

The California Dream: Using Public Financing of Elections to Build an Inclusive and Multi-Racial Democracy Powered by Small Donors

Published by California Common Cause

Noah Cole

January 2023

Appendix: Methodology, Analysis, and Data Sources

In the “California Dream” report we evaluate the impact that a matching funds program and a democracy voucher program would independently have on elections in California. Using various methods based on available data and practices of previous studies, we specifically evaluate the impact that the programs would have on small donor participation, small donor diversity, the number of candidates and opt-in rate for candidates, and the diversity of candidates, in addition to estimating the overall costs of each program.

The donor participation and donor diversity analyses are more granular than the candidate participation and candidate diversity analyses. This is primarily due to 1) the high priority of using public financing to expand and diversify California’s small donors base and 2) the relative ease of extrapolating findings from donor involvement in local programs compared to extrapolating findings from candidate involvement, which may be influenced by a number of factors unrelated to the existence of a public financing program. Additionally there are more data points for donor participation that may add to the validity of the donor findings compared to the candidate findings. For this reason, some of our donor analyses include numeric estimates of the statewide impact while the candidate analyses use evidence from local programs to identify more general trends through a scale of impact (low, moderate, or high).

The matching funds program evaluation is based on findings from implementation in the cities of Berkeley, Los Angeles, and San Francisco. Using these three cities as our basis of analysis allows us to identify how differences in policy design may affect how the program impacts candidates and donors. For example, Los Angeles and San Francisco’s programs both recently increased to a 6:1 match rate, but started at different match rates (4:1 in Los Angeles and 2:1 in San Francisco). Berkeley’s program was first implemented in 2018, so findings from the program may demonstrate a difference in impact for programs that are more recently implemented (Los Angeles’ program was first adopted in 1990 while San Francisco’s program was first adopted in 2000). Since we have more data points to use for our matching funds



analysis, the matching funds analysis is more detailed than the voucher program analysis in certain sections.

The democracy voucher program evaluation is based on findings from the first and second cycles of implementation for Seattle's voucher program in 2017 and 2019 elections. The statewide impact estimates for the voucher program are less precise than the matching funds estimates for several reasons: 1) There are fewer data points (two election years in one city versus multiple election years in three cities); 2) Seattle's program is still in its early development which potentially limits the full impact that the program can have on local elections; and 3) there are major differences between the City of Seattle and the State of California which make findings from Seattle more difficult to extrapolate than examining the impact of matching funds in multiple California cities. These limitations are acknowledged within each sub-analysis section and we provide clarity and explanations for when our estimates may be biased in a certain direction.

The first area of interest for evaluating the two programs is the program's impact on small donor participation.

Donor Participation

Matching funds program

Average Number of Small Donors Per Candidate

One metric for understanding the impact of public financing programs on small donor participation is the number of small donors per candidate in elections where a public financing program exists.

In an unreleased California Common Cause study,¹ Transparency, Ethics, and Accountability Program Manager Sean McMorris compared the average number of small donors per candidate in Los Angeles area Assembly district elections (where a matching funds program does not exist) to the average number of small donors to Los Angeles city council elections (where a matching funds program exists), per 100,000 constituents, to evaluate the impact of the program on small donor participation.

¹The study is in the late pre-publication stage but findings are subject to change. Please contact Sean McMorris or Noah Cole for more information about this study or data at cacommoncause@gmail.com.



This analysis allows us to test a hypothesis around how public matching funds could affect state legislative elections.² The focus of the study is Los Angeles City Council primaries³ (2015 and 2020) and similarly aligned⁴ Los Angeles-area Assembly primaries (2014 and 2020).⁵ Small donors are defined at two levels – donors who gave \$114 (the 2020 maximum qualifying donation for the matching funds program) or less and donors who gave \$250 (the 2015 maximum qualifying donation for the matching funds program) or less (which is inclusive of donors in the first level). Table 12 and Figure 3 demonstrate the impact that the program had on the average number of small donors to L.A. City Council candidates.⁶

The report on Los Angeles-area Assembly elections versus LA City Council elections found the following:

² The study took into account a number of controls, including the size of Assembly versus city council districts: California Assembly Districts have about twice as many residents as Los Angeles City Council Districts. For this reason, we measure small donors per 100,000 jurisdictional residents to account for population disparities across City Council and Assembly districts. The makeup of Assembly and City Council potential donor pools will be relatively similar across state and local jurisdictions since we only include Assembly districts that are comprised of all or portions of the City of Los Angeles.

³ Our study analyzes only primary elections for several reasons. (1) The 2020 Los Angeles City general elections were not yet held when this study was initiated, therefore, complete data did not exist for us to test L.A.'s two most recent versions of its matching funds program across general elections. (2) Funding and time constraints affected the scope of our study. (3) Sample sizes for L.A. City general elections are too small to provide for meaningful data analysis, because most L.A. City Council elections are decided in the primary. For context, [Assembly primaries are conducted under a top-two system](#) where the two highest vote-getters, regardless of party affiliation, move on to the general election. Los Angeles, like all other California cities, uses nonpartisan elections, so the top two vote-getters in the primary advance to the general. However, there is only a runoff in L.A. City races if no candidate gets more than 50 percent of the vote in the primary. Because in Los Angeles City Council elections favorites often exceed 50% in primaries, general elections get canceled frequently.

⁴ Assembly Districts 38, 39, 43, 45, 46, 50, 51, 53, 54, 59, 62, 64, 66, 70 using the 2020 Assembly Map (which as of January 2023 has been updated).

⁵ One could reasonably assume that an Assembly candidate raises more small-donor contributions in general election races than in primary races given that California's top-two primary system for state and federal candidates (except for U.S. presidential candidates) might encourage small donors to hold off giving to Assembly candidates until the state general/runoff election. If true, this could bias our results. To test if this pattern is likely, we compared the general election mean/average and mode contributions of L.A.-area Assembly candidates in our study with the primary election mean/average and mode contributions of L.A.-area Assembly and L.A. City Council candidates in our study. We also did a like-comparison of the mean/average and median total unitemized contributions per candidate across the same elections and races using the same formula employed throughout our study (i.e. bulk unitemized contributions per candidate were divided by \$27, or the average itemized matched [private] contribution less than \$100 [in the aggregate per donor] to L.A. City Council matching funds candidates across 2015 and 2020 primary elections). The results shown later in this section of our study in Table 18 reveal that not only is there not an increase in small-donor giving to L.A.-area Assembly candidates from primary to general elections but a general decrease, indicating that our findings would likely hold or potentially even increase in significance if we were able to incorporate general election data into our study. This leads us to believe that our results are not undermined by not including L.A.-area Assembly elections in our study and, if anything, our results are likely to be more significant if general elections are added to our study. This is something to keep in mind throughout this portion of our study.

