

# **CAMPAIGN FINANCE REFORM:**

**A COMPARATIVE LOOK AT THE IDAHO AND OREGON STATE  
SENATE ELECTIONS AFTER THE IMPLEMENTATION OF  
THE 1997 IDAHO CAMPAIGN CONTRIBUTION LIMIT LAW**

by

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## **Abstract**

Political elections in the United States, at the federal, state and local level, are all heavily influenced by campaign contributions from individual donors, as well as non-individual donors like corporations, political parties and political action committees (PACs). American policymakers have debated for over a century how to balance restricting large donations from corrupting elections while also protecting the first amendment right to free speech. Many laws regarding this issue first appear at the federal level in Congressional bills and Supreme Court hearings, and this sets the foundation for states to adopt their own policies. Idaho state passed its campaign contribution law in 1997 to restrict the amount that both individual and non-individual donors could donate to state campaigns, while neighboring Oregon state has set zero restrictions on campaign contributions to state and local elections. In order to see if Idaho's law has prevented big money from infiltrating state politics, this research does a comparative analysis of the two states to evaluate the donations going to Oregon candidates versus Idaho candidates, and if that number has increased over the last 25 years since this law was implemented. The results show that Oregon has significantly more donations over \$1,000 coming from non-individual donors and that Oregon contributions in general have a significantly higher total value than Idaho contributions.

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## Abbreviations

PAC	Political Action Committee
FECA	Federal Election Campaign Act
BRCA	Bipartisan Campaign Reform Act
FEC	Federal Election Commission
67-6610A	Idaho Campaign Contribution Law

## Introduction

In the United States, tens of billions of dollars are spent every election cycle in political races from the presidential seat at the White House down to the local city hall (Evers-Hillstrom 2021). In 2020, presidential and congressional candidates alone raised over \$14 billion in campaign donations (Evers-Hillstrom 2021). Outside of Washington, D.C., candidates for state offices across the country are also collectively bringing in billions of dollars in campaign funds to be used to win their respective elections (Cruikshank 2019). Fundraising for a political campaign is a crucial component in order to be successful because it enables the candidate to finance voter outreach and marketing for the campaign. Candidates, especially in higher office, need to hire a campaign team composed of a campaign manager, marketing specialist, voter outreach manager, graphic designer, volunteer coordinator, and many other positions depending on the size and scope of the district. In addition to human capital, candidates will also need funds for direct marketing efforts which will include essential items like yard signs, bumper stickers, and t-shirts. And finally, successful campaigns will need to implement direct voter contact tactics such as phone banks, mailers, door knocking, and hosting events to get the message out about why their campaign is right for the community. In most cases, in order for a campaign to win there must be funds to cover these basic campaigning costs.

The donations raised will not only cover the essential costs of a campaign, but it can also serve as a show of strength for the number of people who are providing those dollars to support the campaign. Donations are a signal to voters that other people believe in the candidate enough to donate their hard-earned dollars to support their platform and goals. If a candidate raises a considerable number of single donations, this builds a strong grassroots campaign that represents wide community support (Karagosian 2022). A grassroots campaign is one in which the candidate



focuses on reaching out to the people directly and meeting them where they are at, which can be extremely rewarding but also very time-consuming and costly. Grassroots campaigns are generally applied only in the local context where the geographical region is small and the people are easy to contact, but in recent years the United States has seen this style of campaigning even in presidential elections through former President Barack Obama's campaigns and similarly with Senator Bernie Sanders (Goddard 2022). It requires more work, but the campaign puts the focus on getting more everyday people to donate, volunteer, and join the campaign team, with the anticipation that their investment will ultimately lead to votes at the polls. Despite giving smaller donation amounts, the hope is that there will be more donors overall and the funds will still add up to create a competitive campaign.

However, to save time and energy, an easier option for many candidates is to find like-minded organizations that they believe in and then reach out to those organizations to see if they are interested in donating to the campaign. This is a popular campaign strategy because organizations generally will have larger budgets to work with than individuals. If a candidate's goal is to reach \$1,000 and they can either reach out to 50 people to each give \$4 or they can contact one corporation to give \$1,000, many will choose the latter. While it would be better to have 50 more constituents supporting the campaign and contributing smaller amounts, the reality is that many candidates will need to raise as much money as possible and will need to do it faster than their opponents.

The challenge with American politics is not necessarily that candidates are raising large amounts of money because, as mentioned prior, that is a necessary part of running a successful campaign in the United States. The challenge instead lies in understanding who that money is coming from and exactly how much each donor is giving (Glantz 1976). For over a century, the

United States has debated the role of campaign contributions in American politics in order to ensure that money alone does not determine the election outcome. The fear is that very wealthy individuals and corporations will be able to donate copious amounts of money to a candidate and thereby the opponents, attempting to do a more grassroots campaign, will not be able to financially compete with those single large donations. Through many provisions, acts and court hearings, the federal government has attempted to find the balance between controlling excessive campaign contributions from individual and non-individual donors, while being mindful of the free speech protections given in the United States Constitution. Martin Gilens, Shawn Patterson Jr. and Pavielle Haines (2021) argue that money is going to enter politics regardless, but how that process works is what really matters. Although the laws have evolved over the last century, the federal government has set a basis of what is legal on a federal level, and this has provided a clearer foundation for states to develop their own guidelines for state limits and laws on campaign contributions.

Following the national standard, and in an attempt to prevent individual and non-individual donors from controlling politics in the state of Idaho with excessive financial donations, in 1997 the legislature passed Title 67 Chapter 6610A, commonly known as 67-6610A (see Appendix 1), which legally put limitations on campaign contributions for candidates seeking office within the state government (The Official Website of the Idaho Legislature 2022). At the time the law was implemented, there was not a significant problem with large donors giving high donations in what could be perceived as an attempt to control the outcomes of elections (Russell 1997). However, because it was not relevant at the time, this begs the question of if the 1997 state legislature was actually looking out for the state in the decades to follow in order to prevent this problem from ever happening in the first place. Did the 1997 law prevent big money from heavily influencing

Idaho politics, despite it not being necessary at the time of inception? In order to see the effect of 67-6610A, this research will do a comparative look at elections in Idaho and its neighboring state, Oregon, which has no contribution limits on either individual or non-individual donors. While they are different states with different population sizes, demographics, and politics, **the purpose of this research paper is to see if Oregon elections have been significantly impacted by unlimited political donations over the last 25 years, which will reveal if Idaho could have followed a similar trajectory in the absence of this law being passed.**

In order to see the impact of this law and the effect it has had on Idaho politics over the last 25 years, thousands of observations were collected from donations made in both Idaho and Oregon state senate elections over three election cycles to see how the campaign contributions had changed in both states. After running the data analysis on these observations, the results showed that Oregon elections are heavily funded by large donations of \$1,000 or more coming in from primarily non-individual donors. Idaho's campaign contribution law of 1997, while symbolic at the time, has played a critical role in restricting the large donations going to candidate races in the state. Oregon's political races are heavily funded with large donations; however, the state government has still been reluctant to pass contribution limit laws because the courts have found "the use of money in political campaigns the equivalent of expressing political opinion," and the worry is that any attempt to restrict campaign contributions would be a violation of the first amendment (Legislative Committee Services 2012). This is a valid concern for the state of Oregon, and a concern that lawmakers in Idaho, and in Washington, D.C., have had to discuss as they implement their laws on campaign contribution limits.

This paper will first take a look at the history of campaign contribution laws in the United States to better understand their origins and how the laws have evolved to where they are today.

Over a century ago the conversation began with President Theodore Roosevelt and in March of this year the debate continues with members of the U.S. Congress requesting to end Citizens United (FEC Appendix 4 2022). Second, we will look at how the Idaho campaign contribution law was created, why the state of Oregon has not passed some form of contribution limits, what other states across the country have done, and what rights come along with being a non-individual donor. Third, we will cover the empirical methods to show how the data of the donation observations was collected and cleaned. Fourth, we will review the empirical results to see the impacts of the Idaho law through the contributions raised in both states. Fourth, we will look at the alternative explanations and the role of the political parties, the state populations, and the economic status, to see if there is any correlation in the decision to pass a law limiting contributions and if any of those explanations influenced the contributions given in the elections observed. And lastly, we will close with the concluding remarks on the research and the significance of Idaho law 67-6610A on campaign contribution limits.

## Chapter 1: Literature Review

### 1.1 National Laws

The United States has a long and complex history surrounding campaign finances and the role the government should play in monitoring and controlling campaign contributions. This conversation has been ongoing since the foundation of the country, but formal action began to really take shape at the start of the 20th century (FEC Appendix 4 2022). President Theodore Roosevelt actively discussed the need to keep corporate money out of politics, and in 1907 this started the debate in Congress on the need to have campaign finance reform to better monitor the funds being raised (FEC Appendix 4 2022). This is when they passed the Tillman Act that prohibited donations to federal campaigns from corporations and national banks (FEC Appendix 4 2022). In 1925, the Federal Corrupt Practices Act was passed which required candidates to disclose more information regarding their campaigns, as well as it increased the expenditure limit for campaigns (FEC Appendix 4 2022).

