



**MONEY IN POLITICS REFORMS IN FLORIDA:  
INITIAL IMPACTS AND COMPARISON TO OTHER STATES  
August 25, 2015**

*This is the third collaboration between the LeRoy Collins Institute and Integrity Florida on state-local ethics issues. The report provides preliminary analysis of the impact of a recently enacted state law increasing the contributions candidates for state office may accept directly and compares that to the impact of provisions in several counties and cities that reduced contributions to candidates for local office. The initial findings are that local restrictions reduce the amount of direct contributions while the state expansion increases these contributions. The report puts these findings in the broader campaign finance context in Florida and other states. It concludes with a list of some possible reforms to improve the balance and transparency of the campaign finance process in Florida. The report was written by Ben Wilcox and Dan Krassner from Integrity Florida. The authors would like to acknowledge the late Florida State University Professor Emeritus Dr. Elston Roady whose research into political campaign finance has been a resource and an inspiration.*

In Florida, state and local policymakers have pursued different policy directions in their attempts to bring more accountability to how political campaigns are funded.

At the local level, several Florida counties and cities have passed stricter campaign finance policies than those in state statutes, often through widely supported ballot initiatives, that have **reduced** the amount of money donors are able to give directly to candidates for local office. At the state level a 2013 campaign finance law **increased** the contribution amounts candidates may accept directly.

We will examine the impact of the local and state changes in campaign finance on candidate spending in local and state legislative races, to the extent possible. In addition, we compare campaign limits in Florida with those of other states, outline the loopholes in the current Florida law and discuss problems of coordination and disclosure between candidates and committees in Florida. We conclude with some possible avenues of future reform.

An important caveat to this report is the fact that it is difficult to generalize from only one election since the 2013 law, and the size of the sample is small. There were relatively few candidates who ran for the same office before and after changes, and we were unable to control for competitiveness of the race (which would have further reduced the size of the sample). Therefore the results are not as robust as we had hoped. Nevertheless, we think that this initial work is important in raising important questions that can be answered as we have more data. We also think the comparison of state campaign limits with those in other states provides useful information in an area that is often confusing and often changes.

This report builds on two other collaborations between the LeRoy Collins Institute and Integrity Florida that analyzed state and local policy choices in ethics and campaign finance. Our 2012 report, *Tough Choices: Florida Counties Bridge the Ethics Policy Gap*, analyzed efforts made by Florida counties to deal with ethics policy including campaign financing. A second report in 2014, *Tough Choices: Best Practices in Campaign Finance and Public Access to Information*, looked at best practices in campaign finance and public access to information. We build on that work in this report, highlighting some initial impacts of recent campaign finance reforms and how our system compares to other states.

Four Florida cities (Fort Lauderdale, Gainesville, Sarasota and Tallahassee) and four Florida counties (Sarasota, Miami-Dade, Alachua and Leon) have passed policies to decrease contribution limits. In 2013, the state took a totally different approach: increasing the amount a donor could give to a candidate for statewide office, including candidates for governor, state cabinet positions and retention to the Florida Supreme Court, from \$500 to \$3,000.<sup>1</sup>

Lawmakers argued that the increase in contribution amounts to candidates would improve accountability by having candidates directly raise and spend money on their own campaigns rather than relying so much on outside committees.<sup>2</sup> The law also attempted to make the funding of state and local candidate and committee campaigns more transparent and easier for the public to track through more frequent disclosure reports of campaign contributions and expenditures. We looked at initial impact of local and state changes in campaign finance on candidate spending in races before and after the policy change. We also compared Florida limits to those in other states.

Key findings from this research are:

- In local races with lower contribution limits, candidates raised fewer campaign contributions.
- Candidates for County Commission and Florida House raised more campaign contributions with higher contribution limits. Florida Senate candidates raised less, even with higher contribution limits, likely as a result of less competitive elections.
- Florida campaign limits are below the national average for state elections. Florida allows more coordination between outside political committees and campaigns than most states but has improved its national standing for disclosure since passage of a 2013 campaign finance law.

### **Different Approaches to Campaign Contribution Limits**

One aspect of campaign finance that has garnered considerable attention among Florida local and state officials is the cap on direct individual contributions. Interestingly, the two governmental levels have chosen divergent policies. A small number of local governments have lowered caps on direct contributions and state law has increased those caps. In the sections below, we examine first the impact of a 2013 state law on state legislative and county races increasing the caps and then the impact of varying local laws lowering caps adopted earlier.

