

Fair Elections Now Act

A Small Donor Approach to Congressional Campaign Finance

Fair Elections Provisions

1. Candidate Qualifying and Seed Money

Candidates seeking to participate in Fair Elections collect a set number of qualifying contributions of \$5-\$100 each from their constituents plus a baseline of \$50,000 or more in total contributions. Contributions provide seed money to jump-start the candidate's campaign and are limited to residents of the candidate's home state.

2. Primary Funding

Qualifying candidates receive a Fair Elections start-up grant to launch their campaign and additional matching funds of \$5 for every \$1 raised from their constituents in contributions up to \$100 each. Matching funds are capped at a competitive spending threshold, consistent with historic spending levels and media market costs. Qualifying candidates may raise additional unmatched contributions up to \$100 each on an unlimited basis.

3. General Election Funding

Participating candidates who win their party's nomination are eligible to receive competitive public matching funds in the general election, supplemented by \$5-to-\$1 public matching funds on in-state donations of up to \$100 each. A competitive spending limit on public funds is observed. Qualifying candidates may raise additional unmatched contributions up to \$100 each on an unlimited basis.

4. Discounted Airtime and Public Debates

Participating candidates are eligible to receive discounted media rates for campaign communications in the run-up to the primary and general election campaigns. Media vouchers are also provided to participating nominated candidates for use in the general election. Candidates agree to take part in public debates.

5. Administration and Review

An independent office of the FEC will be charged with administering and updating the program. A five-member board of Presidential appointees will lead the office, with four members recommended by House and Senate party leaders and the fifth member by consensus of the original four. Qualifying requirements and funding levels will be subject to review and amendment after each election to ensure viability over time.

Figure 1: Summary of Fair Elections Provisions

Provision	House	Senate
<i>Contribution Limit (indivs.)</i>	\$100 primary \$100 general	\$100 primary \$100 general
<i>Qualifying Contributions</i>	1,500 in-state totaling \$50,000	2,000 + 500 per CD in-state totaling \$50,000 +10% of primary grant
<i>Primary Funding (est.)</i>	\$420,000 grant + 5:1 matching funds	Base \$500,000 grant + \$100,000 per CD + 5:1 matching funds
<i>General Funding (est.)</i>	\$630,000 grant + 5:1 match funds	Base \$750,000 grant + \$250,000 per CD + 5:1 matching funds
<i>Public Spending Limits (est.)</i>	\$1.05 million grants; match up to \$3.15 million (incl. small donations)	\$1.25 million + \$350,000 per CD grant; match up to 300% of grant

Figure 2: Sample Public Funding Levels, U.S. House

Average Contrib	In-state Contribs*	Primary Funding	General Funding	Total Funding
\$35	1,500	\$787,500	\$1 million	\$1.79 million
\$50	1,500	\$945,000	\$1.16 M	\$2.10 M
\$75	1,500	\$1.21 M	\$1.42 M	\$2.63 M

* Assumes each contributor gives average amount in qualifying, primary and general election periods; excludes (unmatched) out-of-state contributions

Funding Fair Elections

1. Cost Estimate

The estimated cost of the Fair Elections program for House and Senate elections is \$700-\$900 million per year, depending on the level of candidate participation.

2. Funding Mechanism

The Senate bill calls for funding from a 0.5% surcharge on government contracts in excess of \$10 million, not to exceed \$500,000 per contractor. House bill funding comes from 10% of the proceeds of broadcast spectrum auctions.