In 1939, nearly 30 years after the conversation on campaign finance reform started, the Hatch Act was passed by Congress which “asserted the right of Congress to regulate primary elections and included provisions limiting contributions and expenditures in Congressional elections” (FEC Appendix 4 2022). This Act had amendments added in 1940, and then in 1947 the Taft-Hartley Act took another step forward and restricted corporations and labor unions from contributing to federal elections (FEC Appendix 4 2022). All of these provisions were put into place to better account for the contributions being raised by candidates, however, they were largely ignored because “none provided an institutional framework to administer their provisions effectively” (FEC Appendix 4 2022). The intentions of these acts were clear, but without the

implementation component they became just words on paper that were to be read, but not to be followed.

It was not until 1971, with the Federal Election Campaign Act (FECA), that provisions could be implemented and, furthermore, applied into the election process (FEC Appendix 4 2022). The FECA was a powerful piece of legislation because it required candidates to report in full their campaign contributions and expenditures (FEC Appendix 4 2022). The FECA also limited spending on media advertisements, although this was later repealed by the court (FEC Appendix 4 2022). Fundamentally, the FECA was so critical because it “required disclosure for candidates and campaigns, established limits on contributions to candidates and campaigns, established limits on campaign expenditures, and established limits of spending on behalf of a candidate” (FindLaw’s Legal Writers 2020). Prior to this law going into effect, in the 1968 federal elections for the United States House of Representatives and Senate, candidates “reported spending \$8.5 million, while in 1972, spending reported by Congressional candidates jumped to \$88.9 million” (FEC Appendix 4 2022). This clearly shows that prior to the passage of this Act, many Congressional candidates were not fully reporting their finances, and if this was happening at the federal level it was to be assumed that it was also happening at the lower levels.

The FECA also replaced some of the core requirements from the previous acts in the decades prior. One core component was that the FECA allowed corporations and unions to use treasury funds to donate to political campaigns through political action committees (PACs) (FEC Appendix 4 2022). PACs are an organization typically created by labor unions, trade associations, corporations and other business organization with the primary purpose being to “raise and distribute campaign funds to candidates seeking political office” (Levy 2020). Because the FECA cracked down on contributions directly to candidates, it encouraged the PAC approach which

inevitably increased the number of PACs in the United States from 600 to over 4,000 by 2010 (Levy 2020).

Policymakers continued to learn from the previous acts, but the primary concern for all issues related to campaign finance was how to properly implement and monitor the system itself. Therefore, the FECA needed to include clear guidelines for how it would both implement and monitor campaign finances (FEC Appendix 4 2020). Congress struggled to determine who would be responsible for monitoring these new guidelines outlined in the act. Initially, they reported that “the Clerk of the House, the Secretary of the Senate and the Comptroller General of the United States General Accounting Office” would be responsible for monitoring compliance, and then the Justice Department would be “responsible for prosecuting violations of the law referred by the overseeing officials” (FEC Appendix 4 2022). However, due to the overwhelming number of violations reported early on, the FECA was amended to establish the Federal Election Commission (FEC) which is an independent agency that was “given jurisdiction in civil enforcement matters, authority to write regulations and responsibility for monitoring compliance with the FECA” (FEC Appendix 4 2022). The FEC’s primary responsibility was to oversee the election process in the United States elections, which included monitoring campaign contributions and expenditures.

Shortly after this decision was reached, two senators, a Democrat and Republican, found the FECA to be unconstitutional and decided to challenge it before the U.S. Supreme Court (FEC Appendix 4 2022). The Supreme Court upheld the contribution limits outlined in the act, citing that the guidelines in the act “served the government's interest in safeguarding the integrity of elections” (FEC Appendix 4 2022). The Court did, however, overturn the expenditure limits on the premise that restricting the quantity of expenditures is restricting campaign speech by the candidate, and that these restrictions “limit political expression at the core of our electoral process

and of First Amendment freedoms” (FEC Appendix 4 2022). Just a few years later, in 1976, the FECA was further amended to altogether repeal the expenditure limits (FEC Appendix 4 2022). In addition, it included guidelines that the president would nominate 6 members to serve as commissioners on the Federal Election Commission and that those commissioners would need to be confirmed by the U.S. Senate (FEC Appendix 4 2022).

In 2002, after many years of debate on campaign finances, and in an effort to redress the issues brought forward in the previous acts, the Bipartisan Campaign Reform Act (BCRA) was signed into law by Congress (Friends Committee of National Legislation 2016). The BCRA tightened previous laws regarding “public communications about a candidate that are not officially part of the candidate’s campaign,” such as those advertisements being made by PACs (Friends Committee of National Legislation 2016). This Act was specifically focused on unions and corporations and preventing them from spending money right before an election on marketing efforts like commercial advertisements. (Friends Committee of National Legislation 2016). The whole idea was to prevent these advocates that are unaffiliated with the candidate from investing substantial amounts of money into the election right before the voting day without having to report on those donations. The BCRA required these groups to sponsor a PAC to buy the ads, which the FEC could then monitor because PACs are limited in the amount they can receive from each donor (Friends Committee of National Legislation 2016). By adding this core component, it required PACs to have a broader agenda that was more widely accepted because they would now need donations from a larger number of donors (Friends Committee of National Legislation 2016). In addition, PACs were also required to act independently from the campaign and the candidate.

Each of these acts were intended to find the flaws in the previous and build a stronger foundation for campaign finances in federal elections. After the act was implemented, they would



find the new issues and address them through amendments and repeals. This is what has happened in many court cases over the years, including the 2010 Supreme Court case of the Federal Election Commission v. Citizens United. The court, ruling in favor of the Citizens United who argued their first amendment rights were being attacked, “struck down the provision of the BCRA that limited the amounts of money groups could spend, making it possible for a corporation or union to spend unlimited funds directly on independent ad campaigns that support or oppose a candidate” (Friends Committee of National Legislation 2016). The Supreme Court dropped two key components of the FECA because they were unconstitutional and violated the first amendment, and thereby “reversed the long-standing prohibition on corporations using their general treasury funds to make independent expenditures” (Legislative Committee Services 2012). Through this case, the court also overturned a section of the BCRA which prohibited “corporations from using their general treasury funds for electioneering communications” (Legislative Committee Services 2012). These were huge decisions made to the political world in the United States and were met with strong support and opposition.

That same year, a similar case, *Speechnow.org v. Federal Election Commission*, stated that a “PAC that only made these kinds of independent expenditures and made no contributions directly to campaigns or party committees could not be limited as to the size of donations they received or the amount they spent” (Friends Committee of National Legislation 2016). This is what created the Super PAC, which is a collection of individuals or corporations that pool their money together and advocate for a more general cause or political party without ever actually giving the funds to a specific candidate’s campaign, unlike a standard PAC that more directly supports a specific candidate. And while Citizens United only struck down a small part of the BCRA, the change it did make was extremely significant in making it easier for unions and corporations to enter and

influence the political sphere and “to select campaigns and campaign messages more narrowly tailored to the interests of their boards of directors, rather than to a larger field of donors” (Friends Committee of National Legislation 2016).

Every act passed by Congress had the same intentions of better enforcing and monitoring campaign finances, while also bearing in mind the protections of the first amendment on free speech. The court analysis when reviewing each of these congressional acts has been built on the idea that “limits on contributions are a permissible method to avoid the dangers of corruption,” but that the constitutional rights cannot be infringed upon for the sake of preventing that corruption (Legislative Committee Services 2012). In addition to the general acts being passed by Congress, the FEC has also implemented additional guidelines on reporting for candidates, including the date the donation was received, the name of the donor, and whether it was in the primary election, general election, runoff election, or in a special election (Federal Election Commission 2022). The responsibility to effectively manage and account for each donation for the different elections is up to the candidate’s campaign team and is held accountable to the FEC at the federal level, the secretary of state’s office at the state level, and the county clerk at the local level.

One of the most recent court cases regarding campaign finance was *McCutcheon v. Federal Election Commission* in 2014, where the Supreme Court determined that limiting the total amount of money an individual can donate to a federal campaign, which also includes PACs, infringed on the first amendment rights and was therefore unconstitutional (Cruikshank 2019). This court case specifically looked at aggregate contributions for donors giving multiple times to candidates over a certain period of time (Cruikshank 2019). This once again provided more space for large donations to infiltrate into the national elections. It is, however, worth noting that many state legislatures have attempted to overturn the Supreme Court decisions in both *Citizens United v.*

FEC and *McCutcheon v. FEC* but have failed to gain the necessary traction (Public Citizen 2022). In total, 22 states and 839 municipalities comprising of half of the United States population, have approved some measure that would restrict the influence of non-individual money in politics (Public Citizen 2022). Not only is this support being seen in the state legislatures, but there are also congressional members who have written and backed bills to overturn these court decisions that have opened the floodgates of mega donations. As of this year, Representative Adam Schiff, a Democrat from California, has brought forward a constitutional amendment co-sponsored by 42 of his colleagues that would amend the United States Constitution to be able to once again monitor and limit wealthy mega donors, corporations, and special interest groups (Hurley 2022). As of today, that bill has not been heard on the House floor or passed (Hurley 2022).

