689.19 was available to candidates last year; that was once again not enough to provide the full statutory amounts of matching funds to all candidates who had agreed to observe spending limits in return for public money. In fact, most of the candidates who had agreed to limits did not receive any money at all.

## **IV.** Candidates' Participation in the 2006 Program

Statewide candidates may only receive limited public financing if they agree to observe spending limits throughout the entire campaign. Democratic and Republican candidates, for example, must observe limits in both the primary and general elections. Candidates who are not enrolled in either of those parties do not participate in a primary, but must observe limits starting with the date they submit nomination papers in late August and running through the general election.

The statutory spending limits vary according to the office sought:

	Primary	General	Total Limit
Governor	\$1,500,000	\$1,500,000	\$3,000,000
Lt. Governor	\$625,000	*	\$625,000
Attorney General	\$625,000	\$625,000	\$1,250,000
Treasurer	\$375,000	\$375,000	\$750,000
Secretary of State	\$375,000	\$375,000	\$750,000
Auditor	\$375,000	\$375,000	\$750,000

#### **Expenditure Limits for Public Financing Participants**

In return for agreeing to limits, candidates who have opposition are eligible to receive money for both the primary and, if they are successful in the primary and are opposed, the general election. The amounts for which they are eligible are equal to half of their statutory spending limits:

	Primary	General	Total
Governor	\$750,000	\$750,000	\$1,500,000
Lt. Governor	\$312,500	*	\$312,500
Attorney General	\$312,500	\$312,500	\$625,000
Treasurer	\$187,500	\$187,500	\$375,000
Secretary of State	\$187,500	\$187,500	\$375,000
Auditor	\$187,500	\$187,500	\$375,000

#### **Maximum Distributions for Public Financing Participants**

\* Because the nominees for governor and lieutenant governor run as a "candidate team" after the primary, they are both included in the gubernatorial candidate's general election spending limit and maximum matching funds amounts.

For example, participating gubernatorial candidates were limited to expenditures of \$1.5 million for the primary campaign (June 7-Sept. 19) and \$1.5 million for the general election

campaign (Sept. 20-Nov. 7, Aug. 30-Nov. 7 for unenrolled candidates), for a total of \$3 million. In return, those candidates were eligible for up to \$750,000 in matching funds for each of the two periods, for a total of \$1.5 million.

A total of 21 candidates for statewide office filed declarations with OCPF stating whether they agreed to observe statutory spending limits in 2006. Candidates who would be on the ballot in the primary (Democratic or Republican) filed when they submitted nomination papers to the Secretary of the Commonwealth in early June, while candidates who were not enrolled in those parties did so when they filed their papers in late August.

<b>Office/statutory limit*</b>	Agreed to limits	Did not agree
Governor (\$1.5 million primary/ \$1.5 million general)	Deval Patrick (D) Thomas Reilly (D) Christy Mihos (U) Grace Ross (G)	Kerry Healey (R) Chris Gabrieli (D)
Lieutenant Governor (\$625,000 primary*)	Timothy Murray (D) Andrea Silbert (D) John Sullivan (U) Wendy Van Horne (G)	Deborah Goldberg (D) Reed Hillman (R)
Attorney General (\$625,000 primary/ \$625,000 general)	Martha Coakley (D) Larry Frisoli (R)	
Treasurer (\$375,000 primary/ \$375,000 general)	James O'Keefe (G)	Tim Cahill (D)
Secretary (\$375,000 primary/ \$375,000 general)	John Bonifaz (D) Jill Stein (G)	William Galvin (D)
Auditor (\$375,000 primary/ \$375,000 general)	Rand Wilson (U)	Joseph DeNucci (D)

## Participation in Public Financing 2006 Statewide Candidates

\* Statutory limit is subject to increase depending on self-imposed limit set by any opponent who did not agree to statutory limits.

\*\* Because the nominees for governor and lieutenant governor run as a "candidate team" after the primary, they are both included in the gubernatorial candidate's general election spending limit and maximum matching funds amounts.

Unenrolled and Green-Rainbow candidates did not have a primary and were on the general election ballot only.