⁶ Please contact Sean McMorris or Noah Cole for all tables and figures related to this analysis at caccommoncause@gmail.com.



- **Los Angeles City Council matching funds candidates had significantly greater small-donor participation** than Los Angeles-area Assembly candidates did across all years and all small-donor levels of analysis.
- In 2014/2015 and 2020 respectively, **L.A. matching funds candidates had four and five times as many small donors compared to L.A.-area Assembly candidates** across both small-donor levels of analysis ($\leq \$250$ and $\leq \$114$).
- The divide between L.A. Assembly and L.A. City Council candidates was greatest in 2020 when L.A. offered a **6:1 public matching funds program** to City candidates.
- **The findings are statistically significant** and suggest that **L.A.'s public matching funds program is the primary driver of the divergent results** across state and local jurisdictions.

Los Angeles has a low rate of voter participation.⁷ We expect that the low voter participation in Los Angeles would correlate with lower donor participation, generally and in the matching funds program. Therefore, we expect that the overall impact in California would see at least the same level of participation in Los Angeles, if not higher.

Statewide impact estimate- Average number of small donors per candidate

A matching funds program for California elections, if designed and implemented in a manner similar to Los Angeles' program, would see:

- **Four times more small donors** per candidate with a 4:1 match rate
- **Five times more small donors** per candidate with a 6:1 match rate

Average percent of small donors to large donors per candidate

The previous analysis showed that the average number of overall and small donors per candidate is significantly greater in L.A. City Council races than L.A.-area Assembly races. An additional metric for identifying small donor participation is to look at the average *percentage* of donors per candidate that were small donors across those City Council and Assembly races. Table 13 and Figure 4 demonstrate the impact that the program had on the average proportion of small donors to large donors for L.A. City Council candidates.

The report on Los Angeles Assembly versus City Council elections found the following:

- **Matching funds candidates have a substantially higher percentage of small donors than Assembly candidates do.**⁸
- In 2015, LA City **matching funds candidates raised 45%** of their funds from small donors $\leq \$114$, while L.A. Assembly District candidates raised **only 31%** of their funds

⁷ A 2020 CalMatters report found that Los Angeles county had the lowest voter turnout (75%) among large counties in California. Lozano, M. (2020, December 22). Which California county voted the most? The least? Let's compare. *CalMatters*. <http://calmatters.org/explainers/california-county-voted-the-most/>

⁸Indeed, only matching funds candidates have small-donor findings that are robust and statistically significant at both levels of small-donor analysis ($\leq \$250$ and $\leq \$114$) compared to L.A.-area Assembly candidates. The trend holds when measuring all City Council candidates as a group but is only statistically significant in the 2014/2015 primary elections. The trend is in the opposite direction at all levels of analysis for non-matching funds City Council candidates, but only statistically significant at the $\leq \$114$ small-donor level of analysis.



from small donors <\$114. Across the <\$250 level, LA City **matching funds candidates raised 61%** of their funds from small donors, while L.A. Assembly District candidates raised **only 41%** of their funds from small donors <\$250 in 2014. In 2015, LA City elections used a 4:1 match.

- In 2020, the <\$114 level, **matching funds candidates raised 58%** of their funds from small donors, while L.A. Assembly District candidates raised **only 36%** of their funds from small donors. Across the 2014 <\$250 level, LA City **matching funds candidates raised 69%** of their funds from small donors <\$250, while L.A. Assembly District candidates raised **only 42%** of their funds from small donors <\$250. In 2020, LA City elections used a 6:1 match.

Statewide impact estimate- Average percent of small donors per candidate

A matching funds program for California elections, if designed and implemented in a manner similar to Los Angeles's program, would see:

- A **~14 percentage point increase in the average percentage of small donors <\$114** per candidate in a program **with a 4:1 match rate**. This would equate to a 1.45 times greater proportion of donations coming from small donors for participating candidates.
- A **~20 percentage increase in the average percentage of small donors <\$250** per candidate in a program **with a 4:1 match rate**. This would equate to a 1.5 times greater proportion of donations coming from small donors for participating candidates.
- A **~19 percentage point increase in the average percentage of small donors <\$114** per candidate in a program **with a 6:1 match rate**. This would equate to a 1.6 times greater proportion of donations coming from small donors for participating candidates.
- A **~27 percentage point increase in the average percentage of small donors <\$250** per candidate in a program **with a 6:1 match rate**. This would also equate to a 1.6 times greater proportion of donations coming from small donors for participating candidates.

Average percent of contributions that are small per candidate

Thus far, we have observed that small-donor participation is significantly greater in L.A. City Council primaries than in L.A.-area Assembly primaries. Here we look at the sum of small-donor contributions as a percentage of all of a candidate's campaign funds raised, across the same state and local races. Table 15 and Figure 6 demonstrate the impact that the program had on the average proportion of small contributions to large contributions for L.A. City Council candidates.

The report on Los Angeles Assembly versus City Council elections found the following:

- L.A. City Council **matching funds candidates**, on average, had **significantly greater ratios of small contributions to total funds** than L.A.-area Assembly candidates.
- In 2020, L.A. City Council candidates participating in the 6:1 matching funds program received, on average, a share of their total funds raised from small contributions (across both small donation measures) that was **three times higher** than the same share for Assembly candidates.



Statewide impact estimate— Average percent of small contributions per candidate

A matching funds program for California elections, if designed and implemented similar to Los Angeles's program, would see:

- **A 3 times greater proportion of small contributions** from donors with a **6:1 match rate**
- **A 2-3 times greater proportion of small contributions** from donors with a **4:1 match rate**

Summary – Small donor participation in matching funds program

Our findings suggest that a matching funds program would positively impact donor participation across all three measures of participation – the number of small donors per candidate (**4-5 times increase**), the percent of small donors per candidate (**1.45-1.6 greater proportion**), and the percent of small dollar contributions per candidate (**2-3 times greater proportion**).

Democracy voucher program

[View full Seattle donor participation dataset here](#)

For the Democracy Voucher Program analysis, we used the same three metrics from the Los Angeles City Council and Assembly Districts analysis, but compared contributor data from Seattle's 2015 City Council election to Seattle's 2019 election. We chose the 2015 and 2019 election cycles because the 2015 election was before the implementation of the voucher program while the 2019 election was the second year of implementation of the voucher program; also, the elections had a similar number of open seats (3 in 2015, 4 in 2019), which are used as a proxy for competitiveness in elections due to the lack of incumbent advantage. In 2019 the program was more developed than during its pilot year, which offers a better comparison to inform a larger scale state program.