## **1.2 Idaho Laws**

The national government, through its many acts that have been amended, repealed, and overturned, has provided the states with some context into what can and cannot be done with campaign finances on a state and local level. To provide some context of Idaho, as of 2020 the state had a population of approximately 1.75 million inhabitants making it one of the least populated states in the country, despite its significantly large geographical size (U.S. Census Bureau 2021). In 2000, Idaho's GDP per capita was \$36,419 and by 2019 the GDP had risen to \$40,274 in chained 2012 U.S. dollars (Statista 2020). Idaho is one of the most racially homogenous states in the country, where 93% of the citizens report to be white (U.S. Census Bureau 2021). When it comes to levels of education, 91.3% graduated from high school while 28.7% graduated with a bachelor's degree from a college or university (U.S. Census Bureau 2021). Idaho, especially in the last two decades, has become known as a conservative safe haven, where the Republican

Party has stayed in leadership and controlled the state house of representatives, the senate, and the statewide offices since the turn of the 21st century.

Despite not having a clear and obvious problem with high contributions infiltrating Idaho politics, in 1997 the Idaho legislature passed the first-ever campaign contribution law for the state, which was signed into law by then Governor Phil Batt (Russell 1997). Because the law was seen as mere symbolism at the time of passage, many critics questioned if it was necessary at all. On July 1st of 1997, Idaho law 67-6610A went into effect on all political positions, including statewide offices which includes governor, lieutenant governor, secretary of state, and attorney general, as well as district-wide offices which includes state senators and state representatives (The Official Website of the Idaho Legislature 2022). The Idaho campaign contribution limit law, 67-6610A (see Appendix 1), specifically states that “aggregate contributions by a corporation, political committee, other recognized legal entity, or an individual to a candidate for the state legislature, judicial office, or local government office, and political committees organized on the candidate’s behalf, shall be limited to an amount not to exceed one thousand dollars (\$1,000) for the primary election and an amount not to exceed one thousand dollars (\$1,000) for the general election” (The Official Website of Idaho Legislature, 2022). The primary election is the election that determines the candidate who will represent the party in the general election. The primary election takes place in May of the election year, and then the candidates who win the primary races for the Republican Party and Democrat Party will go on to compete against one another in the general election. The Idaho law also included limits on contributions to statewide offices to not exceed \$5,000 in the primary and \$5,000 in the general election (The Official Website of Idaho Legislature 2022). Since this law went into effect, it has been amended by the state legislature five times in the years 2004, 2006, 2012, 2019, and 2021, making minor adjustments to the specific phrasing of certain sections

without taking away the essence of the contribution limit law itself (The Official Website of Idaho Legislature 2022).

This chapter of the Idaho law also defines what a political action committee (PAC) is and how that donation will be defined in the campaign finance reports. For example, the law states that if there is a PAC with only one individual contributor who is also the controller of the account, that is in fact not considered a PAC and should be reported as an individual donation from that individual person (The Official Website of Idaho Legislature 2010). If, however, there is a PAC for a labor union or trade association where there are many individuals all contributing to the committee, then this will fall into the guidelines of a PAC and will be accountable to the guidelines of a PAC (The Official Website of Idaho Legislature 2010).

After the *Citizens United v. FEC* case was decided, the Idaho House of Representatives passed House Joint Memorial 12 in the 2010 Legislation, which urged Congress “to use all efforts, energies and diligence in applying the powers vested in the legislative branch to negate the harmful effects” against this court decision (The Official Website of Idaho Legislature 2022). While there was no response from Congress, it sent a strong message that the Idaho legislature did not approve of the court decision to allow unlimited amounts of money to enter, both directly and indirectly, into the national political sphere.

### **1.3 Oregon Laws**

Similar to Idaho, Oregon was also provided the same foundations of the United States decisions from both the acts by Congress and the hearings of the Supreme Court. However, Oregon has taken a much different approach in how they manage campaign contributions. To provide some context into the state of Oregon, as of 2020 the state had a population of approximately 4.17 million inhabitants or just over double the population of Idaho (U.S. Census Bureau 2021). Oregon’s GDP

per capita was \$40,179 at the turn of the century in 2000 and by 2019 had risen to \$52,726 in chained 2012 U.S. dollars, roughly 7% higher than Idaho's GDP per capita (Statista, 2020). Oregon, similar to Idaho, is racially homogenous with 86.7% of the population identifying as white (U.S. Census Bureau 2021). Higher than Idaho, Oregon reports that 94.1% of their population have graduated high school and 34.4% have graduated with a bachelor's degree (U.S. Census Bureau 2021). Like many American states, Oregon is incredibly divided in politics between rural and urban voters. Many Oregonians reside in the Portland metropolitan area and urban voters in general tend to favor Democratic leadership. Oregon also has a ruling party in the state government and that Democratic leadership has remained in power since before the turn of the 21st century.

Unlike Idaho, who successfully passed limits on campaign contributions and has made small amendments to them over the years, Oregon has had many failed attempts to implement any laws regarding campaign finances. Like Idaho, and so many other states, Oregon began discussing what campaign contribution limits would look like back in the 1990s when many states were passing contribution laws. In fact, "the Oregon Supreme Court looked at contribution limits for the first time when reviewing Ballot Measure 9" in 1994, which limited campaign contributions by individuals and political action committees (PACs) in legislative and statewide races" (Legislative Committee Services 2012). The Oregon Supreme Court found in the case of *VanNatta v. Keisling*, that campaign contributions should be included in free speech and, therefore, would be protected by the Oregon Constitution and could not be limited (Legislative Committee Services 2012). The court ruled that without an update to the Oregon Constitution, it would be exceedingly difficult for any sort of campaign contribution to be passed (Legislative Committee Services 2012). In 2005, the Oregon Legislature did pass "House Bill 3458, which required all campaign contributions and expenditures to be reported to the Secretary of State's office within a rolling 30-

day time period,” and it created the Oregon Elections System for Tracking and Reporting so that the reporting could be made available online (Legislative Committee Services 2012). Just a year later Ballot Measure 47 was passed by Oregonians in 2006, and this put limits on contributions into the Oregon statute, however, those limits could not be enforced until either the Oregon Constitution was amended or interpreted by the courts differently to allow limits (Legislative Committee services 2012). The intentions of the Oregon people were clear in that popular vote, but without the proper implementation it could not turn into a legally binding law.

Since the Oregon State Constitution is so stringent on protecting free speech, it has made it significantly more difficult for lawmakers to approve or pass any measures that would restrict or limit campaign contributions. Because of this, Oregonians themselves have attempted to get a contribution limit provision on the ballot in the past, like Ballot Measure 47, and are still continuing those efforts today (Shumway 2022). With a ballot measure, the people of a state have the ability to vote directly without the state legislature and, if passed, it is then up to the state legislature to find a way to properly implement the measure into law. Jason Kafoury, a Portland attorney who cofounded Honest Elections Oregon, has played an active role in working on this petition to get it on the ballot this year (Shumway 2022). Despite Kafoury thinking he was on track, the Secretary of State, Shemia Fagain, determined that the petition failed to meet a technical requirement and that it would not be able to go on the ballot for Oregonians to vote this year (Shumway 2022). The secretary of state argued that the rules were very clear for getting an initiative on the ballot and this campaign failed to do that, to which Kafoury responded that “it’s a sad day for our local democracy...it means millionaires, and billionaires will continue to write six- and seven-figure checks” (Shumway 2022). Many advocates for campaign finance reform in Oregon recognize the

influence of money on their political system, but just as the United States battled between controlling the money and protecting the free speech, so does the state government of Oregon.

In 2013, just a few years after the Citizens United court ruling, the Oregon House of Representatives and Senate approved House Joint Memorial 6 which urged the United States Congress to add a constitutional amendment clarifying “the distinction between the rights of natural persons and the rights of corporations and other legal entities, and that federal and state governments may regulate money raised and spent for political purposes” (Oregon Legislature 2013). Like Idaho, Oregon lawmakers needed clarification on what laws and rights applied to the distinct types of donors to better understand what laws and limitations would be legal. This joint memorial served as a reminder that states look to the U.S. government for clarification on how they can and should legally proceed with their own decisions.

#### **1.4 Other States Laws**

The United States has a unique balance between federal guidelines that are to be followed by the entire union and flexible autonomy for states to decide what is best for them. While the United States, through the various acts and court hearings, has laid a foundation for what campaign contribution limits look like on a federal scale, this has simply set the stage for what states can and cannot do regarding this same issue for state elections. In the late 1990s, there was a national trend to push for both term limits and campaign contribution limits on all levels of government from Washington, D.C. to local city halls across the country. Between state legislatures proactively voting to pass contribution laws and citizen-led ballot initiatives pushing for the same result, many states adopted limits on campaign finances. In fact, by 2011 there were just four states with no limits on contributions, including Oregon, Missouri, Utah, and Virginia (Legislative Committee Services 2012). Alabama, Indiana, Iowa, Mississippi, North Dakota, Pennsylvania, and Texas had



minimal restrictions on corporations and unions, but all other sources, including individuals, remained unlimited (Legislative Committee Services 2012). In fact, only 11 states have no contribution limits for individual donors (Cruikshank 2019). As for the remaining 39 states, they all have “established limitations on contributions to candidates from individuals, political parties, PACs, corporations and unions” (Legislative Committee Services 2012). 22 states fully prevent corporations from donating to political campaigns, while conversely five states remain that allow “corporations to contribute an unlimited amount of money to state campaigns” (Cruikshank 2019). Another major source of campaign finance comes from political parties, and 19 of the 50 states have zero restrictions on political parties donating to candidates (Cruikshank 2019).