To become eligible to receive public funds, candidates filed reports listing contributions received that qualified under the matching funds formula, in amounts depending on the office sought. Qualifying contributions include only the first \$250 of individual contributions that were received during 2005 and 2006 and deposited into a candidate's depository bank account. Candidates also were required to obtain a bond for the amount they received from the SECF and were subject to penalties if they misused public funds. Matching funds were wired into a candidate's depository account and, like all campaign receipts and expenditures, were noted in the regular disclosure reports filed on behalf of their committees.

## V. Statutory Responsibilities

The distribution of funds to candidates who apply for funding in the manner described above involves the coordination of the efforts of five state agencies.

The Treasurer is responsible for the management and investment of the State Election Campaign Fund as well as the disbursement of any funds to certified candidates. As noted below, funds collected by the Department of Revenue through state income tax returns have provided the sole source of revenue for the SECF.

On June 30 of each year in which elections are held for the six statewide offices, the Comptroller determines the balance in the SECF and the Treasurer is required to make all invested funds available for immediate withdrawal. The total amount that is available for public financing that year is apportioned on a 50/50 basis, with half available for the Primary Election Account and half available for the General Election Account.

On or before the eighth Tuesday before the primary, the Secretary of the Commonwealth certifies to OCPF the names of those candidates who qualify for the primary ballot and who are opposed by one or more candidates. (Unopposed candidates are not eligible for public financing.) Once the Secretary has certified the names to the Director, the Comptroller subdivides the Primary Election Account into accounts for each candidate, based on a formula provided for by M.G.L. Chapter 10.

As noted earlier, the law calls for candidates for governor to receive full funding first, then for candidates for the other five statewide offices to receive money, based on availability. For example, the Primary Election Account would first be divided to allow each certified gubernatorial candidate to receive the full primary share for that office of \$750,000, or as close to that amount as possible if there were not enough money to do so. If there was any money left over, it would be divided proportionately among other certified candidates.

The Director of OCPF is responsible for certifying to the treasurer that each candidate has met the statutory obligations necessary to receive the public funds.

## VI. The Primary Election

#### **Spending Limit Declarations**

The first filing deadline for candidates concerning the public financing system for 2006 was June 6, the same day completed nomination papers were due with the Elections Division of the Secretary of the Commonwealth. On or before that date, a total of 14 candidates who were seeking their parties' nomination for statewide office filed statements declaring whether they intended to limit their spending in the 2006 primary and general elections. (An additional three candidates filed statements, but they either had not reached the necessary threshold of delegate votes at their party conventions or did not subsequently submit enough signatures to make the ballot.)

Failure to file a statement would have meant a candidate could not be on the primary ballot. Due to coordinated advance notification by both OCPF and the Elections Division, however, every candidate filed form CPFA 20: Statement on Campaign Expenditure Limits – Primary and General Campaign.

Of the 14 candidates that filed and were eligible for the ballot, 7 agreed to abide by spending limits, which were binding for both the primary and general elections.

(Candidates who were not enrolled in either the Democratic or Republican political party and were therefore not on the ballot in a September primary were not required to file limit declarations in June. Rather, their filings were due on Aug. 29, the deadline for them to submit nomination papers with the Secretary of the Commonwealth.)

## Participation in Public Financing Statewide Candidates on the Primary Ballot 2006

<b>Office/primary limit</b>	Agreed to limits	Did not agree
<b>Governor</b> \$1.5 million	Deval Patrick (D) Thomas Reilly (D)	Kerry Healey (R) Chris Gabrieli (D)
Lieutenant Governor \$625,000	Timothy Murray (D) Andrea Silbert (D)	Deborah Goldberg (D) Reed Hillman (R)
Attorney General \$625,000	Martha Coakley (D) Larry Frisoli (R)	
<b>Treasurer</b> \$375,000		Tim Cahill (D)
<b>Secretary</b> \$375,000	John Bonifaz (D) William Galvin (	
<b>Auditor</b> \$375,000		Joseph DeNucci (D)

At the time of the filings, OCPF estimated the amount of money in the State Election Campaign Fund that would be available to participating candidates at about \$1.6 million, which by statute was to be divided evenly between the primary and general election campaigns. Due to the limited amount available in the fund, OCPF advised candidates that it was likely that if two or more gubernatorial candidates became certified, those candidates would ultimately be eligible for matching funds of a fraction of the \$750,000 they would be entitled to under law and the non-gubernatorial certified candidates would not receive any public money.

