

## **TESTIMONY PRESENTED BEFORE THE APPROPRIATIONS COMMITTEE**

**March 27, 2009**

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### **House Bill 6363 – An Act Implementing the Governor’s Budget Recommendations Concerning General Government, Conservation, Development, Regulation, Protection, Judicial and Corrections**

### **Senate Bill 828 – An Act Concerning State Revenue**

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The State Elections Enforcement Commission opposes sections 12, 13 and 19 of House Bill 6363, and section 1 of Senate Bill 828.

Section 19 would repeal CGS Section 9-7c which adversely impacts the independence of the State Elections Enforcement Commission, as well as comparable provisions which impact the Office of State Ethics and Freedom of Information Commission.

The effect of the repeal of these laws would allow the Governor to reduce each of the watchdog agency’s budgets without legislative approval, and to ignore each such agency’s budget request and substitute the Governor’s own budget. This significantly erodes the independence provided to the watchdog agencies in 2004 after former Governor Rowland attempted to consolidate the three agencies that would have substantially reduced the important oversight of government, its officials and the electoral process, which is the foundation of government. In 2004 there was also a fiscal crisis. Yet the General Assembly properly recognized then that the independence and functions of these 3 watchdogs were too important to subject them to political pressure from a single elected official. Public Act 04-204 was passed unanimously in the Senate, and won widespread bi-partisan support in the House. It was the right bill then, and continues to be the right law now, especially in a fiscal crisis.

The protections afforded to the three watchdogs by Section 9-7c, 1-81a and 1-205a, are not without appropriate oversight. The legislature as a collective institution exercises control over the commissions’ budgets. As the ranking member of the Appropriations Committee, Peter Metz said in debate on the bill which became PA 04-204:

*“What we will have done (through passage of this bill) is remove much of the possibility for inappropriate manipulation of those budgets by taking responsibility from the one and spreading it among the many. It’s far less likely that the legislature, as a group, would look to these departments with punishment in mind.”*

In difficult economic times when hard choices must be made, it is imperative that such choices be made on an impartial basis, and that the commitment to open and honest government remains protected and free from even the appearance of political influence.

I urge you in the strongest of terms to keep the commitment made by the General Assembly in 2004 in its passage of PA 04-204.

Section 12 and 13 would render the Commission unable to operate the Citizens' Election Program, the cornerstone of the historic campaign finance reform legislation that the Governor and General Assembly worked so hard to enact in 2005.

Subsection (b) of Section 12 of the bill (amending Sec. 3-69a) would require all claims by persons under the escheats program to be paid from the Citizens' Election Fund, rather than the General Fund. This would subject the CEF to enormous exposure, and essentially bankrupt the fund. After speaking to OPM about this, we believe this was truly a mistake in the drafting of this section.

Section 13 intends to consolidate the SEEC's funding of administrative operations of the entire agency into the Citizens' Election Fund. This consolidation distorts the true functions of the agency which extend far beyond the administration of the Citizens' Election Program. As the General Assembly knows, the SEEC administers and enforces all election and campaign laws, on the state and municipal levels. The consolidation of funding of the agency into the CEF would provide the mistaken impression that the administrative costs of operating the CEP are significantly greater than they actually are. We strenuously oppose this, and request, that the funding be kept separate as is currently the case. In this manner, the General Assembly will achieve greater transparency concerning the expenditures of the SEEC to operate the CEP, and those needed to perform the other statutory mandates given the agency.

The consolidation also requires the SEEC to pay fringe benefits of its employees from the appropriation, and thus is significantly less than required for the SEEC to meet its current payroll obligations. It would, in effect, force the SEEC, to layoff employees, substantially reduce other operating costs, or a combination thereof. Fringe benefits should continue to be paid from the Comptroller's Special Account, which is available to make such payments for virtually all other state employees.

After speaking with OPM we believe that there is an honest miscalculation of the amounts in sections 12 and 13. Since the Governor has proposed the return of \$12 million each year from the CEF to the General Fund in section 1 of Senate Bill 828, the net effect of all of these sections is a negative appropriation to the CEF for candidate grants in the next biennium. This will leave the CEF with insufficient funding for 2010, and little or no funding for candidate grants for the 2012 and 2014 campaigns.

Each of these issues has been brought to the attention of the General Government A subcommittee. As the subcommittee is aware, I have submitted a revised budget for the biennium which offers substantial cost savings while, at the same time, allows the SEEC to continue to perform all of its statutory duties and to again successfully operate a full Citizens' Election program for the statewide election in 2010 and beyond.

We urge the Appropriations Committee to reject the approach taken in HB 6363, and to adopt our revised proposal as submitted to the subcommittee.

The SEEC, as you know, has, and will continue to be a partner in the solution of the fiscal crisis. We have agreed to turn back \$13.5 million from the CEF for deficit mitigation in this FY. We have also refunded over \$100,000 in General Fund appropriations for deficit mitigation. I am currently working with OPM to produce additional savings for this fiscal year. The entire management staff has taken unpaid furlough days, and our other employees have agreed to voluntary schedule reduction as requested by the Governor. We fully appreciate the dire crisis that we all are faced with, and will continue to do our share to help.

Thank you for your consideration of the Commission's views on this bill.