There is great range even amongst the states who do have contribution limit laws on how much a candidate should be allowed to accept from a single donor. Looking at the laws in place for the 2019-2020 elections, the contribution limit range varied from Montana who had a limit of just \$180 for both state senator and representative candidates, all the way up to Ohio who had a limit of \$13,292 for both state senator and representative candidates (National Conference of State Legislatures 2019). Many states have implemented laws that differentiate the distinct types of donors, from the individual to the corporations and PACs to political parties and have created varying restrictions for each group.

### **1.5 The Rights of Non-Individuals Donors**

A crucial part of the debate on campaign contributions and their limits comes down to whether corporations and group-based organizations have the same rights as individual people, specifically rights around the first amendment and free speech. The phrase “corporate personhood” is where corporations receive similar benefits as people, which allows them to say, publish, or support any idea or agenda (Friends Committee of National Legislation 2016). At a first glance it

may sound obvious that corporations are not, in fact, people; however, they are comprised of people who do have thoughts and opinions on the world we live in and are collectively coming together to share those thoughts. Rather than attempting to restrict this first amendment right from these organizations, critics have argued that they are most concerned with the ability of undue influence on the outcome of elections from these super wealthy organizations and corporations, not on the expression of their ideas (Friends Committee of National Legislation 2016).

Regarding campaign contributions and the limits to prevent large money from impacting elections, the problem is not necessarily just corporations, but also select super wealthy individuals who are attempting to control political election outcomes through these corporate-based efforts. PACs can donate to candidate campaigns, but there are also Super PACs, which are committees that cannot donate directly to a campaign but instead pool enormous amounts of money together to support a political cause or idea (FEC 2022). In 2012, corporations donated 12 percent to Super PACs, compared to the 159 individuals who donated \$1 million each and made-up 60 percent of the PAC funds (Friends Committee of National Legislation 2016). 2012 was not an exceptional year for this large pouring in of money from both corporations and individual donors contributing excessively large amounts of money to causes and ideas that they believe in through PACs and Super PACs. So, while more states have limits on contributions from non-individual donors than on contributions from individuals, it begs the question of where the limitations should be and on which kinds of donors. In addition, because PACs and Super PACs have different rules to follow, it becomes increasingly easier for wealthy individual donors and corporations to pool their money and not be restricted, but still have the same level of influence.

## Chapter 2: Empirical Methods

### 2.1 Collecting the Data

The goal of this research is to see the impact of the Idaho campaign contribution law by doing a comparative look at the neighboring state of Oregon which has no campaign contribution laws in effect. While there was not necessarily an issue with excessive contributions in 1997 when this Idaho law went into effect, the goal of this research is to see if over the last two decades there has been a significant change in Oregon's campaign finances in comparison to Idaho, who has restricted all donations from both individual and non-individual donors to \$1,000 in the primary election and \$1,000 in the general election. By doing this, we can see if Idaho would have followed a similar trend to Oregon had it not implemented these campaign contribution limit laws.

Due to the limited time for data collection, it was not possible to collect all of the campaign finance forms from each year for every single candidate in each of the states. In order to get a general idea of the trends over the last two decades, this research will focus primarily on three election years in both the Oregon and Idaho state senates. Presidential elections can have a significant impact on state and local elections because the media coverage generally focuses more on the national races. Because of this, people end up supporting national politicians and therefore put their resources and time into those races, so the years 2000, 2004, 2008, 2012, 2016 and 2020 were avoided intentionally in this research. Therefore, to ensure the elections being reviewed were not impacted by the federal elections, the data used will come from the elections in 2002, 2010, and 2018. Each election is 8 years apart and evenly spread out over the last 25 years, which will provide a general overview as well as show any trends from 1997 to now.

In Idaho, every two years every single senate seat is up for reelection, and in Oregon half of the senate seats are up every other election which are also every two years. Due to time

constraints, this research looked specifically at the most competitive races in each state because that is typically where the most money will be given with the hopes of flipping a seat or holding a seat, even if it is by a small margin. For both Idaho and Oregon, once the three election years were selected then the top 5 most competitive races need to be selected. This was determined from looking at that year to see which races had the closest margins. Many races in the United States, both at a federal and state level, have multiple candidates running for a single political position. This includes candidates from the two main parties of the Democrats and Republicans, candidates from lesser-known parties like the Libertarians and Green Party, and candidates who affiliate as Independents. Most of the financial support goes to the candidates who come from the two main political parties, and therefore, this research is focused only on the top two candidates who were members of either the Democratic Party or Republican party for every single race. This decision to select these candidates was supported in the election outcomes, where the top two candidates in every race observed came from one of these two political parties.

Once the election years were chosen and the senate seats and candidates were selected, then the actual campaign contribution lists needed to be collected from the respective campaigns. Candidates, specifically incumbents who already had active campaign accounts, can collect donations in the off years prior to an election year; however, this research only looked at donations that were given to candidates in the year of the election, which started on January 1st of the election year and went until the election date.

Collecting the observations for the Idaho candidates was very straightforward and user-friendly through the Idaho Secretary of State's website. In 1974, the state of Idaho passed their Sunshine Laws, which were included in Title 67, Chapter 66 of state law. This law exclusively focused on building more public confidence in state government by "promoting openness [and]

transparency by those giving financial support to election campaigns and those promoting or opposing legislation or attempting to influence executive or administrative actions for compensation” (Idaho Secretary of State’s Office 2019). The campaign contribution limit law of Idaho is found within this chapter, but the initial chapter was focused on transparency rather than limitations (Idaho Secretary of State’s Office 2019). Through the Secretary of State’s website, a constituent can select the election year and the specific political seat of interest, and the site will provide every donation given to that candidate, as well as every expense made by the campaign (Idaho Secretary of State’s Office 2019). This online portal only became available for campaign finance information in the year 2000 and on since this is when campaign filing went digital. The Secretary of State’s Office provides all campaign finance information for both contributions and expenditures as a downloadable document (Idaho Secretary of State’s Office 2019).

Collecting data on the Oregon candidate’s financial information was more difficult to capture because of the structure and availability of their online services. Like Idaho, the Secretary of State’s website is where all of the information can be found for the public to access. Oregon did not begin providing campaign finance information online until after Idaho, so while the 2010 and 2018 finance forms were easily accessible online, the 2002 campaign finance forms had to be requested from the Secretary of State’s office through email. The clerk responded with attachments for both the primary election and the general election for all the open seats in that year; however, they were provided as PDF documents that could not be converted. For this reason, all 2,447 donations for the 10 candidates in the 5 district races had to be entered manually. For 2010 and 2018, the data was able to be retrieved directly from the site, but the information was provided separately for each candidate rather than for the entire year. This required searching each specific candidate using the campaign search engine and then separately downloading the files and adding

them into the Stata 64 software spreadsheet. All the information was still able to be accessed, but it was not as accessible as the Idaho website that was user-friendly and easily accessible.

## **2.2 Cleaning the Data**

Once the data was collected for the 60 candidates across the 30 races in the 3 elections, the next step was to determine which information was necessary for the research and accessible from both the Oregon candidates and the Idaho candidates. Oregon and Idaho provided different information for each of the contributions, such as Idaho providing the address of the donor and Oregon providing both the amount donated and the accumulated amount between both the primary and general election. After reviewing each column of data, it was determined that the following information was both essential and accessible for all of the candidates in this research: election year, state, candidate name, political party, district number, total votes received, percentage of votes in general election, contribution amount, contributor name, and if they were an individual donor or a non-individual donor.

After cleaning the data, there were a few factors to consider that could not be changed but were significant to understand. The first factor was that donations that fall under a certain dollar amount do not have to be recorded and reported in the same way as typical donations over that threshold. In Idaho, donations that are \$50 or less do not have to be itemized and recorded as a stand-alone donation, but instead there must be a line item with the number of donations under \$50 and the total amount for all of the donations combined for each reporting period throughout the election season. In Oregon, donations that are \$100 or less fall into this same category and do not have to be itemized but must be accounted for in the total at the end of the primary and general election. For example, a candidate could report that they received 65 donations under the threshold and those donations totaled \$645, and this would all be included in one line on their campaign

finance report. The candidate would then mark this single combined line item as a contribution from “Miscellaneous Donations.” Some candidates in both Oregon and Idaho chose to itemize every single donation for sake of transparency regardless of the donation amount, so there are some single observations that are less than \$50 or \$100, depending on the state, that are recorded as stand-alone donations. In addition, in some instances, the observations that are recorded as “Miscellaneous Donations,” which are those combined small donations, actually exceeded the \$1,000 limit that this research is focused on. However, those are not single large donations of a \$1,000 but are instead a sum of many small donations from individuals. Therefore, they will not be counted in the report as a donation over \$1,000 but will instead be categorized as individual donations.

The second factor to take into consideration is that some donations in Idaho exceeded the \$1,000 limit despite the law, and this is purely because they are self-donations from the candidate themselves to the campaign. In the state of Idaho, the candidates themselves are allowed to contribute as much as they want, which even includes pulling out personal loans to fund the campaign. Because of this, some of the Idaho observations show an amount higher than \$1,000 despite the law 67-6610A preventing this from happening. For the sake of this research, we will only be looking at donations that reach the \$1,000 limit set out in the Idaho law. If the candidate donated \$1,000 or more to their campaign, they will be included in the \$1,000 category, despite having given more than that amount.