#### **State Law Raising Contribution Limits**

The 2013 campaign finance law (CS/CS/CS/HB 569)<sup>3</sup> increased the amount a donor could give to a candidate for statewide office, including candidates for governor, state cabinet positions and retention to the Florida Supreme Court, from \$500 to \$3,000. In addition, the previous cap of \$500 on contributions was raised to \$1,000 for candidates for state legislature, judges seeking retention to a district court of

appeal, candidates for multicounty office, candidates for countywide office or less than countywide (including municipal elections) and candidates for county court and circuit court judgeships. The higher limits took effect on November 1, 2013.

To obtain an initial assessment of the impact of the 2013 higher campaign limits on the 2014 election, we examined the filings<sup>4</sup> of the winning candidates who ran in both 2012 and 2014 elections. There were 20 candidates in the Senate and 94 candidates in the House who did so. Interestingly, the impacts of the 2013 law differed between the two houses. In the Senate, the reduced caps led to a small decrease of 2.05% in contributions raised directly by their campaigns under the higher limits (*see Table 1*). In the House, the caps led to a substantial increase of nearly 30 percent under the higher limits. House races in 2014 were more competitive than Senate races due to 17 House incumbents retiring, creating open and competitive seats, compared to no retirements in the Senate.<sup>5</sup> Some 44% of House candidates faced a major party challenger compared to only 25% of Senate candidates.

**Table 1: Impact of Raising Contribution Limits on State and Local Candidate Fundraising**

<b>Election Year</b>	<b>Candidate Type</b>	<b>Contribution Limit</b>	<b>Average Raised</b>	<b>Change</b>
2012	State Senate	\$500	\$398,363	
2014	State Senate	\$1000	\$387,321	-2.77%
2012	State House	\$500	\$154,537	
2014	State House	\$1000	\$163,503	5.80%
2010-12	County Commission	\$500	\$81,175	
2014	County Commission	\$1000	\$91,870	13.17%

The 2013 state law also increased limits for county commission candidates. Like the House, the county races saw increased spending after the 2013 law. We focused on the filings of 45 candidates for county commission who ran and won in both the 2010-12 election cycle with a \$500 limit on contributions and the 2014 cycle with the \$1000 limit. Those candidates saw a 13.17% increase in contributions raised directly by their campaigns under the higher limits.

In short, in the first year of implementation of new and higher campaign limits, there appears to be increased contributions for House and county races and little change in the Senate candidate contributions. It will be useful to continue monitoring contributions over the subsequent races to detect long-term impacts.

### **Some Florida Cities and Counties Lower Limits**

Eight localities—four cities and four counties—have lowered contribution caps in recent years (*See Appendix 1: Case Studies of Lower Campaign Contribution Limits in Florida Cities and Counties*). In the analysis below, we look at the impact of these changes before and after their implementation. Although ideally, we would examine only the candidates who ran in both races, we were unable to do so in most counties and cities because the number of candidates who meet that criterion is very small. Instead, we look at the contributions raised by the top two candidates that received the most votes before and after the imposition of reduced caps. In Leon County, we were able to compare the same candidates who ran in races before and after contribution caps were reduced.

**Table 2: Florida Counties and Cities Passing Lower Contribution Limits than State Law**

<b>Year Enacted</b>	<b>Local Government</b>	<b>Contribution Limit</b>
1990	Sarasota County	\$200
2000	Miami-Dade County	\$250
2002	City of Fort Lauderdale	\$250
2004	Alachua County	\$250
2005	City of Gainesville	\$250
2007	City of Sarasota	\$200
2010	Leon County	\$250
2014	City of Tallahassee	\$250

This study did not review the average amounts raised before and after the lower limit policy in Miami-Dade due to the uniqueness of the accompanying public financing program, which is unlike any other local policy in Florida. We also did not review the average amounts raised in the City of Fort Lauderdale because the records no longer exist to make a comparison to the 2000 election.

**Table 3: Impact of Lowering Contribution Limits on County and City Candidate Fundraising**

<b>Election Year</b>	<b>Candidate Type</b>	<b>Contribution Limit</b>	<b>Average Raised Between Top Vote Receivers</b>	<b>Change</b>
2005	Gainesville City Commission	\$500	\$26,500 <sup>6</sup>	
2008	Gainesville City Commission	\$250	\$16,689 <sup>7</sup>	-37%
2004	Alachua County Commission	\$500	\$41,829 <sup>8</sup>	
2008	Alachua County Commission	\$250	\$30,454 <sup>9</sup>	-27%
2007	Sarasota City Commission	\$500	\$29,080 <sup>10</sup>	
2011	Sarasota City Commission	\$200	\$13,657 <sup>11</sup>	-53%
2010	Leon County Commission	\$500	\$61,761 <sup>12</sup>	
2014	Leon County Commission	\$250	\$40,602 <sup>13</sup>	-34%

It is important to keep in mind that while the comparisons can be enlightening, there are other variables which may also be affecting the analysis. (*See Appendix 2: Variables Impacting Candidate Fundraising*) For example, candidates could self-fund, have significant in-kind contributions, or heavily rely on independent spending by political committees or political parties. In addition, campaign contributions varies by incumbency, competitiveness of the race, and whether there is a primary or not. In this analysis we are not able to control for these confounding factors; nevertheless, we think the data are worth consideration, understanding there are other factors in play.