For Seattle City Council races in 2015 and 2019, we analyzed campaign contribution data for candidates to open seats during both years; 23 candidates in 2015 and 42 candidates in 2019. We chose to evaluate candidates for open seat races because of the greater competitiveness typically experienced in these races and for matters of feasibility given the scope of this study.

Due to the manner in which Seattle displays contribution data on its campaign finance portal, we were able to estimate small donors across two levels: donors who gave under \$100 and donors who gave under \$200. This difference in data collection compared to the Los Angeles analysis creates a lack of standardization across the two programs, but the data is still helpful for evaluating the overall impact of the program on small donor participation.



The primary limitation of our methods is that we cannot as easily extrapolate the findings from Seattle to the State of California in the same manner as the Los Angeles analysis. Seattle's smaller size, greater rates of political participation among its community, and different campaign finance laws mean that the impact demonstrated in Seattle may not serve as a precise estimate of the potential impact in California. For this reason, we caution against viewing the Seattle findings as precise, but find the results to be useful for identifying the general trends seen in Seattle which could be seen in California if the program is designed and implemented similarly at scale.⁹

Average number of small donors per candidate

The average number of small donors per candidate analysis is inclusive of voucher users and cash contributors who gave small contributions.

The Seattle analysis found the following:

- Candidates saw **3.7 to 4 times more small donors** per candidate after the voucher program was implemented, as seen in Table 16.
- Candidates who participated in the voucher program had, on average, 8 to 9 times more small donors than non-participating candidates, as seen in Table 17.

Table 16. Average number of small donors per candidate before and after program implementation.

<u>Election year</u>	<u>Avg. number of donors <\$100 per candidate</u>	<u>Avg. number of donors <\$200 per candidate</u>
2015 (pre-voucher program)	106.29	179.65
2019 (during voucher program)	395.03	720
Ratio of 2019 over 2015	3.72	4.01

Table 17. Average number of small donors for participating voucher candidates versus non participating candidates.

<u>Candidate voucher status</u>	<u>Number of donors <\$100</u>	<u>Number of donors <\$200</u>
2019 Voucher Candidates	487.00	893.69
2019 Non-Voucher Candidates	60.86	93
Ratio of voucher cand. over non-voucher cand.	8.00	9.61

⁹ Also although it is not a basis of analysis in this study, it is important to note that as it relates to donor participation, Seattle's program had only a 4% take-up rate among Seattle residents eligible for the program in its first year of implementation, meaning 4% of Seattle residents returned their vouchers. Participation increased to 7% in its second year of implementation after the city increased public education efforts surrounding the program. Program participation in the alternative matching funds programs can be evaluated by estimating the proportion of residents who have their funds matched to candidates, and therefore participated in the program, but thus far this has not been a common practice in research evaluating matching funds programs; additionally, this has likely been a core focus of research on the democracy voucher program since every resident is prompted to participate through mailers sent with the vouchers. Evaluating the comparative take-up rate across both types of programs should be the focus of future studies to add an additional measurement of donor participation.



Average percent of small donors per candidate

The average percent of small donors per candidate analysis is inclusive of voucher users and cash contributors who gave small contributions.

The Seattle analysis found the following:

- Candidates saw a 1.3 times greater proportion of small donors (<\$100 and \$200) per candidate after the voucher program was implemented, as seen in Table 18.¹⁰
- Additionally, candidates who participated in Seattle's democracy voucher program saw a 1.3 times greater proportion of small donors compared to non-participating candidates, as seen in Table 19.

Table 18. Average proportion of small donors per candidate before and after program implementation.

<u>Election year</u>	Avg % number of donors <\$100 per candidate	Avg % number of donors <\$200 per candidate
2015 (pre-voucher program)	41.28	67.13
2019 (during voucher program)	52.38	86.41
Ratio of 2019 over 2015	1.27	1.29

Table 19. Average proportion of small donors per candidate for participating voucher candidates versus non participating candidates.

<u>Candidate voucher status</u>	% number of donors <\$100	% number of donors <\$200
2019 Voucher Candidates	53.02	90.47
2019 Non-Voucher Candidates	44.77	68.57
Ratio of voucher cand. over non-voucher cand.	1.18	1.32

Average percent of small contributions per candidate

The average percent of small contributions per candidate analysis is inclusive of voucher and cash contributions.

The findings from the Seattle analysis show the following:

- Candidates saw a 2-2.3 times greater proportion of funds coming from small contributions after the voucher program was implemented, as seen in Table 20.
- Candidates who participated in the voucher program saw a 3 times greater proportion of their funds raised from small contributions compared to non-participating candidates, as seen in Table 21.

Table 20. Average proportion of small contributions per candidate before and after program implementation.

¹⁰ This figure is inclusive of participating and non-participating candidates.



<u>Election year</u>	Avg % \$ raised < \$100 per candidate	Avg % \$ raised <\$200 per candidate
2015 (pre-voucher program)	9.13	24.16
2019 (during voucher program)	17.85	55.9
Ratio of 2019 over 2015	1.96	2.31

Table 21. Average proportion of small contributions per candidate for participating voucher candidates versus non participating candidates.

<u>Candidate voucher status</u>	% \$ raised < \$100	% \$ raised <\$200
2019 Voucher Candidates	20.67	65.55
2019 Non-Voucher Candidates	7.07	20.07
Ratio of voucher cand. over non-voucher cand.	2.92	3.27

Summary – Small donor participation in democracy voucher program

Our findings suggest that a democracy voucher program designed and implemented similarly to Seattle’s program would increase small donor participation, particularly in the number of small donors per candidate (**4 times increase**) and to a lesser degree in the proportion of small contributions to overall contributions collected per candidate (**2 times greater proportion**). Participating candidates would likely see a very substantial increase in the percentage of their fundraising that comes in small-dollar amounts; in Seattle, non-participating candidates in 2019 raised just 20% of their funds in amounts under \$200, whereas participating candidates raised almost 66% of their funds in amounts under \$200.

