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Testimony of Andy Sauer
Executive Director, Common Cause in Connecticut
Before the Government Administration and Elections Committee
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Good morning. My name is Andy Sauer, and I am the Executive Director of Common Cause in Connecticut. Common Cause in Connecticut is nonpartisan, nonprofit citizens' lobby that works to improve the way Connecticut's government operates. We have more than 4,000 members in Connecticut. We would like to thank the co-chairs of the Government Administration and Elections Committee, Sen. Gayle Slossberg and Rep. Chris Caruso, and the member of the committee for holding a public hearing today.

Connecticut Common Cause supports the following legislative proposals:

H. B. 7386: An Act Concerning the Conveyance of Certain Parcels of State Land and Campaign Finance Reform

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Connecticut is entering a new era of elections. Following the passage of the nation's strongest campaign finance law, which was passed in response to a flurry of scandals, campaigns and the way they are financed will face new rules and procedures. Since the day Public Act 05-5, "An Act Concerning Campaign Finance Reform for State-Wide Constitutional and General Assembly Offices," was signed into law, it has always been acknowledged that the state's new campaign finance laws, the strongest in the nation, would be a work in progress. Although the Connecticut General Assembly in developing its model campaign finance law anticipated some of the challenges and also enabled the State Elections Enforcement Commission to address unforeseen challenges, it has become clear some further changes are needed.

In late 2006, as part of its implementation of the state's Citizens' Election program, the State Elections Enforcement Commission was finally able to hire a director to manage the state program that will disperse millions of dollars in election grants to participating candidates. After reviewing the state laws governing the state's public financing program, the director determined statutory changes were necessary in order to enable her to administer the program and prevent potential abuses.

Lowering the financial threshold for electronic campaign finance filing

The electronic filing of campaign finance information is vital to the effective implementation of the Citizens' Election program. As part of their participation in Connecticut's Citizens' Election program, candidates agree to forego fund raising and accept election grants instead. In the event they are outspent by a nonparticipating candidate, participating candidates

are provided with supplemental grants to match their competitors' spending. In order to provide those supplemental grants in a timely manner, Connecticut's Citizens' Election program will need to be given timely information through its election campaign finance filing system.

The state's old campaign finance information system, by all accounts, was riddled with problems. The system, which was designed in the mid-90s, was notoriously unstable and slow. It was a credit to the foresight of the governor and the legislature that when it enacted the 2005 campaign finance law that it required an improved campaign finance information system.

The new electronic campaign finance filing system is slated for a spring 2007 rollout. Although a number of improvements have been made to the state's electronic campaign finance filing system and may attract new users, there will undoubtedly be campaigns that prefer to use paper forms for campaign reporting. Unless the Legislature opts to require mandatory electronic filing through state statute, these forms will have to be input manually into the campaign finance information system by data entry staff. Manual data entry, especially if there is an inundation of paper forms, will create delays.

House Bill 7386 attempts to address this situation by lowering the threshold for campaigns to file electronically from \$250,000 to \$30,000. Although lowering the threshold to \$30,000 does ensure a large number of campaigns will file electronically, it does not go low enough. Participating candidates for House seats in the Citizens' Election program will receive a \$25,000 election grant (with no primary.) In the event participating House candidates are outspent, which will likely happen towards the end of the campaign season, they will likely experience costly data entry delays. Connecticut Common Cause recommends lowering the threshold to file campaign finance reports electronically to \$10,000.

Qualifying contribution cards

In both Maine and Arizona's systems of public financing of campaigns, qualifying contributors for participating candidates are required to fill out a card making a contribution (*see attached copy of Arizona's form.*) The card contains basic information such name and address, as well as an affirmation that contributors understand to what they are contributing. Connecticut's Citizens' Election program does not have such a stipulation.

This could be problematic for a number of reasons. First, it eliminates a standard method of verification for the Citizens' Election program to determine whether a candidate has properly qualified for election grants. The law requires the name and addresses of contributors to Citizens' Election candidates, but does not stipulate how that information is provided. Some campaigns may provide printed spreadsheets; some may provide copies of cancelled checks; others might provide hand-written lists. Logistically, it creates a confusing situation for the Citizens' Election program at a time when it is trying to verify which candidates can qualify for election grants – within a very narrow time frame. Second, it provides no method in which contributors can certify they are not a state contractor or lobbyist. Third, many households have joint checking accounts and may be inclined to write one check for two qualifying campaign contributions totaling more than \$100. Without a contribution card, the contribution of \$200 from two individuals could be misinterpreted to be from a single contributor and thus be disqualified. Certification cards could provide the proof that the contribution is in fact from two contributors.

In an effort to make the Citizens' Election program as simple and efficient as possible, Connecticut Common Cause strongly recommends that the state stipulate in statute that all qualifying contributions must be accompanied with a certification card.

Maintaining records of expenditures for Citizens' Election candidates

Depending on the race, participating candidates in the state's Citizens' Election program will receive election grants anywhere from \$7,500 to \$4.25 million. As with all campaigns, participating candidates will have to disclose expenses. However, there will be no way to determine whether those funds have been misused in any way.

The legislative intent of Public Act 05-5 was to provide an alternate source of campaign revenue for candidates to pay for typical election costs such as advertising, staffing needs, mailings, printing and other typical campaign costs. It is possible, though perhaps unlikely, that some individuals may choose to use election grants for something other than what the Connecticut General Assembly intended when it enacted Public Act 05-05. Without the requirement that Citizens' Election candidate disclose in detail their campaign expenses, there is no way to determine if campaigns have misused the public election grants.