### **Comparing Florida's Campaign Contribution Limits to Other States**

Table 4 summarizes Florida's campaign contribution limits for state and local officials by donor type. Like Florida, most states place limits on the amount of money that can be contributed to a candidate from various sources. According to the National Conference of State Legislatures (NCSL)<sup>14</sup>, six states-- Alabama, Missouri, Nebraska, Oregon, Utah and Virginia-- place no limits on contributions. Six more states (Indiana, Iowa, Mississippi, North Dakota, Pennsylvania and Texas) limit or prohibit contributions to candidates from corporations or unions but allow unlimited contributions from individuals. In the remaining states, contributions to candidates from individuals, political parties, political action

committees (PACs), unions and corporations are limited, or in the case of corporations and unions prohibited.

Florida’s recently raised contribution limits of \$3,000 for statewide races (including governor) and \$1,000 for legislative and local races are still well below the national average of \$8,579 for gubernatorial races, \$4,003 for senate races and \$3,632 for house races. Florida’s limits are also well below the national median of \$5,000 for gubernatorial races and \$2,000 for legislative races. The NCSL found the highest contribution limit in the country was for gubernatorial races in New York at \$60,800. The lowest limit in the country was for Montana legislative races at \$320. Prior to the 2013 campaign finance law that was adopted in Florida that raised the contribution limit, Florida had one of the lowest contribution limits in the country.

Table 4 shows current Florida Campaign Limits for those five donor types.

**Table 4: Florida Campaign Contribution Limits for each Category**<sup>15</sup>

<b>Contribution Sources</b>	<b>Florida Contribution Limits Per Election</b>
Individual to Candidate	\$3,000 for candidates for Governor/Lt. Governor slate \$3,000 for other statewide candidates \$1,000 for legislative and local candidates
State Political Party to Candidate	Aggregate contributions from all political party committees to a single candidate: \$250,000 for candidates for Governor/Lt. Governor slate \$250,000 for statewide candidates \$50,000 for legislative candidates.
PAC to Candidate	Same as individual limits
Corporation to Candidate	Same as individual limits
Union to Candidate	Same as individual limits

Despite the 2013 increase in limits on both statewide contributions and legislative and local contributions, Florida is still well below the state median with 33 states having higher contribution limits for gubernatorial campaigns and 27 for legislative campaigns. Nine states have the same limit for legislative contributions as Florida. Twelve states have no limits on gubernatorial or legislative contributions for individuals. Florida is near the median in state party campaign limits to individual candidates, but has limits lower than two-thirds of the states for PAC contributions to individual candidates.

There is evidence that spending on political advertising by outside groups including PACs, trade associations, and unions is increasing over spending by candidates. In its publication *Nearly 100,000 negative ads helped turn tide in Florida Elections*<sup>16</sup>, The Center for Public Integrity found that on state-level races, outside groups bought about 20% of the political ads in 2014, far more than the 13% in 2010.

There is also evidence that in states that allow unlimited contributions directly to candidate accounts, there is less outside spending by political committees and political parties. The Center for Public

Integrity analyzed data from all 50 states<sup>17</sup> in the 2014 election and found Florida had higher total political ad spending than any other state at \$114.1 million. Table 5, based on the Center for Public Integrity data, shows how Florida compares to five of the six states that allow unlimited contributions directly to candidates in percentage of spending by candidates, political parties and PACs and other outside groups. Florida relies much more heavily on political parties and PACs than the unlimited contribution states which are admittedly smaller and have less expensive elections than Florida.

**Table 5: How Florida Compares to States that Allow Unlimited Contributions<sup>18</sup>**

<b>State Total</b>	<b>Candidate</b>	<b>Political Parties</b>	<b>PACs</b>
Florida \$114.1 million	11.4%	72%	17%
Alabama \$18 million	92%	0%	8%
Missouri \$2.5 million	92%	1%	7%
Nebraska \$6 million	81%	0%	19%
Oregon \$2.8 million	95%	0%	5%
Virginia \$1.8 million	99%	0%	1%

### **Loopholes in Florida Law**

Chapter 106 of Florida law<sup>19</sup> allows three loopholes by which funders can evade the limits on direct contributions to candidates and donate unlimited amounts of money. Those loopholes include:

- **Political Committees and Electioneering Communications Organizations (ECOs)** – Because Florida has relatively weak regulation over a candidate’s ability to raise funds for and coordinate with Political Committees and ECOs, it’s a common practice for candidates to use these entities to evade the limits on direct contributions to campaigns. In a report by the *Gainesville Sun* on May 3, 2014<sup>20</sup>, reporter Christopher Curry found this practice was widespread in Alachua city and county elections. Alachua County is one of three counties in Florida that has set lower contribution limits (\$250) for local elections than the limit allowed by state law (\$1,000). Political Committees in Florida can raise and spend unlimited amounts of money and expressly advocate on behalf of candidates and issues, meaning their advertising can say “vote for” or “vote against.”<sup>21</sup> ECOs can also raise and spend unlimited amounts, but are limited to what is known as issue advocacy where they can be supportive or critical of a candidate or issue, but not expressly say “vote for” or “vote against.”<sup>22</sup>
- **The Political Parties** – There is no limit on the amount of money that can be contributed to the political parties in Florida and the parties are given wide latitude in funding candidate campaigns. The parties can contribute up to \$250,000 to statewide candidates and up to \$50,000 to legislative and local candidates. They can also make unlimited contributions to candidate campaigns for in-kind expenses. These expenses can include polling, research, cost for campaign staff and professional consulting services. The parties can also buy advertising in support or opposition to a candidate if the ad briefly mentions two other candidates. This exemption, known as the 3-pack loophole (Chapter 106.21 (3) (D)<sup>23</sup>), means the political parties can essentially fund a candidate’s advertising without that funding being subject to contribution limits.
- **LLC Loophole** – While a few local governments in Florida allow campaign contributions from only “natural persons,” Florida law allows contributions from businesses, associations and other entities. If

fundraising were determined to evade the candidate contribution limits, they could easily set up multiple shell corporations or other entities and make the maximum contribution allowed for each of them.

### **Coordination and Transparency Issues**

Two final issues are important for understanding the context of campaign finance in Florida. They are coordination policy between Florida's candidate and outside committees and transparency of all types of campaign financing.

#### **Comparing Florida's Candidate and Committee Coordination Policy to Other States**

There is evidence that coordinated fundraising and spending between candidates and outside committees in Florida is increasing. It is a common practice for candidates to solicit funds for committees with names like "Floridians for a Better Tomorrow" because those committees can accept unlimited contributions. The committee allows the candidate to raise large contributions that are not subject to the limit on direct contributions to the candidate.

Candidates are required to register with the state Division of Elections five days after they begin soliciting funds for a committee. According to the Division's list of "Public Solicitations,"<sup>24</sup> candidate solicitations for committees increased dramatically from 2010 to 2012 from 71 to 134. But in 2014, perhaps due to the increase in contribution limits that allowed candidates to raise more money into their own accounts, candidate statements of solicitation decreased slightly from 134 to 126. Even though some legislative candidates are filing statements of solicitation for several committees at a time during an election cycle, candidate coordination with outside committees is a widespread practice in Florida.

A 2014 report by the Brennan Center for Justice titled *After Citizens United: The Story in the States*<sup>25</sup> examined the extent to which states allow candidates to coordinate with outside political committees to raise unlimited contributions and evade contribution limits on direct contributions to candidate accounts. The report found the practice is widespread and that four years after the *Citizens United* decision by the United States Supreme Court, unlimited outside spenders are working "hand in glove" with candidates to coordinate fundraising and messaging.

The report characterized Florida's laws regarding candidate coordination with outside political committees that can accept unlimited contributions as "Weak Regulation." The report contains the following assessment of Florida law:

- Provides a good deal of detailed guidance about identifying coordination in its statutes.
- Restricts regulation to only express advocacy communications, permitting unlimited coordination of all other advertising.
- Enforcement decisions resulting from different authorities, including courts and administrative law judges, together provide an unclear, sometimes contradictory, and sometimes unnecessarily lenient picture of the law, making compliance difficult and enforcement unlikely to be strong.

The report lists California, Connecticut, Maine and Minnesota as states that have "strong regulation" of candidate coordination with outside political committees. It contains recommendations for states to consider if they want to strengthen regulations regarding coordination between candidates and committees. The recommendations include:

- Make laws apply to a realistic universe of spending including outside spending. If a candidate raised money for a group, treat all spending by that group on behalf of the candidate as coordinated.
- Provide sensible “cooling off” periods before a candidate’s former adviser may staff a group that is permitted to make unlimited expenditures to promote his or her election.
- Treat as coordinated any spending to promote the election of a candidate that reproduces material produced by the candidate’s campaign.
- Treat as coordinated any spending to promote the election of a candidate, when the spender uses a consultant who has also served the candidate in a position privy to related campaign information.
- Publish scenario-based examples of what constitutes prohibited coordination and what does not.
- Ensure adequate enforcement and deterrence.
- Allow use of firewalls under appropriate circumstances as evidence that an outside group’s spending was truly independent.