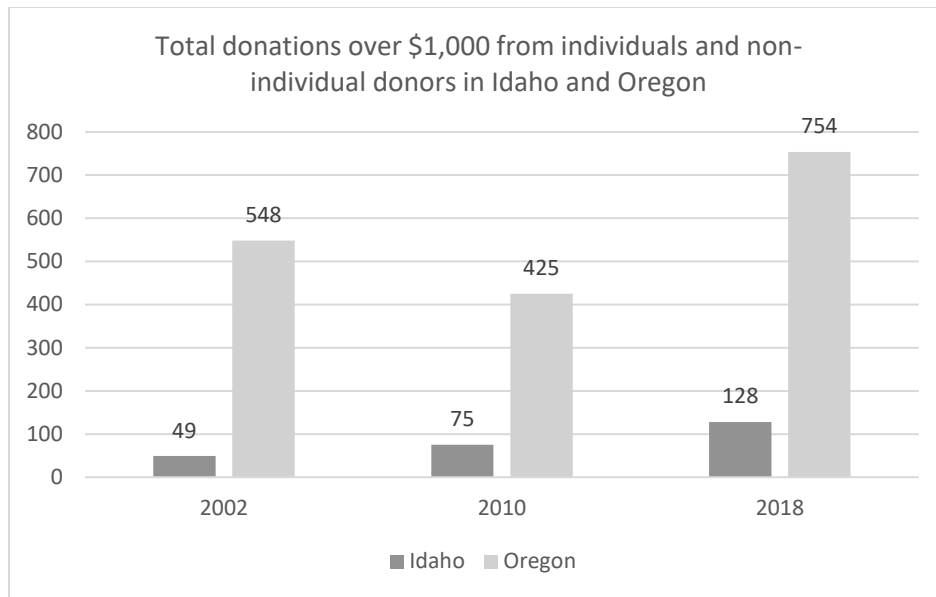
## Chapter 3: Empirical Results

Using the Stata 64 software, the 10,031 observations of donations that were given to the 60 candidates across 30 state senate races in both Idaho and Oregon were able to be analyzed. Through this research, the main objectives were to first see how many donations of \$1,000 or more were given to candidates in Oregon compared to candidates in Idaho. The second objective was to see if there was an increase in those \$1,000 or more donations with each preceding election year and to see how many were from individual and non-individual donors, which includes but is not limited to corporations, PACs, and political parties. The third and final objective was to look at the general donation trends across the three years to see if there is a general increase in donations in Oregon and Idaho.

### 3.1 Donations of \$1,000 or More

The first objective of this research was to see how many donations of \$1,000 or more were given to candidates in Oregon and Idaho across the three election years, including donations from both individual donors and non-individual donors. First, the analysis was done on Idaho and the results identified that of the 10,031 total observations, 3,438 of those were donations made to Idaho candidates across the three election years. Of the 3,438 donations, 1,685 came from individuals while 1,753 came from non-individual donors. From there, all of the donations that were \$1,000 were extracted, excluding the miscellaneous observations that were over \$1,000, and it was found that 252 observations gave donations that were \$1,000 to Idaho candidates. In Figure 1 below, we can see for Idaho that in 2002 there were 49 donations made for \$1,000, 75 donations were made in 2010, and by 2018 there were 128 donations of \$1,000 given, showing a constant increase year after year.





*Figure 1. Total donations over \$1,000 from individuals and non-individual donors  
Source compiled by author*

After running the initial analysis on Idaho, it then needed to be done the exact same way but for Oregon donations. Of the 10,031 total observations of the research, 6,583 of those were donations made to Oregon candidates in the five senate races across the three election years. Of the 6,583 donations, 3,693 came from individual donors while 2,890 came from non-individual donors. Unlike Idaho, this showed that Oregon had more donations from individuals than non-individuals. From all of the Oregon donations, 1,727 of those observations were donors that gave \$1,000 or more to a candidate. As we can see in Figure 1 above, 548 donations were made in 2002 for \$1,000 or more, 425 in 2010, and 754 in 2018. While 2010 had fewer donations than 2002, this chart does show that 2018 was the highest year yet for donations of \$1,000 or more.

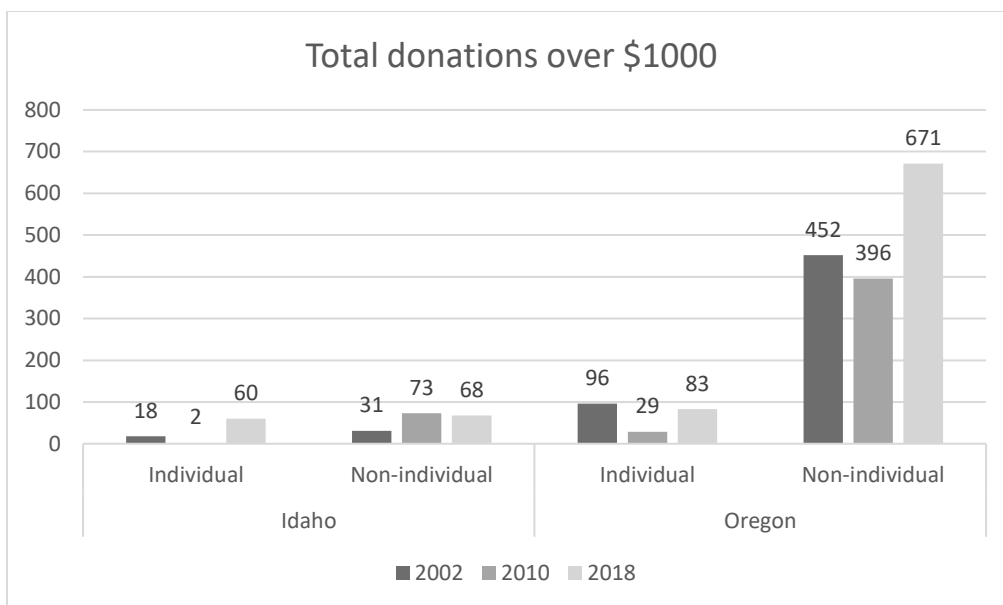


Figure 2. Total donations over \$1000  
Source compiled by author

In Figure 2 above, I wanted to break down the observations to see how many of these \$1,000 or more donations were coming from individuals or non-individuals. For Idaho, further analysis revealed that of the 252 donations that were \$1,000, 80 of them came from individual donors while 172 came from non-individual donors, such as corporations, political parties, and PACs. Of the 1,727 observations of \$1,000 or more for Oregon candidates, 208 of the donors were individuals while an incomparable 1,519 were from non-individual donors. This was a fascinating discovery because there were nearly 23% more individual donors giving to Oregon campaigns than non-individual donors in general, yet 88% of the big donations of \$1,000 or more came from non-individual donors.

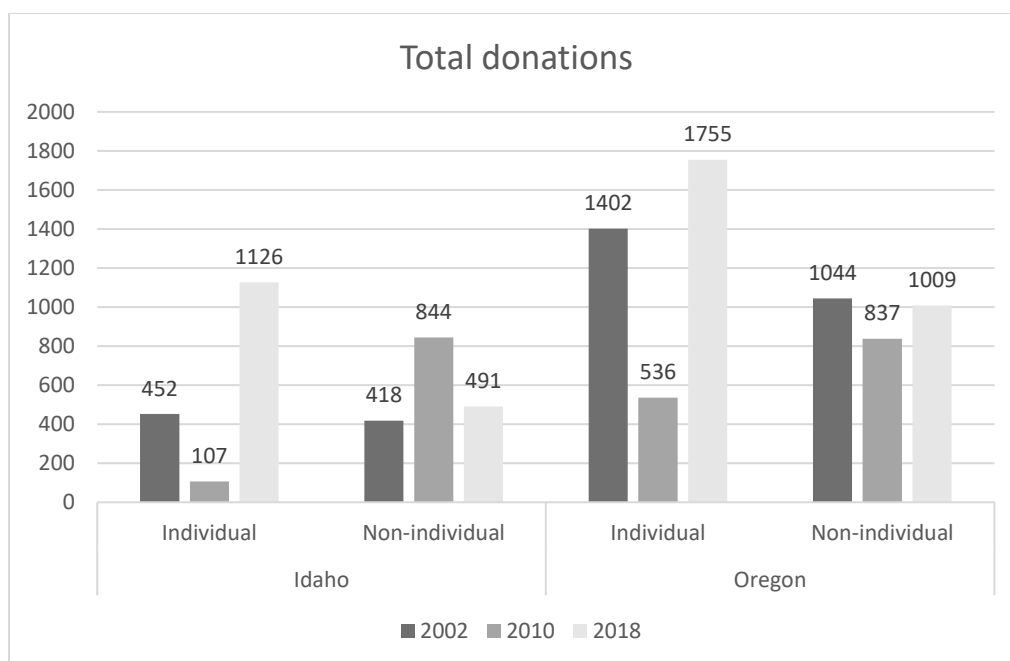
In addition, it was important to look briefly at which donors were giving the largest amounts and if any of these donors were giving to candidates in both states. By reviewing the observations across both states, especially the large donors, it revealed that some were providing more money to candidates in Oregon who were not restricted by the limit. For example, there was one non-individual donor that gave donations to candidates in both Idaho and Oregon called the

Soft Drink PAC. While the Soft Drink PAC was restricted to giving a maximum donation of \$1,000 to Idaho candidates, the Soft Drink PAC in Oregon was providing candidates up to \$5,000 in the latest election in 2018. This shows that if a race is competitive enough, without Idaho law 67-6610A, some donors would be willing to give beyond the \$1,000 to Idaho political races to ensure their chosen candidate is successful.