Donor Diversity

Matching funds program

Census Block Group Comparisons

Cities and states do not collect racial and ethnic demographic data on donors to elections, which poses a challenge for evaluating the program’s impact on donor diversity. One method for evaluating diversity of the small donor pool employed in previous studies is to estimate the representational diversity of donors by matching donor addresses with their corresponding census block groups, and then analyzing demographic data from the Census Bureau on those census block groups. Census block groups are significantly smaller than a zip code, and can make up a dense city block or a cluster of blocks. For purposes of this report, census block



groups will be referred to as neighborhoods.¹¹ In previous studies, this approach has been used to show that small donors to New York City City Council elections came from more census block groups, and as a result represented more diverse neighborhoods in the city, than donors to New York City Assembly elections.¹²

For our analysis in this report, we worked with two datasets of donor addresses in Los Angeles, similar to the donor participation analysis comparing L.A. City Council and Assembly Area donors. The first dataset includes the publicly available addresses of small donors (\$100-\$250) to candidates for Los Angeles area Assembly seats during the 2020 election.¹³ The second dataset includes the addresses of small donors (\$5 - \$250) who had their funds matched for candidates to Los Angeles City Council seats during the 2020 election.¹⁴

We input the donor addresses into a geocoding software that matched the addresses with corresponding census block groups and identified racial, ethnic, and economic demographics in alignment with the U.S. Census Bureau American Community Survey for 2019.¹⁵

There were several levels of analysis that we leveraged with this data. First, we took the average demographics of the census block groups matched to the addresses of small donors to get an idea of the makeup of the average neighborhood with small donors to these elections. As a part of this analysis, we compared the census block group demographics to demographics in the City of Los Angeles to get an idea of how similar or dissimilar demographics in small donor census blocks were to the demographics of the City of Los Angeles. The second level of analysis involved comparing the demographics of the three districts with open seat elections (meaning no incumbent candidate participated in the election) in 2020 – city council districts 10 and 14 and Assembly district 38 – to the demographics of small donors who gave to these races to analyze donor diversity on a microlevel.

There are several potential biases and limitations of this approach to evaluating donor diversity:

- First, both datasets are not fully inclusive of all small donors to city council and Assembly elections. Our sample of Assembly donors does not include information on donors below \$100 since address data is not collected on donors who give below \$100. If we assume that smaller donors to Assembly elections are lower income and more diverse than donors above the \$100 mark, then lower income neighborhoods and neighborhoods that are predominantly made up of people of color are likely underrepresented in our sample. In addition, our sample of LA City Council donors *only* included donors who had their

¹¹ *Small Donor Empowerment Depends on the Details: Comparing Matching Fund Programs in New York and Los Angeles*. (n.d.). Retrieved May 7, 2022, from

<https://www.degruyter.com/document/doi/10.1515/for-2017-0015/html?lang=en>

¹² Ibid. See also, Genn et al *DonorDiversity.pdf*. (n.d.). Retrieved May 7, 2022, from

<http://cfinst.org/pdf/state/ny/DonorDiversity.pdf>

¹³ The Los Angeles Area Assembly Districts include Assembly Districts 38, 39, 43, 45, 46, 50, 51, 53, 54, 59, 62, 64, 66, 70.

¹⁴ Data on matching funds contributions was supplied by the Los Angeles City Ethics Commission per special request.

¹⁵ The geocoding website used was [geocodio](#).



funds matched, so this sample is not inclusive of all small donors since some contributors do not have their funds matched due to administrative errors or by making contributions to candidates who did not opt into the matching funds program. While there is no way of identifying which way this biased our analysis, the missing data has a negative impact on the validity of the analysis. Still, the sample is valuable for demonstrating the representational diversity of donors who participated in the program.

- Second, there are significant demographic differences in the three open seat (no incumbent running) districts in 2020 where we would expect most donors in our sample to be giving. While the two city council districts (Districts 10 and 14) cover neighborhoods that are predominantly Latino and lower income, the Assembly district (District 38) covers neighborhoods that are predominantly white and more high income.¹⁶ This may bias the results of our analysis to show that donors to all Assembly elections are from neighborhoods that are more white and wealthy than what is the case. One way to control for this factor is to focus only on donors to those elections on a district by district level, which we do for the three open seat races in the second part of this analysis.
- Lastly, the unit of analysis being the 2020 election cycle may bias our results for several reasons. Since 2020 was a Presidential election year, it is possible that donors contributed more to federal races instead of donating to local and state races. If this were the case, we would expect the donor bases in both Assembly and city council elections to be less diverse than in a non-Presidential election year. Additionally, 2020 was the first year of the COVID-19 pandemic when many Americans experienced economic hardship as a result of being out of work, being sick, or having to care for family.

Despite these limitations, our approach provides the most up-to-date analysis of the representational diversity of Los Angeles City Council and Los Angeles area Assembly district donor pools, which will provide a useful snapshot of donor diversity.¹⁷

Average census block group demographics analysis

Tables 22 and 23 show the racial demographics of the neighborhoods of small donors to L.A. City Council and L.A. area Assembly elections compared to the racial demographics of the population in the City of Los Angeles.

Table 22. Demographics of Census Block Groups with \$100-\$114 donors to 2020 L.A. City Council and L.A. Area Assembly races, compared to L.A. City and California

¹⁶ Demographics included in table on pages 55-58.

¹⁷ The most recent study to compare diversity LA City Council elections versus LA Area Assembly elections was the 2017 Malbin and Parrot study which looked at data from the 2014 and 2015 elections. *Small Donor Empowerment Depends on the Details: Comparing Matching Fund Programs in New York and Los Angeles*. (n.d.). Retrieved May 7, 2022, from <https://www.degruyter.com/document/doi/10.1515/for-2017-0015/html?lang=en>



Demographic	L.A. Area Assembly Small Donor Neighborhoods (No matching funds) \$100-\$114	L.A. City Small Donor Neighborhoods (matching funds) \$100-\$114	L.A. City Demographics, (2021)¹⁸	California Demographics (2020)¹⁹
White alone, not Hispanic or Latino	45%	47%	28.5%	36.5%
Black or African American	7%	5%	8.8%	6.5%
Asian	16%	16%	11.8%	15.5%
Hispanic or Latino	27%	27%	48.1%	39.4%
Median Household Income	\$103,689	\$99,807	~\$65,290	~\$78,672

Table 23. Demographics of Census Block Groups with \$100-\$250 donors to 2020 L.A. City Council and L.A. Area Assembly races, compared to L.A. City and California Demographics				
Demographic	L.A. Area Assembly Small Donor Neighborhoods (No matching funds) \$100-\$250	L.A. City Small Donor Neighborhoods (matching funds) \$100-\$250	L.A. City Demographics, 2021²⁰	California Demographics (2021)

¹⁸ U.S. Census Bureau QuickFacts: Los Angeles city, California; Los Angeles County, California. (n.d.). Retrieved May 7, 2022, from <https://www.census.gov/quickfacts/fact/table/losangelescitycalifornia.losangelescountycalifornia/PST045221>

