Cash shortages in the state’s Clean Election fund are a perennial concern, but for the first time, the Maine Ethics Commission is taking steps to change the law to deal with an anticipated shortfall. It has proposed allowing candidates to raise some private money in order to compensate for the shortage of state funds.

This weakens the intent of the Clean Election program, but with the state facing an expected $400 million budget deficit over the next two years, changes may be inevitable. They should, however, minimize cuts to legislative candidates, where the public money appears to have encouraged new people to run for office. Larger cuts may be in line for gubernatorial candidates, who are better able to raise private money.

According to analysis by the Commission on Governmental Ethics and Election Practices, the election fund could be short by as much as $1.8 million by 2010, depending on how many candidates for governor pledge to take Clean Election money.

To deal with the shortfall, the commission proposed reducing the amount of public money given to candidates while allowing them to raise some money privately.

This is a difficult — if necessary — compromise.

Voters in 1996 approved a public financing system, believing it would free candidates from the burden of raising money from friends, neighbors and lobbyists. The public funds come mostly from state appropriations — $2 million a year, by law. Smaller amounts come from a check-off on state income tax forms — about $190,000 a year — and the required $5 contributions collected by publicly funded candidates, which totals another $190,000 a year.

Since 2002, the Legislature has transferred more than $8.5 million from the Clean Election Fund to balance the budget and to use for other programs. More than half this money has been returned, leaving a shortfall of nearly $3 million.

The state is slated to pay back $2 million by June 2010, a payment that could be in jeopardy because of the large budget shortfall.

Currently, the fund has about $3.4 million on hand, not quite enough to cover the expected $3.5 million needed to fund Clean Election legislative races next year. More than three-quarters of legislative candidates use Clean Election funds.

The real problem is on the gubernatorial side. If only four candidates qualify for primary and general election funds, the program will have no shortfall. If five qualify for funding in the
primary and two in the general election, the fund will be more than $580,000 short. If three candidates qualify for Clean Election funds in the general election, the fund will be nearly $1.8 million short.

In recent years, legislation has passed to make it more difficult to qualify for clean funds by requiring more signatures and qualifying contributions. All these changes have been made since the last gubernatorial election, so they have yet to be tested. But already this year, seven candidates have declared their intention to try to qualify for these funds.

If the fund doesn’t have money to fully fund qualified candidates, its only choice is to authorize candidates to accept some private funds, although this contradicts what the public approved a decade ago.