Additionally, such a requirement protects participating candidates from unsubstantiated accusations of misusing public election grants. It is not hard to imagine that in the heat of an election one candidate accuses another of using public election grants to throw lavish parties or lobster bakes. By requiring detailed reports of expenditures, it allows for timely verification.

Connecticut Common Cause supports the requirement of candidates participating in the Citizens' Election program to provide detailed records of expenses.

Requiring qualifying contributions to come from registered voters

Connecticut Common Cause understands why the Citizens' Election program would want qualifying contributions for candidates to come from registered voters — it is another tool of which the program can use to verify contributions quickly. However, legislators have expressed a number of objections of why such a requirement is either not necessary or counter productive to citizen involvement in elections.

Connecticut's election registration laws and practices have been problematic. The number of registered voters to Connecticut's voting age population is roughly 76 percent. It is clear that not every voting age adult is a registered voter. It is not unusual for municipalities' registrars to remove electors from voting lists for failing to respond to form letters or for simple postal errors. It is not uncommon for voters to believe they are still registered voters even after a move from one address to another in the same municipality. Additionally, registration rolls are not infallible — a fact that registrars cite as justification to utilize the postal service lists by sending registration confirmation cards and letters. In short, registration rolls are not a fool-proof source for verification.

Additionally, if the Citizens' Election program were to have contribution cards that require contributors to provide name and address, and to sign a certification, it appears that there would be no need to require contributions from registered voters. The program would have a name, address and signature. And, there are a number of ways the Citizens' Election program

could verify contributors, such as cross-referencing with any number of state databases, without shrinking the pool of possible contributors.

Although Connecticut Common Cause appreciates the motives behind the requirement of that Citizens' Election contributors be registered voters, we believe other campaign finance improvements in H.B. 7386 point to more pressing needs.

If the Citizens' Election program demonstrates after several election cycles that requiring contributors to be registered voters is necessary to prevent fraud and abuses, Connecticut Common Cause will be open to supporting its proposed reforms.

Common Cause supports amending the deadlines for candidates filing their intent to participate or their intent to not participate in the new system to 50 days before a primary and 60 days before an election. Current statute sets those deadlines at 25 days before a primary and 30 days before an election. This change will help the Commission administer the program.

We also support prohibiting candidates from collecting qualifying contributions using an exploratory committee and giving the Commission five days instead of three days to determine whether a candidate is eligible to receive a public grant.

Common Cause supports allowing a participating candidate committee the option to transmit a noncompliant contribution to the Citizens' Election Fund. It can be difficult for a campaign to track down a contributor to return a contribution that doesn't comply with the new system. If a noncompliant contribution is not returned, a candidate cannot participate in the Citizens Election system. This provision makes it easier to participate and can provide extra resources for the Citizens' Election Fund.

Finally, this bill does not allow the State Elections Enforcement Commission to conduct an investigation into compliance in the two months prior to an election. Connecticut Common Cause believes it is critical that the State Elections Enforcement Commission be able to ensure candidate compliance with the Citizens' Election program's requirements to protect not only the Citizens' Election fund that provides the grants to candidates but to the integrity of the system that was established to protect the public trust in government.

Attachment: State of Arizona's Qualifying Contribution Form

**STATE OF ARIZONA
CITIZENS CLEAN ELECTIONS COMMISSION
QUALIFYING CONTRIBUTION FORM**

**FORMULARIO DE CONTRIBUIDOR AL FONDO DE
CIUDADANOS PARA ELECCIONES LIMPIAS**

\$5.00 CONTRIBUTION

CONTRIBUCIÓN

CANDIDATE'S NAME (Please Print): _____
Nombre del Candidato (Favor de escribir con letra de imprenta)

OFFICE SOUGHT (Include District for Legislative Office): _____
Cargo Buscado (Incluya el Distrito para un Cargo Legislativo)

CONTRIBUTOR'S NAME (Please Print): _____
Nombre del Contribuidor (Favor de escribir con letra de imprenta)

VOTER REGISTRATION ADDRESS **LEGISLATIVE DISTRICT:** _____
Dirección de registro del votante *Distrito Legislativo*

STREET _____ **CITY** _____ **ZIP** _____ **COUNTY** _____
Calle *Ciudad* *Código Postal* *Condado*

SIGNATURE OF CONTRIBUTOR
Firma del Contribuidor

DATE OF CONTRIBUTION
Fecha del la Contribución

SOLICITOR'S NAME (Please Print): _____
Nombre del Solicitante (Favor de escribir con letra de imprenta)

STREET _____ **CITY** _____ **ZIP** _____ **COUNTY** _____
Calle *Ciudad* *Código Postal* *Condado*

I, the undersigned, upon my oath and under penalty of perjury, certify that I received a \$5.00 contribution from the above contributor, who is to the best of my information and knowledge, a qualified elector of this state.
Yo, el suscrito, bajo juramento y bajo pena de perjurio, certifico que recibí una contribución de \$5.00 del donante de arriba, quien es, a mi leal saber y entender, un elector calificado de este estado.

SIGNATURE OF SOLICITOR: _____
Firma del Solicitante

For Office Use Only: Reg. ID _____ **District** _____
Para Uso de Oficina