### **3.2 Individual and Non-Individual Donations**

The second objective was to see if there had been an increase in the number of donations with each preceding election. Campaign contributions have always been a part of the political process in the United States, and, in fact, in most places around the world. The assumption would be that if there is an increase in the GDP per capita there will also be an increase in donations being given to causes such as political campaigns. Both Idaho and Oregon saw an increase in GDP per capita over the last 25 years. Idaho, because of 67-6610A, cannot go over the \$1,000 limit, but the assumption still exists that there would be more donations at that \$1,000 limit and that Oregon would also see more donations and, specifically, more donations over the \$1,000. This would go back to the main hypothesis that without Idaho's law in place, it too would see an overall increase in higher donations from individuals and non-individuals giving donations over \$1,000 to state senate political races.

As we saw in Figure 2 above, there was not a clear upward trend in donations from any of the 4 groups. All groups except the non-individual donors in Idaho gave their largest donations in 2018, but the other years varied for which had the most donations.



*Figure 3. Total donations*  
*Source compiled by author*

To better understand campaign contributions, it is important to analyze the overall donation trends across the three election years, including both donations above and below \$1,000. In Figure 3 above, it further reveals those inconsistencies in the trajectory of donations over the three cycles that we saw in the \$1,000 and up donations. 2018 was the highest year for donations for candidates in both Idaho and Oregon for every category except for non-individual donors in Idaho who had only 491 donations. The inconsistency appears between 2002 and 2010, where it varied between an increase and decrease depending on the state and the donor type. For example, Idaho had 870 total donations in 2002 and 951 total donations in 2010, which does show an overall increase, but there is a huge decrease in individual donations in 2010 and a huge increase in non-individual donations that same year. And for Oregon, there were 2,446 overall donations made to candidates in 2002 and yet only 1,373 made in 2010, showing a significant decrease. Almost all donations dropped in 2010 except for non-individual donors in Idaho in 2010 which increased significantly and then dropped back down in 2018.

### 3.3 Donations Trends

The third objective was to see if there were any trends in the overall number of individual and non-individual donation amounts across the years. While the Idaho law limits donations to \$1,000, it is worth analyzing if donations under that limit have increased over the decades.

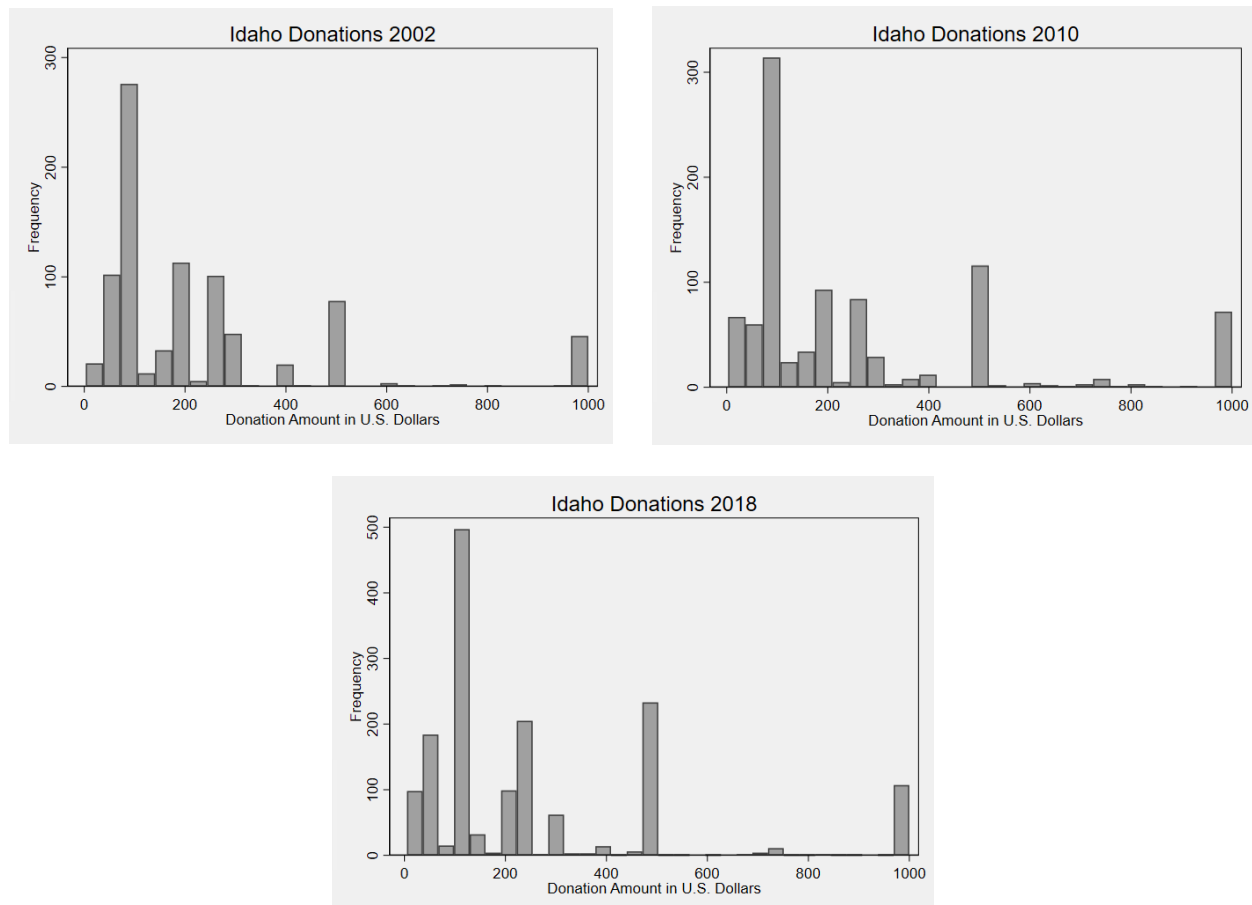


Figure 4. Donation trends in Idaho  
Source compiled by author

Taking a look at Figure 4 above for Idaho, we can see there is a clear increase from one year to the next in the number of donations ranging from \$1 to \$1,000. The bars between 2002 and 2010 see an increase, and then 2018 has an increased frequency on the y-axis, and those numbers are significantly higher. While we did not see a clear trend in donations increasing above \$1,000,

we do see that there is an increasing trend in the overall value of donations from both individuals and non-individuals.

In Figure 5 below for Oregon donations, we can see a similar trend with a general increase from 2002 to 2010 and similarly from 2010 to 2018. It is important to note the frequency on y-axis, but in general we can see that there are more donations at higher values with each year. In addition, because Oregon allows for unlimited contribution amounts, the x-axis variable of donation amount in U.S. dollars goes up to \$5,000, as opposed to \$1,000, because most of the Oregon donations were \$5,000 or less. There were a few outliers above that point, but this shows where a majority of the donations are and that they are also increasing in value each year.