### **Comparing Florida’s Candidate, Committee and Party Disclosure to Other States**

One of the primary goals of Florida’s 2013 campaign finance law was to increase transparency of campaign financing. The new law<sup>26</sup> increased the frequency of campaign finance reporting for all entities except the political parties. Statewide candidates and political committees are now required to report contributions and expenditures monthly instead of quarterly before candidate qualifying in June. They must report weekly after qualifying and ten days before the election they are required to report daily.

The increased frequency of reporting has resulted in greater transparency of campaign financing, but as mentioned earlier state party contributions and spending are not subject to the new reporting requirements and are still reported quarterly.

In December of 2014, the National Institute of Money in Politics released an update<sup>27</sup> of its 2013 50-state scorecard on disclosure of independent expenditures and electioneering communications. The new scorecard shows Florida’s grade for disclosure improving from a “D” grade in 2013 to a “B” in 2014. Part of Florida’s improvement on the scorecard was due to the addition of a new question on disclosure requirements of donors for independent expenditures and electioneering communications. Florida scored the maximum number of points for reporting of independent expenditures and electioneering communications and on requiring reporting of contributors to independent spenders.

What kept Florida from receiving an “A” grade was its failure to require reporting of the spender’s target and failure to require reporting of the spender’s position (whether the spender supported or opposed the targeted candidate or issue).

## Conclusion

Florida's system for regulating the financing of campaigns can be described as "porous." Political funding in Florida flows easily between candidates, political parties, and outside committees. And there is a lot of it. In the Center for Public Integrity's report titled *State Ad Wars Tracker*<sup>28</sup>, updated on December 15, 2014, Florida's 2014 election was the most expensive in the country for political advertising. An estimated \$114.1 million was spent on what another report<sup>29</sup> by the Center for Public Integrity found were mostly negative attack ads, more than 96,600 of those ads aired in the state.

Even after the Florida Legislature raised the contribution limit on direct contributions to candidate accounts from \$500 to \$3,000 for statewide candidates and \$1,000 for legislative and local candidates, Florida's contribution limits are well below both the national average and median. The increase in the contribution limits had a mixed effect on the amount of money legislative candidates raised before and after the increase. For candidates for the Florida House of Representatives the median amount of money raised increased by 30% from the 2012 cycle to the 2014 cycle. Senate candidates however saw a 2% decrease in the median amount raised after the limit increased, most likely due to the fact that there were no open Senate seats in 2014.

Our initial analysis of local elections suggests that lower campaign contribution limits decreases the amount of money raised by candidates but these are early results with limited data. It is unclear whether decreasing the amount of money a candidate raises hurts or helps incumbents. Incumbents typically have a broader fundraising base and name recognition. Challengers need resources to get their name and message out to the voters. It is also unclear whether lower contribution limits encourage the use of outside committees which can raise unlimited funds. It is clear however that unlimited outside fundraising and spending is growing. It is also evident that outside spending by committees and the political parties is much more difficult to track than the campaign finance activity of candidate's account, where you can see the incoming contributions and their sources and the outgoing spending and its recipient.

In some ways, Florida's campaign finance laws seem designed to encourage money to flow into the more secretive and less transparent parts of the system. Florida's political parties were exempted from the increased frequency of reporting requirements included in the 2013 campaign finance reform law so the unlimited contributions and expenditures by the parties are very difficult to track. The limits on direct contributions to candidates empower the outside committees and the political parties because they can accept unlimited contributions and better hide their spending.

Campaign financing for Florida—and other states—can seem a bit like the game "Whack a Mole." When you whack one mole—or try to limit one source of campaign cash—another mole pops up and money goes somewhere else. However, even recognizing these frustrations, there are possible policy options that policymakers and advocates might consider to make the process more balanced and transparent. For example, the state could:

- Create a balanced system of regulation where all vehicles for campaign fundraising and spending are subject to the same, uniform contribution limits.
- Subject political party entities to the same disclosure requirements for frequency of reporting as candidates and committees.
- Require disclosure of target and position for independent expenditures.
- Tighten regulation on coordination between candidates and committees.

- Revise the state campaign finance database to include campaign finance information from local government races to allow for better tracking of money in politics.

The 2013 reforms are a step in the right direction, but much remains to be done.