#### **Self-imposed Limits**

Candidates who chose not to participate in the public financing system but were opposed by at least one participating candidate (i.e., those who had agreed to limits) in their primary were still required to observe a spending limit, though the exact amount in each race would be self-imposed. Those non-participating candidates were required to file by June 9 a statement with OCPF stating the maximum amount that they would spend in the primary campaign.

The spending limits of the participating candidates in those races were increased to the amounts specified by their non-participating opponents. The amount of public funds for which those participating candidates were eligible, however, did not change.

The three candidates who declined to accept statutory expenditure limits but were each opposed in the primary by at least one candidate who had agreed to limit spending were Christopher Gabrieli (candidate for governor), Deborah Goldberg (lieutenant governor) and William Galvin (secretary). All three candidates filed the required statements declaring the maximum amounts of their expenditures for the primary, which resulted in the adjustment of the spending limit for each race.

The self-imposed limits declared by each of the three filers were:

- Gabrieli: \$15,360,000. The limits of Gabrieli's two primary opponents, Deval Patrick and Thomas Reilly, were increased to \$15,360,000 from their previous statutory limit of \$1.5 million.
- Goldberg: \$4,000,000. The limits of Goldberg's two primary opponents, Timothy Murray and Andrea Silbert, were increased to \$4,000,000 from their previous statutory limit of \$625,000.
- Galvin: \$2,900,000. The limit of his primary opponent, John Bonifaz, was increased to \$2,900,000 from his previous statutory limit of \$625,000.

With the filing by the three non-participating candidates, the spending limits for all candidates in the primary were set:

## Primary Election Candidates and Their Spending Limits

(statutory or self-imposed) June 7 – Sept. 19

	Democrats		Republicans	
	<u>Candidates</u>	<u>Limit</u>	<u>Candidates</u>	<u>Limit</u>
Governor	Christopher Gabrieli*	\$15,360,000	Kerry Healey	None
	Deval Patrick	\$15,360,000		
	Thomas Reilly	\$15,360,000		
Lt. Governor				
	Deborah Goldberg*	\$4,000,000	Reed Hillman	None
	Timothy Murray	\$4,000,000		
	Andrea Silbert	\$4,000,000		
Attorney General				
	Martha Coakley	\$625,000	Lawrence Frisoli	\$625,000
Treasurer				
	Timothy Cahill	None		
Secretary				
	William Galvin*	\$2,900,000		
	John Bonifaz	\$2,900,000		
Auditor				
	Joseph DeNucci	No limit		
				~

\* Candidate set new limit for race by filing a self-imposed limit that was higher than the statutory figure.

#### **Certification and Release of Funds**

Each gubernatorial candidate who agrees to observe a spending limit and submits the minimum amount of contributions is eligible to receive up to \$750,000 in matching funds for the primary – at least in theory. As noted earlier, the State Election Campaign Fund did not contain enough to fully fund each of the eligible candidates.

Given the limited amount of funds available for the primary, it is not surprising that the only candidates to submit the minimum amount of qualifying contributions to receive matching funds were those running for governor. In the days before the filing deadline, it was clear that if more than one gubernatorial candidate qualified for funding, it was assured that no money would be available for candidates for the other five offices.

In early July, the Comptroller certified the amount that was available in the SECF for distribution to candidates in 2006 at \$1,613,689.19. Under law, that amount was split in half: \$806,844.60 for the primary campaign and the same amount for the general election campaign.

The Comptroller's certification confirmed OCPF's prediction that there would not be enough money to fully fund all of the participating candidates in 2006. In fact, there was not enough to fully fund more than one gubernatorial candidate, who under the law were to each receive their full \$750,000 primary shares, or as close that amount as possible, with any remaining funds to be distributed to participating candidates for the other five statewide offices. The entire primary allocation of the SECF was therefore divided between the two gubernatorial candidates who had submitted enough qualifying contributions to receive matching funds: Deval Patrick and Thomas Reilly. A total of \$403,422.30 was set aside by the Comptroller for each of the two candidates – more than \$300,000 less than the \$750,000 that would have been given to them under the public financing law, if the system were fully funded. The candidates for the other offices who agreed to limits did not receive any public funds for the primary campaign.