¹⁹ Ibid. and California's Population. (n.d.). Public Policy Institute of California. Retrieved May 7, 2022, from <https://www.ppic.org/publication/californias-population/>

²⁰ U.S. Census Bureau QuickFacts: Los Angeles city, California; Los Angeles County, California. (n.d.). Retrieved May 7, 2022, from <https://www.census.gov/quickfacts/fact/table/losangelescitycalifornia.losangelescountycalifornia/PST045221>



White alone, not Hispanic or Latino	47%	49%	28.5%	36.5%
Black or African American	7%	5%	8.8%	6.5%
Asian	16%	16%	11.8%	15.5%
Hispanic or Latino	25%	25%	48.1%	39.4%
Median Household Income	\$106,188	\$103,651	\$65,290	\$78,672

The findings from the Census Block Group analysis demonstrate the following:

- **Small donors** across both donation ranges to **L.A. city council** and **L.A. area Assembly** campaigns **came from neighborhoods that, on average, had similar racial and ethnic demographics**. This suggests that **the matching funds program did not have a significant impact on the racial and ethnic diversity of small donors**.
- **Small donors to L.A. City Council matching funds candidates** came from neighborhoods that, on average, **had a lower median household income than small donors to L.A. area Assembly campaigns**. This suggests that **small donors to L.A. city council elections came from lower income neighborhoods** compared to L.A. area Assembly donors, which **may have been a result of the matching funds program**.
- **Small donors** across both donation ranges to L.A. city council matching funds candidates and L.A. area Assembly candidates **came from neighborhoods that, on average, were significantly over-representative of the White and Asian populations compared to citywide averages in the City of Los Angeles**. This suggests that **the Asian and White populations are overrepresented in the small donor population**, regardless of the type of election (city council versus Assembly).
- **Small donors** across both donation ranges to L.A. city council matching funds candidates and L.A. area Assembly candidates **came from neighborhoods that, on average, were significantly under-representative of the Hispanic or Latino and slightly under-representative of the Black or African American populations compared to the citywide averages in the City of L.A.** This suggests that **the Hispanic or Latino population is underrepresented in the small donor population**, regardless of the type of election.
- **Small donors** across both donation ranges and in both elections **came from neighborhoods that, on average, had significantly higher median household incomes** compared to the city median household income. This suggests that **donors from low-income neighborhoods are underrepresented in the small donor base across both elections**.



Our findings make it difficult to narrowly estimate how, if at all, a matching funds program would increase donation participation among specific racial and ethnic groups in California. However, we can deduce that, similar to what research has found on Seattle's voucher program, L.A.'s matching funds program may have been disproportionately used by residents in neighborhoods that were more white and affluent than the citywide population.²¹ The trends identified in our district level and aggregate analysis inform our recommendations regarding donor diversity.

These findings suggest that in a California state matching funds program designed and implemented similarly to the City of L.A.'s program:

- **The Latino population may be seriously underrepresented among donors who participate in a matching funds program in California** if the program is designed and implemented similarly to the City of Los Angeles's program. This raises the importance of including policy interventions such as **working with community based organizations to conduct outreach to communities of color, specifically Latino communities**, especially given the growing Latino population in the state.²²
- **A matching funds program would improve donor participation among lower income communities** if the program is designed and implemented similarly to the City of Los Angeles' program, but the income of the average donor would still be significantly higher than the statewide household median income. This also speaks to the need to **conduct outreach to low-income communities** to increase participation in the program.

Researcher Geoffrey Henderson and Hahrie Han have written on the need for greater mobilization beyond traditional methods (door-to-door, canvassing, etc.) to actively engage communities of color in the voucher program after conducting a field study on mobilization for the 2017 Seattle democracy voucher program.²³ These tactics can likely be applied to the matching funds program as well and will be further expounded upon in the following section, since the research was tailored to mobilization for the voucher program specifically.

Democracy voucher program

One of the earliest findings of Seattle's democracy voucher program was that vouchers in initial elections under the new system were used by residents who were already frequent participants in local elections, that is, Seattle residents who were older, whiter, and wealthier than the average citywide population.²⁴

²¹McCabe, B. J., & Heerwig, J. A. (n.d.). *Building a More Diverse Donor Coalition*. Georgetown University. Retrieved May 7, 2022, from <https://georgetown.app.box.com/s/r2skgxfnc230ukkb3dfqgm4576phzabd>

²² *California's Population*. (n.d.). Public Policy Institute of California. Retrieved May 7, 2022, from <https://www.ppic.org/publication/californias-population/>

²³ Henderson, G., & Han, H. (2022). If We Build It, Only Some Will Come: An Experimental Study of Mobilization for Seattle's Democracy Voucher Program. *Journal of Experimental Political Science*, 9(1), 131–146. <https://doi.org/10.1017/XPS.2020.32>

²⁴ Ibid.



A 2020 Georgetown study of the 2019 voucher program and a 2018 University of Washington study of the 2017 program reveal a few significant findings regarding donor diversity that should inform the development of a state program in California:²⁵

- In the system's first cycle (2017), wealthy, white, and older residents were more likely to participate in the democracy voucher program than others.
 - **White residents were almost twice as likely to return their voucher as black residents.**²⁶
 - **High-income residents in Seattle participated in the Democracy Voucher program at a substantially higher rate than low-income residents.**²⁷
 - However, **voucher users were more representative of the electorate than cash contributors.**
 - Also, participants in the Democracy Vouchers program were **more likely to come from poor neighborhoods than cash donors.**
- Participation in the program increased between 2017 and 2019, but at an uneven rate across socio-demographic groups.
 - "Voucher users are more representative [than other donors] on all demographic measures, although they are still not fully representative of Seattle's electorate."²⁸
 - **The participation gap between the wealthiest and the poorest Seattle residents grew substantially.**²⁹ While participation rates increased among lower-income individuals, their gains were more modest.³⁰
 - **Racial disparities in voucher usage widened in the 2019 election cycle** (see Figure 2 from Georgetown study, below³¹).