## **Appendix 1: Case Studies of Lower Campaign Contribution Limits in Florida Cities and Counties**

### **Sarasota County**

In 1990, Sarasota County voters enacted several local campaign reform measures which took effect in their 1992 elections. These measures included a contribution cap of \$200 for donations to candidates, a contribution cap of \$100 for political committees per election cycle. In 1999, these measures were challenged and a circuit court threw out all local reform measures except for the \$200 contribution cap. The \$200 contribution cap is now in Section 6.5A of the County Charter.<sup>30</sup>

Florida's public records policy did not require Sarasota County to maintain campaign finance data from the 1990 and 1994 election cycles so comparison data is unavailable.

### **Miami-Dade County**

Miami-Dade County passed an ordinance<sup>31</sup> in 2000 that reduced the campaign contribution limits for Mayor, County Commission and other local offices to \$250, down from the \$500 state limit at the time. In 2005, the Commission reversed itself and passed an ordinance<sup>32</sup> that returned local campaign contribution limits to the level allowed by the state. The maximum contribution allowed by the state for local races is currently \$1,000.

The 2005 ordinance contained the following findings that explained why the Commission decided to move from the \$250 back to the maximum allowed in the state:

*WHEREAS, the Commission finds that Ordinance No. 98-183 and Ordinance No. 00-52, although well intentioned, have neither increased transparency in the electoral process nor served the public interest; and*

*WHEREAS, the Commission further finds that Florida's campaign finance laws should be applicable to candidates seeking County office.*

### **Alachua County**

In 2002, the Florida legislature and Governor gave Alachua County voters the authority to amend the County Charter to regulate campaign financing in their local races for county offices. In November of that year, voters approved the home rule campaign finance authority. In November 2004, Alachua County voters had the opportunity to adopt their first local reforms.

The County's Campaign Finance Reform Advisory Board recommended ten local reform measures<sup>33</sup> after an 18 month study. The County Commission placed two questions on the November 2004 ballot which addressed five of the recommended local reform measures.

The first proposed ballot question dealt with public disclosure of the money behind the campaigns for local office. The second proposed ballot question reduced the maximum contribution amount from what was then \$500 to \$250. The lower contribution limit for county commission candidates was passed by voters by more than 67% of the vote.

## **City of Fort Lauderdale**

In 2002, the City of Fort Lauderdale adopted an ordinance<sup>34</sup> regulating campaign financing for city elections. The ordinance places a \$250 cap on campaign contributions and restricts contributions to only those coming from a “natural person.” The ordinance specifically prohibits contributions from corporations, banks, PACs and associations.

According to reports<sup>35</sup> at the time, the prohibition on contributions from sources other than a natural person was intended by city leaders to prevent corporations and big donors from having too much influence over city elections.

## **City of Gainesville**

In 2005, the Gainesville City Commission adopted Alachua County’s \$250 contribution limit for city races by ordinance<sup>36</sup>.

## **City of Sarasota**

In 2007, voters in the city of Sarasota adopted the same \$200 contribution limit as was put in place in Sarasota County in 1990. The city charter<sup>37</sup> also contains a provision that goes further than the county charter and restricts the entities that are allowed to make campaign contributions to only “natural persons.” The language in Article IX, section 4 (D) reads: No candidate for the office of City Commissioner shall accept a campaign contribution from any contributor, other than a natural person. For purposes of this section, a natural person shall mean any human being other than an un-emancipated child under the age of eighteen (18).

## **Leon County**

In 2010, voters in Leon County voted to amend the county charter to limit campaign contributions to county elected officials to \$250 per election, down from the previous limit of \$500. The provision reducing the amount county commissioners can receive in campaign contributions was one of six amendments to the home rule charter proposed by a 2009-2010 citizens charter revision committee. The contribution cap was overwhelmingly approved by 65.5 percent of the voters.

## **City of Tallahassee**

In 2014, a group called Citizens for Ethics Reform sponsored an initiative to amend the City of Tallahassee’s charter to include new ethics and campaign finance reforms. Among other things, the charter amendment reduced the campaign contribution limit for city races to \$250, the same as the limit for Leon County races. Since the contribution limits had been raised statewide in the previous year to \$1,000 per election, the new Tallahassee limit was a more dramatic reduction than it was when it was adopted at the county level.

In addition to reducing the campaign contribution for city races, the proposed charter amendment created a new independent ethics office and board for the city, an anti-corruption ethics code and a limited system of public campaign financing that provides refunds of up to \$25 for campaign contributions made by city residents to city candidates.

Citizens for Ethics Reform gathered the necessary petition signatures to place the charter amendment on the ballot in November. The city attorney challenged the proposed amendment trying to keep it off the ballot, but a judge ruled against the city. The charter amendment was adopted by 67% of city voters.

The 2016 election cycle will be the first one with the \$250 limit in place so comparison data of how much candidates raise before and after the change in limits is unavailable.