Patrick and Reilly each submitted matching contributions that were certified to be in excess of the \$403,422 that had been set aside for each of them. OCPF subsequently authorized the payment of their primary distributions into their depository accounts on July 27. The two disbursements depleted the entire amount allotted for the primary from the SECF.

Candidate	Office sought	Amount certified/disbursed
Deval Patrick	Governor	\$403,422.30
Thomas Reilly	Governor	\$403,422.30
TOTAL		\$806,844.60

#### Funds Certified and Disbursed in the 2006 Primary Campaign

## **VII.** The General Election

Though the general election campaign did not officially start until the day after the Sept. 19 primary, all candidates had previously made their intentions known regarding whether they would comply with spending limits. The statements filed by Democratic and Republican candidates in June stating whether they agreed to spending limits were binding for both the primary and general elections. On August 29, the seven unenrolled candidates who were seeking statewide office filed statements saying whether they intended to limit their spending in the general election.

All of the seven unenrolled candidates – Christy Mihos and Grace Ross (both running for governor), John Sullivan and Wendy Van Horne (lieutenant governor), James O'Keefe (treasurer), Jill Stein (Secretary) and Rand Wilson (auditor) – agreed to observe spending limits. Ross, Van Horne, O'Keefe and Stein were running under the Green-Rainbow Party political designation.<sup>1</sup>

All that remained before the general election expenditure limits were set was the filing on Sept. 25 of maximum spending declarations by statewide candidates who were not participating in the public financing program, but who were opposed by participating candidates.

Four candidates (one of the filers was a governor/lieutenant governor candidate team) filed the required statements of maximum expenditures for the general election by the Sept. 25 deadline. If applicable, participating candidates' limits for the election period (Sept. 20-Nov. 7, Aug. 30-Nov. 7 for unenrolled candidates) were raised to the highest amount cited by a non-participating candidate in that race.

As a result of the filings, the spending limits for all candidates in four races – governor/lieutenant governor, treasurer, secretary and auditor – were increased to the amount of the voluntary limit by the non-participating candidate. The only exception was the race for attorney general, where both candidates had already agreed to limits and were thus bound by the statutory ceiling of 625,000.

<sup>&</sup>lt;sup>1</sup> Van Horne later withdrew from the race and was succeeded by Martina Robinson, who was chosen as Ross' running mate. Robinson did not open a depository bank account and did not report any fundraising or spending.

# Spending Limits for the 2006 General Election Period

Candidate/team	Declared/statutory limit	
Governor/Lt. Governor		
Kerry Healey / Reed Hillman (R)	self-imposed limit of \$15,000,000	
Deval Patrick / Timothy Murray (D)	statutory limit of \$1,500,000	
Christy Mihos / John Sullivan (U)	statutory limit of \$1,500,000	
Grace Ross / Martina Robinson (G)	statutory limit of \$1,500,000	
Limit for each team: \$15,000,000	· · · · · · · · · · · · · · · · · · ·	
Attorney General		
Martha Coakley (D)	statutory limit of \$625,000	
Lawrence Frisoli (R)	statutory limit of \$625,000	
Limit for each candidate: \$625,000		
Treasurer		
Timothy Cahill* (D)	self-imposed limit of \$2,000,000	
James O'Keefe (G)	statutory limit of \$375,000	
Limit for each candidate: \$2,000,00	00	
Secretary		
William Galvin* ( D )	self-imposed limit of \$900,000	
Jill Stein (G)	statutory limit of \$375,000	
Limit for each candidate: \$900,000		
Auditor		
Joseph DeNucci * ( D )	self-imposed limit of \$750,000	
Rand Wilson (U)	statutory limit of \$375,000	
Limit for each candidate: \$750,000		

#### **Release of Funds**

A total of \$806,844 was available in public financing funds for candidates in the general election, the same amount that was set aside for the primary campaign. Ten candidates remained who were slated for the general election ballot and had agreed to spending limits, and were therefore eligible to receive funding – if they ultimately submitted qualifying contributions for matching funds certification.

Three of those eligible candidates, however, were running for governor and were therefore eligible to receive funding first, under the provisions of Chapter 55C. It was highly unlikely, therefore, that the candidates for the other statewide offices would receive any funds. This prospect was confirmed when two gubernatorial candidates, Patrick and Christy Mihos, were certified to receive public funding – Patrick's certification for matching funds before the primary also made him eligible for a general election payout and Mihos submitted qualifying contributions for matching funds certification in early October. (The third gubernatorial candidate who had agreed to limits, Grace Ross, did not apply for certification.)