²⁵McCabe, B. J., & Heerwig, J. A. (n.d.). *Building a More Diverse Donor Coalition*. Georgetown University. Retrieved May 7, 2022, from <https://georgetown.app.box.com/s/r2skgxfnc230ukkb3dfqgm4576phzabd>.
Seattle-Voucher-4.03.pdf. (n.d.). Retrieved May 7, 2022, from <https://csde.washington.edu/wp-content/uploads/2018/04/Seattle-Voucher-4.03.pdf>

²⁶ Ibid. "More than 4 percent of white Seattle residents returned their voucher but only 2.4 percent of black residents participated. In fact, whites were substantially more likely to return their voucher than every other racial and ethnic group in the city... *While 79 percent of registered voters in Seattle are white, whites comprise 86 percent of participants in the Democracy Voucher program and 87 percent of cash contributors.*"

²⁷ Ibid. "More than 5 percent of individuals with an annual income above \$75,000 participated in the Democracy Voucher program, but only about 2 percent of individuals with an annual income below \$30,000 participated in the program."

²⁸ Ibid.

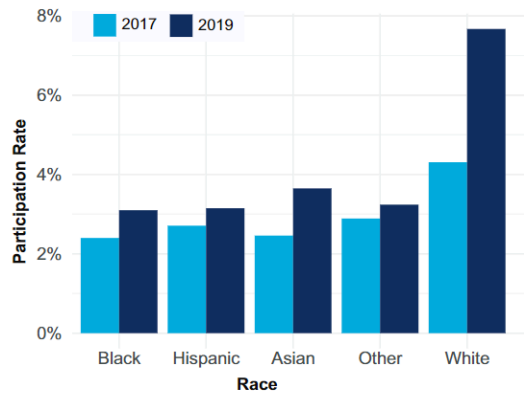
²⁹ Ibid. "Participation among residents with a household income exceeding \$100,000 more than doubled from the 2017 election cycle. In 2019, more than 13 percent of the highest income residents participated compared to only 5.09 percent in 2017 (Figure 3)." "13% of the highest-income residents used their vouchers in 2019 (up from only 5%) but only 4.6% of low-income residents participated (up from 3.1%)"

³⁰ Ibid.

³¹ Ibid.



Figure 2: Voucher Participation Rates in 2017 and 2019, by Race



Why this may look different in California:

- Even if the voucher program were implemented similarly to Seattle's program in California, we would expect different results given the demographic composition of California as compared to Seattle, as seen in Table 27. Most noticeably, **California has a much larger Latino population and a greater proportion of low-income residents.** Due to these differences in demographics, a voucher program in California should highly prioritize the inclusion of Latino and low-income residents through targeted messaging and other forms of outreach.

Table 24. Seattle versus California Demographics		
Demographic ³²	Seattle (2021)	California (2021)
White alone, not Hispanic or Latino	62.6%	36.5%
Black	7.1%	6.5%
Asian	16.3%	15.5%
Latino	7.1%	39.4%
Native Hawaiian/Pacific Islander	0.3%	0.5%
American Indian Native American/Indigenous	0.5%	1.6%

³²2021 population estimate U.S. Census Bureau QuickFacts: California; Seattle city, Washington. (n.d.). Retrieved May 7, 2022, from <https://www.census.gov/quickfacts/fact/table/CA.seattlecitywashington/PST045221>



Median Household Income	\$97,185	\$78,672
Persons in poverty	10.2%	11.5%

Due to the differences in the demographics of the two regions and the lack of evidence that the voucher program narrowed racial and economic disparities in donor giving rates, we are unable to offer a precise estimate for the program's potential impact on donor diversity in California.

However, we are able to identify general expected trends and recommendations for narrowing such disparities if the voucher program is implemented in California.

Expected impact:

If the program is designed and implemented similarly to Seattle's program, California would see:

- **Greater donor participation among communities of color and low-income communities** as compared to the status quo, but **small donors would still not be representative of the overall population**, as wealthier and white donors would likely be overrepresented in the voucher user population.
- **Voucher users would be more diverse than cash donors/major donors.**
- The program would be **particularly successful at increasing participation and opportunities for low-income individuals**, since it does not require a disposable income for participation as compared to the matching funds program.

Potential Remedies:

- **Conduct outreach to communities** with traditionally low political participation and donation rates; especially **Black, Latino, and low income communities to ensure high engagement in the voucher program** using tactics outlined in the public education and outreach and communications strategy sections.
- **Begin outreach efforts immediately** to ensure that communities are engaged before vouchers are mailed to residents.
- **Highly prioritize engagement with California's Latino and low-income populations** given the greater proportion of Latino and low-income residents in California relative to Seattle's population.
- **Consider engagement strategies beyond community outreach** given Seattle's difficulty with engaging a small donor base that is more reflective of the city's diversity. This could include focus groups with communities of color and low-income residents to understand how to increase engagement, digital advertising campaigns, and building incentives for voucher users, similar to the state's "You Call the Shot California" COVID-19 vaccination campaign.

There are limitations to relying solely on transactional mobilizing such as texting and emails. A field study in partnership with a coalition of advocacy organizations mobilization during the 2017 Seattle election cycle found that "deeper organizing is necessary to fulfill the [voucher]



program's redistributive goals," since vouchers were typically used by frequent local voters.³³ The researchers recommended outreach in multiple languages, and commended SEEC for providing grants to community based organizations in underrepresented areas.³⁴ They also posited that, since more frequent voters are likely to be interested in local government, an outreach and mobilization program similar to Seattle's, "could significantly increase participation beyond the most politically engaged voters" in state or federal elections.³⁵

Candidate Participation

[Candidate participation dataset](#)

Two metrics that shape a public financing program's success are 1) candidate participation in the program, where high opt-in rates³⁶ are indicative of more candidates turning down monied interests to raise greater funds from small donors, and 2) an increase in the number of candidates who run for office given the lowered financial barrier to entry.

In this section, we outline the impact of the programs (and in certain instances the specific policy designs of programs) on the number of candidates running and the opt-in rate among candidates running.

While many cities offer public financing for multiple offices, we are limiting our analysis to the program's impact on participation for city council candidates.

Given the varying outside factors that may have an impact on the number of candidates running, such as greater attention to elections during a presidential elections year or the impact of hyperlocal issues that can cause greater electoral engagement in communities, we have identified expected *general* trends in candidate participation and opt-in rates for both programs in lieu of precise estimates. We are unable to identify direct causation between the program's existence and/or policy changes leading to greater candidate participation, but have identified correlations between the program's existence, policy changes, and candidate participation.

Matching funds program

Berkeley – Before and after program establishment

The City of Berkeley recently implemented matching funds programs for the first time in its 2018 election, which gives us the ability to examine the program's impact on candidate participation in a recent context. The results are seen in Table 28.

³³Henderson, G., & Han, H. (2022). If We Build It, Only Some Will Come: An Experimental Study of Mobilization for Seattle's Democracy Voucher Program. *Journal of Experimental Political Science*, 9(1), 131–146. <https://doi.org/10.1017/XPS.2020.32>

³⁴ Ibid.