## Appendix 2: Variables Impacting Candidate Fundraising

In gathering campaign finance data for this study, we developed a set of variables that could impact contribution amounts raised by candidates that might explain some of the counterintuitive data trends. There are a number of variables that should be considered when reviewing the data in this study that could potentially impact the amount of money raised by a candidate for public office, including:

- Self-imposed, voluntary limits on contributions may be lower than the requirements in state or local laws.
- Self-funded candidates who provide significant contributions to their own campaign or making personal loans, enabling the candidate to rely less on donor funds for their campaign.
- Significant in-kind contributions, essential campaign materials and other products and services of value donated to a candidate without requiring cash donations to be raised.
- Local policies that prohibit contributors who are not natural persons, such as the one in Fort Lauderdale, may have an impact of diverting donations that would typically be made directly to candidates to instead go through independent groups.
- Competitiveness of elections. A perceived stronger competitor may inspire a candidate to raise more funds than a weaker competitor.
- Whether the candidate is an incumbent or a challenger. Incumbents typically have a fundraising advantage over candidates challenging them.
- Some candidates raise funds for office then ultimately are reelected without opposition, either when other candidates drop out of a race or if other candidates fail to file for the seat.
- Whether a candidate faces one or multiple elections, such as a primary, runoff and general election, could dramatically increase the cost of an election.
- The economic environment facing campaign donors is another variable that may impact how much money candidates are able to raise.
- The geographic size and population of the candidate's district may impact the amount of resources needed to campaign.
- The cost of advertising rates, especially for television, varies across media markets.
- The impact of the amount of indirect support a candidate may receive from independent spending by political committees and political parties could significantly impact the amount of money raised directly by a candidate.

## Endnotes

- <sup>1</sup> Integrity Florida recommended that the Florida Legislature eliminate contribution limits in a 2013 report <http://www.integrityflorida.org/wp-content/uploads/2013/03/Floridas-Broken-Campaign-Finance-System-Integrity-Florida-Report-to-the-Florida-House-of-Representatives-FINAL-01.16.13.pdf>. The LeRoy Collins Institute has taken no recommendations on the issue.
- <sup>2</sup> <http://capitalsoup.com/2013/05/02/statement-from-house-speaker-will-weatherford-regarding-governor-scotts-signing-of-the-houses-priority-campaign-finance-reform-bill/>
- <sup>3</sup> <http://www.myfloridahouse.gov/sections/bills/billsdetail.aspx?BillId=49728>
- <sup>4</sup> <http://dos.elections.myflorida.com/candidates/>
- <sup>5</sup> [http://ballotpedia.org/Legislative\\_Lowdown:\\_Identifying\\_competitive\\_Florida\\_elections\\_in\\_2014](http://ballotpedia.org/Legislative_Lowdown:_Identifying_competitive_Florida_elections_in_2014)
- <sup>6</sup> [https://www.voterfocus.com/ws/WScand/candidate\\_pr.php?c=alachua&el=7](https://www.voterfocus.com/ws/WScand/candidate_pr.php?c=alachua&el=7)
- <sup>7</sup> [https://www.voterfocus.com/ws/WScand/candidate\\_pr.php?c=alachua&el=16](https://www.voterfocus.com/ws/WScand/candidate_pr.php?c=alachua&el=16) Compared the average contributions raised by the top two vote receivers in the Gainesville City Commission races in 2005 and 2008 in districts At Large district 2, district 2 and district 3. .
- <sup>8</sup> [https://www.voterfocus.com/ws/WScand/candidate\\_pr.php?c=alachua&el=5](https://www.voterfocus.com/ws/WScand/candidate_pr.php?c=alachua&el=5)
- <sup>9</sup> [https://www.voterfocus.com/ws/WScand/candidate\\_pr.php?c=alachua&el=14](https://www.voterfocus.com/ws/WScand/candidate_pr.php?c=alachua&el=14) Compared the average contribution amount raised by the top two vote receivers in the Alachua County Commission races in 2004 and 2008 in districts 1, 3 and 5.
- <sup>10</sup> <http://sarasotagov.org/Elections/GE-2007.cfm>
- <sup>11</sup> <http://sarasotagov.org/Elections/GE-2011.cfm> Compared the average contribution amount raised by the top two vote receivers in Sarasota City Commission races in 2007 and 2011 in districts 1, 2 and 3.
- <sup>12</sup> [https://www.voterfocus.com/ws/wscand/candidate\\_pr.php?c=leon&el=11](https://www.voterfocus.com/ws/wscand/candidate_pr.php?c=leon&el=11)
- <sup>13</sup> [https://www.voterfocus.com/ws/wscand/candidate\\_pr.php?c=leon](https://www.voterfocus.com/ws/wscand/candidate_pr.php?c=leon) Compared the average contribution amount raised by same four Leon County Commission candidates in 2010 and 2014.
- <sup>14</sup> <http://www.ncsl.org/research/elections-and-campaigns/campaign-contribution-limits-overview.aspx>
- <sup>15</sup> Chapter 106.08 Florida Statutes, [http://www.leg.state.fl.us/Statutes/index.cfm?App\\_mode=Display\\_Statute&Search\\_String=&URL=0100-0199/0106/Sections/0106.08.html](http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0106/Sections/0106.08.html)
- <sup>16</sup> <http://www.publicintegrity.org/2014/11/14/16274/nearly-100000-negative-ads-helped-turn-tide-florida-elections>
- <sup>17</sup> <http://www.publicintegrity.org/2014/09/22/15623/state-ad-wars-tracker>
- <sup>18</sup> <http://www.publicintegrity.org/2014/11/14/16274/nearly-100000-negative-ads-helped-turn-tide-florida-elections>
- <sup>19</sup> [http://www.leg.state.fl.us/Statutes/index.cfm?App\\_mode=Display\\_Statute&URL=0100-0199/0106/0106ContentsIndex.html&StatuteYear=2014&Title=-%3E2014-%3EChapter%20106](http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0106/0106ContentsIndex.html&StatuteYear=2014&Title=-%3E2014-%3EChapter%20106)
- <sup>20</sup> <http://www.gainesville.com/article/20140503/articles/140509884?p=1&tc=pg&tc=ar>
- <sup>21</sup> [http://election.dos.state.fl.us/publications/pdf/2014/2014\\_Political\\_Committee\\_Handbook.pdf](http://election.dos.state.fl.us/publications/pdf/2014/2014_Political_Committee_Handbook.pdf)
- <sup>22</sup> [http://election.dos.state.fl.us/publications/pdf/2014/2014\\_ECO\\_Handbook.pdf](http://election.dos.state.fl.us/publications/pdf/2014/2014_ECO_Handbook.pdf)
- <sup>23</sup> [http://www.leg.state.fl.us/Statutes/index.cfm?App\\_mode=Display\\_Statute&Search\\_String=&URL=0100-0199/0106/Sections/0106.021.html](http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0106/Sections/0106.021.html)
- <sup>24</sup> <https://doesecure.dos.state.fl.us/PublicSolicitations/>
- <sup>25</sup> [http://www.brennancenter.org/sites/default/files/publications/After%20Citizens%20United\\_Web\\_Final.pdf](http://www.brennancenter.org/sites/default/files/publications/After%20Citizens%20United_Web_Final.pdf)
- <sup>26</sup> <http://www.flsenate.gov/Committees/BillSummaries/2013/html/565>
- <sup>27</sup> <http://followthemoney.org/research/institute-reports/scorecard-essential-disclosure-requirements-for-independent-spending-2014/>
- <sup>28</sup> <http://www.publicintegrity.org/who-calls-shots/state-ad-wars-tracker>