Once again, no gubernatorial candidate received the full general election share of \$750,000 in matching funds. Rather, OCPF divided the \$806,844 in available funds in half, with \$403,422 designated for Patrick and the same amount for Mihos. Patrick had already submitted enough qualifying contributions to receive his full share, but Mihos initially submitted only enough qualifying contributions to receive \$133,960.21. The two candidates received those amounts on October 12. Two weeks later OCPF released an additional \$16,995 to Mihos based on a subsequent submission, for a total distribution to the Mihos campaign of \$150,955.21.

Patrick's and Mihos' running mates for lieutenant governor, Timothy Murray and John Sullivan, respectively, could be considered to have been eligible to receive public funds because each had agreed to spending limits and was now in a contested general election race. However, public funds for the general election are distributed to a candidate team (provided both candidates had agreed to limits) and wired to the depository account of the gubernatorial candidate. The funds distributed to Patrick and Mihos in October could be considered to have benefited their running mates as well, though for the purpose of this report, the gubernatorial candidates are considered the recipients of the money.

Candidate	Office sought	Amount certified/disbursed	Amount Uncertified	
Deval Patrick	Governor	\$403,422.30		
Christy Mihos Governor \$150,955.21		\$150,955.21	\$252,467.09	
TOTAL		\$554,377.51	\$252,467.09	

#### Funds Certified and Disbursed in the General Election Campaign

The following are the allotments of public funds for the general election and the overall totals:

<b>Office/</b> Candidate	Primary	General	Total
Governor			
Deval Patrick	\$403,422.30	\$403,422.30	\$806,844.60
Thomas Reilly	\$403,422.30		\$403,422.30
Christy Mihos		\$150,955.21	\$150,955.21
TOTAL	\$806,844.60	\$150,955.21	\$1,361,222.11

#### **Total Public Funds Received in 2006**

Because of the varying levels of fundraising, the percentage of total receipts made up of public funds differed for each candidate:

Public Funds As l	Percentage Of Funds	Raised in 2006
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Candidate	Office Sought	Total Public Funds	Total Public and Private	% Public Funds to Total
		Received	Funds Raised	Received
Deval Patrick	Governor	\$806,844.60	\$7,578,704.55	10.6%
Thomas Reilly	Governor	\$403,422.30	\$2,634,308.40	15.3%
Christy Mihos	Governor	\$150,955.21	\$4,062,844.22	3.7%
Total		\$1,361,222.11	\$14,275,857.17	9.5%

As noted above, Mihos was eligible to receive another \$252,467 in matching funds that had been set aside for him. He did not submit qualifying contributions to request those funds, so the money was never distributed to him. In accordance with Chapter 55C, the \$252,467 was retained for use in the statewide election in 2010.

Chapter 55C also requires that after the general election, candidates return any unused public funds. Mihos reported spending all his allotment, while Patrick reported a surplus of \$22,640.00 and paid it to the Commonwealth in late November. That amount was also returned to the SECF for use in 2010, bringing the total carried over to \$275,107.09.

## VIII. Conclusion

The 2006 election marked a return to a system that was last in place in 1998, after the singleelection experience of the Clean Elections Law. The return of the old system brought back many of the issues that had plagued the program in 1998, especially a shortfall in funding. There are many issues that remain to be settled if the current system is to be an effective, reliable source of funds for statewide candidates. Among the revenue issues are whether additional funding sources must be designated to augment the checkoff or whether the checkoff itself should be increased from its current \$1 per filer. By comparison, the federal checkoff amount is \$3. Another issue to be considered is how funds should be allocated, especially if the longstanding revenue shortfall continues. Should the spending limits and the statutory payments be increased to account for inflation? Should the current 50/50 division of SECF funds for the primary and general elections be modified to provide more money for one election over the other? If certification of gubernatorial candidates means those running for the other statewide offices are less likely to receive funds, should the certification filing deadline for that latter group be delayed so they would know for certain whether it is worth the time and substantial effort to apply for funding?

As always, OCPF is ready to take part in any discussion of the future of the limited public financing program or any other campaign finance issue.