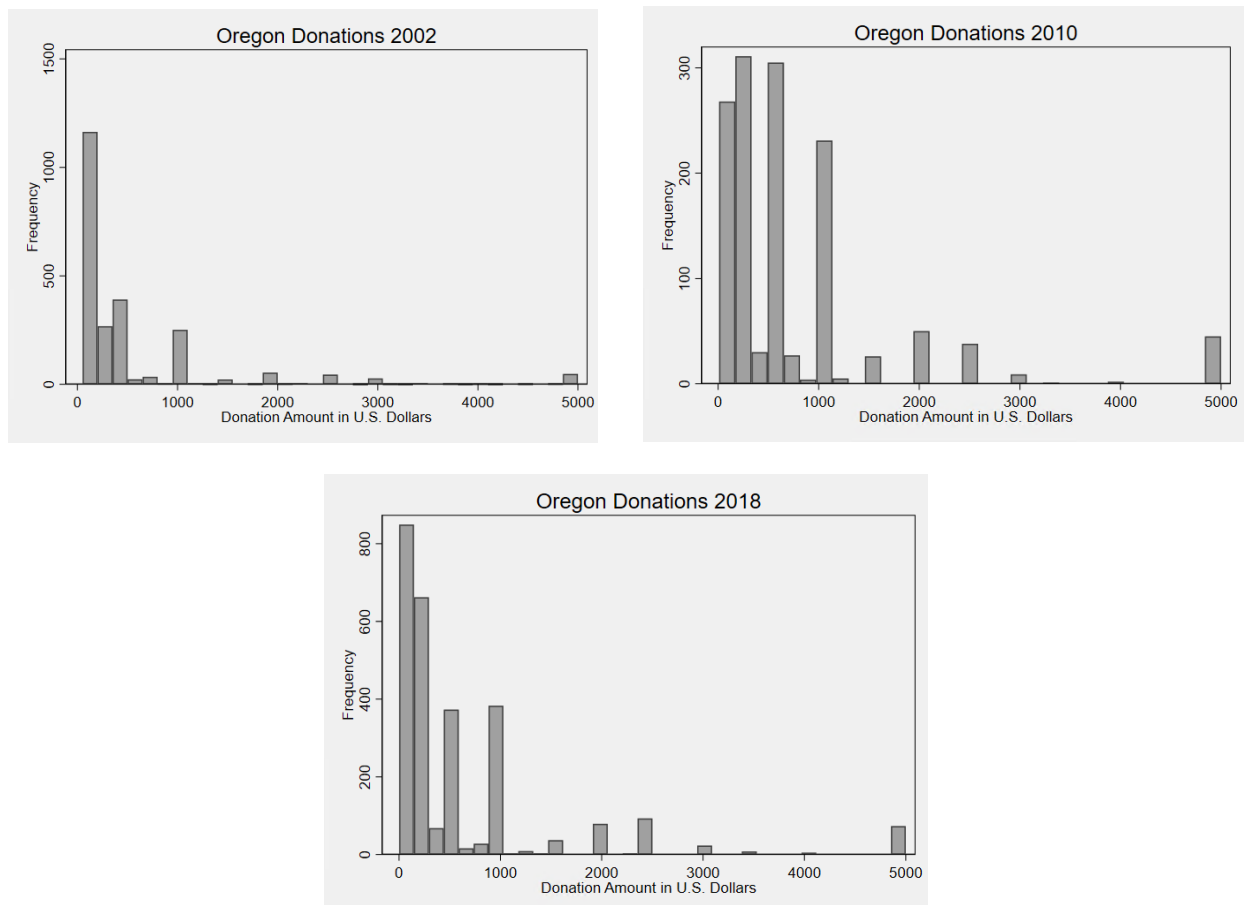


Figure 5. Donation trends in Oregon  
Source compiled by author

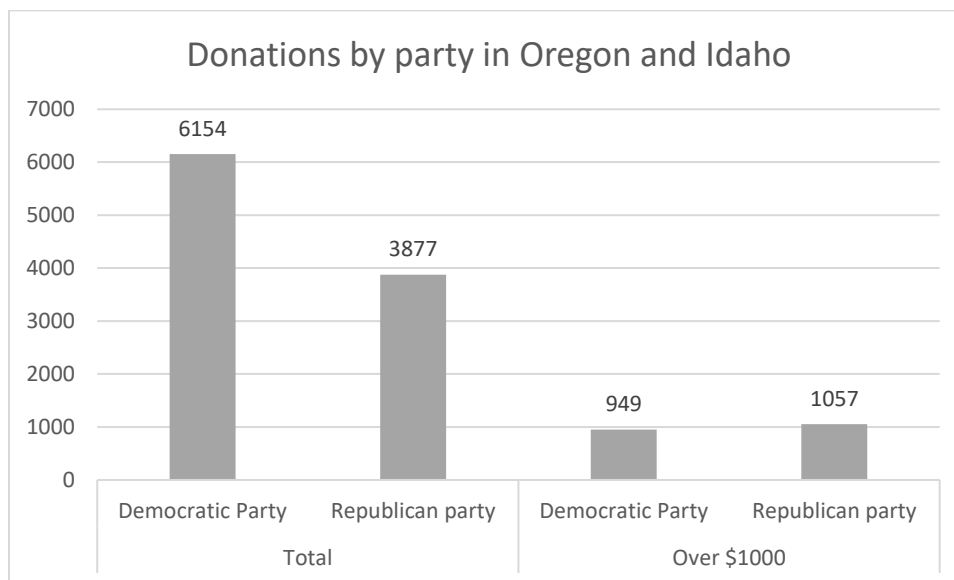
## **Chapter 4: Alternative Explanations**

The primary focus of this research was to see if Idaho's campaign contribution limit was effective in preventing large donors, both individual and non-individual, from heavily influencing Idaho elections in the years after 1997. By comparing the donations of Idaho senate elections with those of Oregon's senate elections, it was clear to see that Oregon had significantly more donations, specifically large donations from non-individual donors, across the 3 election years. While the data revealed some trends about the campaign finances of candidates in both states, it also left more questions to be answered.

### **4.1 Political Parties**

When evaluating the reasons that Idaho chose to pass the campaign contribution limit laws while Oregon chose to put zero limitations, it begs the question of why? The United States, unlike many other countries, has a two-party system that controls politics from Washington, D.C. down to local city hall chambers. When discussing campaign finance reforms, it is important to first see if a political party is benefiting from these reforms, or lack thereof. Members of the Oregon state government mention the free speech limitation outlined in both the U.S. Constitution, as well as the Oregon Constitution, as their primary argument, despite a majority of the United States already having some form of limitation on campaign contributions. One key difference between the two states is that Oregon, as mentioned in the literature review, is a Democratic run state while Idaho remains a conservative stronghold. Could that play a role in what the legislatures approve? According to scholars, Republican candidates tend to be more in line with corporate interests and therefore benefit more from less campaign finance restrictions (Gilens and Patterson and Haines 2021). However, that goes against the fact that Idaho is a conservative run state who adopted restrictions and Oregon is a liberal state with no limits. If the ruling party is benefiting from

limitations, or lack thereof, could that be a reason to pass such types of legislation? We see political parties play a critical role in federal campaigns when they set themselves up as PACs in order to have more autonomy around the FECA guidelines that were sustained through the Supreme Court case of *Buckley vs. Valeo* (Briffault 2000).



*Figure 6. Donations by party*  
*Source compiled by author*

Looking at Figure 6 above, we can see that the candidates in Idaho and Oregon combined brought in almost the same number of donations at \$1,000 between the Democrats and Republicans, while Democrats brought in significantly more donations under \$1,000. In Oregon, Republican candidates brought in slightly more donations over \$1,000 while Democrats brought in significantly more donations under \$1,000. In Oregon, those donations totaled \$6.2 million, and of that \$3.52 million went to the Republican candidates while Democrats raised \$2.68 million. In Idaho, of the \$1 million dollars raised over the three elections, Republicans brought in \$524,000 while Democrats brought in \$476,000. This shows that the parties are roughly the same when it comes to campaign finances raised. Even in Figure 7 below, we can see that the parties in both



states are very closely aligned with the number of donations over \$1,000, and that neither seems to be benefiting more than the other.

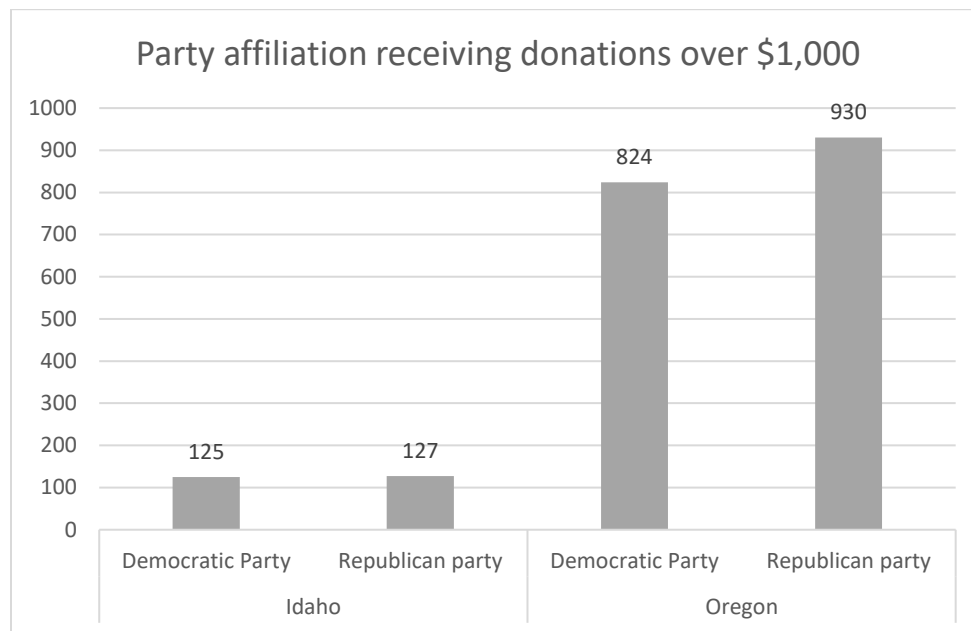


Figure 7. Party affiliation receiving donations over \$1,000  
Source compiled by author

## 4.2 State Demographics

Another important factor to consider is the demographic differences between Idaho and Oregon. As mentioned in the literature review, Oregon has a population of 4.17 million inhabitants with a GDP per capita of \$52,726 while Idaho has a significantly lower population with just 1.75 million inhabitants and GDP per capita of \$40,274 (U.S. Census Bureau, 2020). Despite Oregon having a population over double the size of Idaho, candidates brought in 6,593 of the 10,031 donations, which is only 65% of the overall donations between the two states, as seen in Figure 8 below. The states have similar GDPs per capita, yet the Oregon donations add up to \$6.2 million while Idaho's donations add up to just over \$1 million. This reiterates the main claim that the issue was never how many donations a candidate was collecting, but rather the value of those donations. As seen in Figure 8 and Figure 9 below, Idaho candidates brought in roughly 35% of the total

donations, yet only 14% of the total dollars raised. One could expect that since Oregon's GDP per capita is similar and population is double the size that their candidates would be bringing in roughly twice as much money in campaign contributions. This is in fact not the case. Looking at Figure 9 below, we can see that Oregon candidates are not raising twice as much as Idaho candidates, but are in fact raising an astonishing six times the amount of money in their campaigns.