³⁵ Ibid.

³⁶ Programs are voluntary because a mandatory program would violate federal campaign finance law.



Table 25. Berkeley-Number of candidates 2014 vs 2018 (pre/during matching funds)

Year (Berkeley)	Total Number of Candidates	Number of open seats	Total number of seats
2014 (pre- matching funds)	10	3	4
2018 (post- matching funds)	14	2	4

We were also able to identify trends in the opt-in rates among candidates from the first election with matching funds in 2018 to the second election in 2020 to identify if more candidates opted into the program over time. The results are seen in Table 29.

Table 26. Berkeley-Candidate Opt-in rate 2018 vs 2020 (first vs second year of implementation)

Year (Berkeley)	% of candidates who opted in	% of participating candidates who qualified for funding	Number of open seats	Total number of seats
2018 (post- matching funds)	71.43%	100.00%	2	4
2020 (post- matching funds)	75.00%	88.89%	0	4

Findings:

- Berkeley saw **4 more candidates running** after the program was implemented, even with one fewer open seat up for election in the 2018 election.
- Berkeley also saw a **4 percentage point increase in the proportion of candidates opting into** the program from its first to its second year of implementation.
- **Fewer candidates qualified for public funds** from the first year of implementation to the second year of implementation.

San Francisco – Before and after 6:1 match rate increase

San Francisco raised its match rate from 2:1 to 6:1 from the 2016 election to the 2020 election. This policy change allows us to estimate the potential impact that raising the match rate (from a lower rate of 2:1 to the recommended rate of 6:1) had on candidate participation. The results are seen in Table 30.

Table 27. San Francisco - Number of candidates and opt-in rates 2016 vs 2020 (2:1 vs 6:1 match rate)

Year (San Francisco)	Total # of Candidates	% of candidates who opted in	Percent of candidates who qualified for funding	% of candidates for open seats who opted in
2016- (2:1 match)	28	42.86%	100.00%	80.00%
2020 (6:1 match)	26	61.54%	100.00%	71.43%

Note: There were three open seats during the 2016 election and six open seats in the 2020 election, so we would expect to see more candidates running from 2016 to 2020. During both years there were six total seats up for election.

Findings:

- After increasing from a 2:1 to a 6:1 match, the opt-in rate among candidates increased by nearly 20 percentage points.



- The increased match rate did not appear to have an impact on the number of candidates running for office.

Los Angeles - Before and after 6:1 match rate increase

Similar to San Francisco, Los Angeles increased to a 6:1 match rate from 2015 to 2020, but the program began at a higher match rate of 4:1 compared to San Francisco's 2:1 match rate. The results are seen in Table 31.

Table 28. Los Angeles candidate participation before and after 6:1 match rate increase

Year (Los Angeles)	Total # of Candidates	% of candidates who opted in	% of candidates who qualified for funding	% of candidates who opted in (open seats)
2015 (4:1 Match)	31	90.32%	50.00%	94.44%
2020 (6:1 Match)	22	81.82%	55.56%	70.00%

Note: There were the same number of open seats (2) and total number of seats (7) from 2015 to 2020.

Findings:

- The Los Angeles program did *not* see an increase in the total number of candidates running or the number of candidates opting into the program after increasing from a 4:1 match rate to a 6:1 match rate.

Summary – Candidate participation in matching funds program

Our findings suggest that a matching funds program would positively impact candidate participation. Specifically, the state could expect more candidates running and opting into the program over time. Since the Los Angeles results after the 6:1 match rate increase appear to show the opposite effect of the San Francisco 6:1 match rate increase, we are unable to deduce if the 6:1 match rate leads to greater candidates participation; however, it is possible that since the San Francisco program increased from a lower match rate (2:1), it led to greater candidate participation relative to Los Angeles, where there was a less significant increase (from 4:1 to 6:1).

Democracy voucher program

Seattle – Before and after program implementation

In Seattle, we compared the number of candidates running before the program existed to the number of candidates running after the program's establishment, as seen in Table 32.

Table 29. Seattle candidate participation before and after voucher program implementation

Year (Seattle)	Total # of Candidates	% of candidates who opted in	% qualifying candidates for DVP	Number of open seats	Total number of seats
2015 (pre-DVP)	47	N/A	N/A	3	9
2017 (post-DVP)	15	80.00%	33.33%	1	2
2019 (post-DVP)	53	79.25%	83.33%	4	7



Findings:

- In 2015, there was an average of 5.2 candidates running per seat. In 2017 and in 2019, after the institution of the program, there were 7.5 candidates running per seat.
- In the second cycle of the democracy voucher implementation, six more candidates ran for city council even with two fewer seats up for election, when compared to the 2015 pre-democracy voucher program election.
- The opt-in rate from the first cycle to the second cycle of implementation stayed the same, but was very high across both years at ~80%.
- More candidates qualified for the voucher program from the first to second cycle of implementation – there was a 50 percentage point increase in the number of candidates qualified for funding, among those who opted in.

Summary- Candidate participation in democracy voucher program

Our findings suggest that a democracy voucher program would positively impact candidate participation in California, with more candidates running for office, a high opt-in rate among candidates, and an increase in the proportion of candidates qualifying for the program over time.

Candidate Diversity

The final candidate-related metric of interest is evaluating how public financing programs impact the diversity of candidates running for office. A successful public financing program will see greater participation among candidates of color and women candidates who are currently underrepresented in the state legislature.

Using data from FairVote's fully public Ranked Choice Voting Elections Database,³⁷ which collected data on the race, gender, and sexual identity of candidates for office in cities with ranked choice voting, we were able to analyze the diversity of candidates for elections in San Francisco and Berkeley.

As with the candidate participation analysis, we are unable to identify direct causation between the existence of the programs and an increase in candidate diversity; we assume that a number of outside factors in addition to the existence of the program could impact who runs for office each year. For this reason, we are identifying general trends in candidate diversity to offer a broad estimate of the program impact in California.

³⁷RCV Elections Database. (n.d.). Google Docs. Retrieved May 7, 2022, from https://docs.google.com/spreadsheets/d/1IU6viuXfay323Gl6zkH5itwmrUIUo9rAzalK_ntu-ZY/edit?usp=embed_facebook ("Candidate details" tab).



Matching funds program

Table 30 shows the proportion of women candidates and candidates of color in Berkeley before and after the matching funds program was implemented.