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- <sup>29</sup> <http://www.publicintegrity.org/2014/11/14/16274/nearly-100000-negative-ads-helped-turn-tide-florida-elections>
- <sup>30</sup> <http://www.sarasotaclerk.com/FileLib/CharterBooklet-20120701.pdf>
- <sup>31</sup> <http://www.miamidade.gov/govaction/matter.asp?matter=000894&file=false&yearFolder=Y2000>
- <sup>32</sup> <http://www.miamidade.gov/govaction/matter.asp?matter=051423&file=true&yearFolder=Y2005>
- <sup>33</sup> <http://treecity.net/reform/cfrab/CFRABreport2002.html>
- <sup>34</sup> [http://fortlauderdale.eregulations.us/code/coord\\_apxid115819\\_ch12\\_sec12-4](http://fortlauderdale.eregulations.us/code/coord_apxid115819_ch12_sec12-4)
- <sup>35</sup> [http://articles.sun-sentinel.com/2002-05-04/news/0205040102\\_1\\_campaign-finance-pac-contributions](http://articles.sun-sentinel.com/2002-05-04/news/0205040102_1_campaign-finance-pac-contributions)
- <sup>36</sup> [https://www.municode.com/library/fl/gainesville/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH9\\_EL\\_S9-11CACOLICAFIRE](https://www.municode.com/library/fl/gainesville/codes/code_of_ordinances?nodeId=PTIICOOR_CH9_EL_S9-11CACOLICAFIRE)
- <sup>37</sup> [http://www.sarasotagov.com/InsideCityGovernment/Content/CAC/PDF/City\\_Charter\\_Amended\\_Nov\\_2012.pdf](http://www.sarasotagov.com/InsideCityGovernment/Content/CAC/PDF/City_Charter_Amended_Nov_2012.pdf)