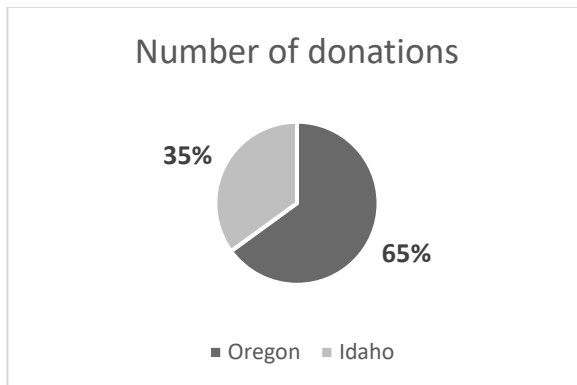


Figure 8. Number of donations

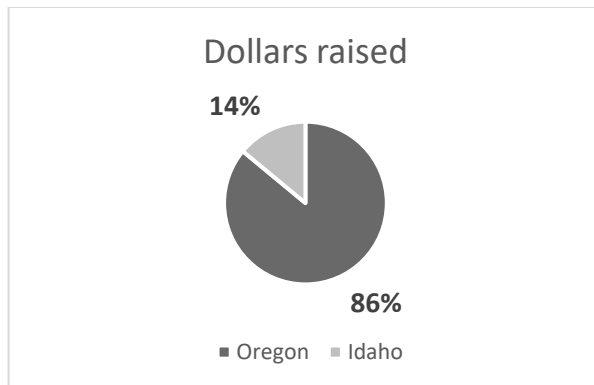


Figure 9. Dollars raised  
Source compiled by author

### 4.3 The Great Recession

The trajectory was expected that with each election year there would be more donations received than the previously observed election; however, 2010 does not show a significant change from 2002, and in some instances even showed a decrease. There could be a multitude of factors causing this, but one significant event to consider is that the world, including the United States, was still in rebound from the 2008 financial crisis. This may have limited the amount of donations that both individual and non-individuals were able to donate, especially in political races on a state and local level which are generally more neglected than the federal races. With additional time, research could be done using all of the elections to see if this decline happened near the financial crisis, or if 2010 was just an exceptional year for local campaign contributions.

## Conclusion

The United States, in an effort to prevent money from controlling politics without impeding on the freedoms outlined in the constitution, has taken decades to understand when the government should intervene in campaign finances and what that intervention should look like. From President Theodore Roosevelt starting the conversation on campaign donations over a century ago to the most recent Supreme Court decisions regarding campaign finance laws and the Federal Elections Commission, an ongoing conversation has continued and will continue into what role money should play in American politics. As the United States federal government has set a precedent on what legally can and cannot happen regarding campaign finances in federal elections, this has also built a foundation for state governments to individually make their own laws governing what candidates seeking state and local office can do when it comes to campaign finances, specifically who can donate and how much can be donated.

The focus of this thesis was to look at the 1997 Idaho campaign contribution law, 67-6610A, which was implemented to restrict the amount of money an individual or non-individual donor can give to a political campaign for a state office. This law was passed in order to prevent large donations from uncontrollably shaping Idaho state politics, although it was mainly seen as symbolic at the time because Idaho candidates were not receiving a significant amount of these large donations. The data collected and analyzed from state senate races in Idaho and Oregon cannot prove if the quantity of donations or the number of donations determines the outcome of an election. The analysis was rather to see if this law helped control and regulate the donations in general to avoid a political field shaped and overwhelmed by large donations from single donors and organizations. Oregon, a neighboring state to Idaho that shares many similarities but also has

many differences, was ideal to compare with Idaho due to the state's lack of campaign finance contribution regulations for both state and local elections.

Passing this law in 1997 didn't seem necessary for the Idaho state legislature at the time, but this decision was intended to be preventative in nature from the very beginning. Reflecting on this law and the long-term impact it has had and will continue to have on the state of Idaho and the way politics are done in the state should make other states, like Oregon, who do not have campaign finance laws in place, acknowledge the benefits of restricting the amount of money that can be given to political campaigns. In addition to this, this law should also serve as an example for other future laws in Idaho that may seem symbolic or arbitrary at the time but will prevent future problems from arising. This law did not seem necessary at the time because many individual and non-individual donors were not giving contributions over \$1,000, however, over the last 25 years that has changed and many donors would be willing to give more than the \$1,000 if they had the option, like what is happening in Oregon.

Despite the demographic differences between Oregon and Idaho, the analysis still shows that Idaho's campaign contribution limit law, 67-6610A, has done an effective job at restricting large single donations that have the potential to determine political outcomes. As David Primo and Jeffrey Milyo (2006) point out, it is when the money of politics is regulated that people begin to trust not only in the political process, but in the government itself. Idaho, unlike Oregon, has not had continued ballot measures and failed bills over this issue, but has instead focused on amending the parts of the already existing law to ensure it is serving its purpose as effectively as possible. It is not possible to guarantee that Idaho would have seen more donations coming in over \$1,000 had the law not been implemented, but by looking at Oregon's trajectory one can infer that Idaho would

be in a similar position with more individual and non-individual donors giving higher donation amounts in order to ensure their chosen candidate is successful.

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## Appendix 1

### TITLE 67 STATE GOVERNMENT AND STATE AFFAIRS CHAPTER 66

#### ELECTION CAMPAIGN CONTRIBUTIONS AND EXPENDITURES – LOBBYISTS

67-6610A. LIMITATIONS ON CONTRIBUTIONS. (1) Except as provided in subsection (2) of this section, aggregate contributions for a primary election or a general election made by a corporation, political committee, other recognized legal entity or an individual shall be subject to the limitations of this subsection. This subsection shall not apply to a candidate contributing or loaning money to his own campaign account or to a candidate for a state legislative office who, in terminating his campaign account, transfers the balance of funds to that candidate's new campaign account for a different state legislative office. In such case, any contributions received in the closed account, combined with any contributions received in the new account, shall count against the contribution limits provided in this subsection when received from the same contributor for the same election date.

(a) Aggregate contributions by a corporation, political committee, other recognized legal entity, or an individual to a candidate for the state legislature, judicial office, or local government office, and political committees organized on the candidate's behalf, shall be limited to an amount not to exceed one thousand dollars (\$1,000) for the primary election and an amount not to exceed one thousand dollars (\$1,000) for the general election.

(b) Aggregate contributions for a primary election or a general election by a corporation, political committee, other recognized legal entity or an individual to a candidate for statewide office and political committees organized on the candidate's behalf shall be limited to an amount not to exceed five thousand dollars (\$5,000) for the primary election and an amount not to exceed five thousand dollars (\$5,000) for the general election.

(2) Aggregate contributions for a primary election or for a general election made by a county central committee or by the state central committee of the political parties qualified under section [34-501](#), Idaho Code, to a candidate for the state legislature and political committees organized on the candidate's behalf shall be limited to an amount not to exceed two thousand dollars (\$2,000) for the primary election and an amount not to exceed two thousand dollars (\$2,000) for the general election. Aggregate contributions for the primary election or the general election by the state central committee of the political parties qualified under section [34-501](#), Idaho Code, to a candidate for statewide office and political committees organized on the candidate's behalf shall be limited to an amount not to exceed ten thousand dollars (\$10,000) for the primary election and an amount not to exceed ten thousand dollars (\$10,000) for the general election.

(3) For purposes of this section, "statewide office" shall mean an office in state government that shall appear on the primary or general election ballot throughout the state.

(4) Recall and special elections, for purposes of this section, shall be treated the same as general elections for contribution limits.

(5) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or political committee are deemed a contribution. A contribution of this kind shall be reported as an in-kind contribution at its fair market value and counts toward any applicable contribution limit of the contributor. Contributions shall not include the personal services of volunteers.

(6) For the purposes of contribution limits, the following apply:

(a) A contribution by a political committee with funds that have all been contributed by one (1) person who exercises exclusive control over the distribution of the funds of the political committee is a contribution by the controlling person.

(b) All contributions made by a person or political committee whose contribution or expenditure activity is financed, maintained or controlled by a trade association, labor union or collective bargaining organization shall be considered a contribution from such trade association, labor union or collective bargaining organization.

(c) Two (2) or more entities are treated as a single entity if the entities:

- (i) Share the majority of members on their board of directors;
- (ii) Share two (2) or more officers;
- (iii) Are owned or controlled by the same majority shareholder or shareholders or persons;
- (iv) Are in a parent-subsidiary relationship; or
- (v) Have bylaws so stating.

(7) The provisions of this section are hereby declared to be severable and if any provision of this section or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this section.

History:

[67-6610A, added 1997, ch. 393, sec. 3, p. 1252; am. 2004, ch. 19, sec. 1, p. 21; am. 2006, ch. 23, sec. 1, p. 80; am. 2012, ch. 162, sec. 4, p. 441; am. 2019, ch. 288, sec. 9, p. 838; am. 2021, ch. 209, sec. 1, p. 575.]