Table 30. Berkeley candidate diversity before and after program existence

Year (Berkeley)	% Women candidates	% Candidates of Color
2014 (pre-MFP)	40.00%	20.00%
2018 (post-MFP)	42.86%	42.86%

Findings:

- Berkeley saw a 22 percentage point increase in candidates of color after implementing the matching funds program, though causation cannot be shown.

Table 31 shows the proportion of women candidates and candidates of color before and after the 6:1 match rate increase in San Francisco.

Table 31. San Francisco candidate diversity from 2:1 to 6:1 match rate increase

Year (San Francisco)	% Women candidates	% Candidates of Color
2016 (2:1)	28.57%	53.57%
2020 (6:1)	32.14%	60.71%

Findings:

- San Francisco saw a 4 percentage point increase in women candidates running for office after the program increased from a 2:1 to a 6:1 match rate, though causation cannot be shown.
- San Francisco saw a 7 percentage point increase in candidates of color running for office after the program increased from a 2:1 to a 6:1 match rate, though causation cannot be shown.

Summary – Candidate diversity in matching funds program

Our findings suggest that a matching funds program could **positively impact candidate diversity in California, with significantly more candidates of color and slightly more women candidates** running for legislative offices in California. However, the analysis in this area does not and cannot point to precise predictions.



Cost

The cost estimate for each program takes into account both administrative costs associated with the implementation of the program for one election year (given that this is for the proposal of a pilot program) and the costs of disbursements of public funds to candidates. The bulk of costs for both programs go towards disbursements to candidates. The administrative costs could decrease in the long-term as the program becomes more established.

Matching funds program

Our cost estimate for the matching funds program used the same methodology that the New York City's Campaign Finance board used to estimate the cost of a New York State program.³⁸

We included the cost estimate for three scenarios – the cost if the program were conducted for Senate candidates only (the least expensive estimate), Assembly candidates only, or for both Senate and Assembly candidates (the most expensive estimate).

Administrative costs are made up of three components: personnel/staff costs, office rental space, and “other than personal services” costs, which includes technology and office supplies.

Personnel and staff costs were determined by applying a multiplier to the number of candidates running. A higher number of candidates running for office requires more staff to oversee the program. We averaged the total number of candidates that ran for the legislature in 2018 and 2020, added 50 additional expected candidates entering the race due to the matching funds program existing, and applied the multiplier to estimate the personnel costs.

Office rental space was scaled down from the New York City estimate, since the cost of Sacramento office space is almost a third of the cost of Manhattan office space. “Other than personal services” costs were scaled up from the New York City estimate given the expected number of additional candidates.

For disbursement costs, we took the maximum funding available of \$500,000 (recommended in the policy design section of this report) and multiplied it by half the average number of legislative candidates who ran for office in 2018 and 2020 in California (50% of candidates opting into the program and qualifying would be a particularly high participation rate, so we are likely providing an overestimate³⁹ of the cost), plus 50 expected new candidates who are coaxed into running because the public financing system is seen as creating new opportunities for a wider breadth of people to run for office.

³⁸NYS Admin cost estimate matching funds. (n.d.). Google Docs. Retrieved May 7, 2022, from https://drive.google.com/file/d/1K-_TYqgtPULAchGoU6yGu_NhkU9QaHz5/view?usp=sharing&usp=embed_facebook.

³⁹ The New York City Campaign Finance Board memo also included a section on cost saving measures and found that auditing the public funds of candidates saved taxpayers \$7 million in New York City.



Senate Candidates Only – Statewide estimate of costs for a matching funds program

If half the number of candidates who currently run for office opt into the program and receive the maximum amount of funding available, and the program induces 50 new candidates statewide, the cost of running the program for one election cycle would be **\$33.6 million** including \$29 million for disbursements to candidates and \$4.6 million for administrative costs. This equates to **\$0.85 per Californian** and makes up just **.01% of the total state budget**.

Assembly Candidates Only – Statewide estimate of costs for a matching funds program

If half the number of candidates who currently run for office opt into the program and receive the maximum amount of funding available, and the program induces 50 new candidates statewide, the cost of running the program for one election cycle would be **\$81.5 million** including \$70.7 million for disbursements to candidates and \$10.7 million for administrative costs. This equates to **\$2.06 per Californian** and makes up just **.03% of the total state budget**.

All Legislative Candidates – Statewide estimate of costs for a matching funds program

If half the number of candidates who currently run for office opt into the program and receive the maximum amount of funding available, and the program induces 50 new candidates statewide, the cost of running the program for one election cycle would be **\$100.3 million** including \$87.2 million for disbursements to candidates and \$13.1 million for administrative costs. This equates to **\$2.54 per Californian** and makes up just **.04% of the total state budget**.

Democracy voucher program

Our cost estimate of the democracy voucher program for one election cycle in California involved scaling the estimate for administrative costs for Seattle's program and applying a multiplier for donor participation and the \$50 voucher cost for disbursement costs.

We included the cost estimate for three scenarios – 4% participation among California residents (the percentage of Seattle's residents that participated in the first cycle of the voucher program), 7% participation (the percentage in Seattle's second democracy vouchers election), and 10% participation.

The administrative costs for Seattle's voucher program included the cost of office hardware and supplies, staff, program evaluation, and outreach to voters. Each of these costs were scaled up for California's larger population. Certain costs were given an even greater multiplier for higher priority needs. The costs for outreach to underrepresented communities, for example, were given an even greater multiplier in our analysis given the high priority for donor diversity.

For the disbursement cost estimate, which mostly depends on the number of residents who return vouchers, we took the \$50 voucher total (recommended in the policy design section) and multiplied it by three, seven, and ten percent of the number of adults in California.



4% resident participation rate, statewide estimate of costs for a democracy voucher program

If 4% of eligible adults in California redeem both their vouchers, the cost of running the program for one election cycle would be **\$85.7 million**, including \$44.3 million for disbursements to candidates and \$41.4 million for administrative and implementation costs. This equates to **\$2.17 per Californian** and makes up just **.03% of the total state budget**.

7% resident participation rate, statewide estimate of costs for a democracy voucher program

If 7% of eligible adults in California redeem both their vouchers, the cost of running the program for one election cycle would be **\$118.9 million**, including \$77.5 million for disbursements to candidates and \$41.4 million for administrative and implementation costs. This equates to **\$3.01 per Californian** and makes up just **.05% of the total state budget**.

10% resident participation rate, statewide estimate of costs for a democracy voucher program

If 10% of eligible adults in California redeem both their vouchers, the cost of running the program for one election cycle would be **\$152.1 million**, including \$110.7 million for disbursements to candidates and \$41.4 million for administrative costs. This equates to **\$3.85 per Californian** and makes up just **.06% of the total state budget**.