



STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

**TESTIMONY PRESENTED BEFORE THE GOVERNMENT ADMINISTRATION AND
ELECTIONS COMMITTEE**

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House Bill 6044 – Audits Conducted by the State Elections Enforcement Commission

The State Elections Enforcement Commission **opposes House Bill 6044**. This bill has three elements: (1) an exemption from audit for nonparticipating candidates who spend less than certain sums of money; (2) a limit on the percentage of campaigns (40%) that can be audited; and (3) the implementation of a random, public method of assigning campaigns to be audited.

Adopting such a policy would have the following results:

- It would precipitate a return to opponent-driven enforcement actions and drastically increase the volume of complaints filed. If candidates could not trust the Commission to review their opponents for campaign violations over half of the time, the complaint mechanism would become the *de facto* insurance policy for all campaigns that everyone was playing by the same rules.
- Exact fiscal impact would be difficult to determine but it is certain that any savings in required resources for reviews would be offset, if not overcome, by the increase in enforcement resources required to deal with the predictable increase in complaints. This observation is based upon our experience with the 2008 election cycle and the nature of the complaints filed before the regulated community understood that all committees would receive some sort of review. As a result of our campaign review process, we have been able to assure many callers who are considering filing a complaint that the agency will review each campaign and that therefore a complaint is not necessary. If only a fraction of campaigns are audited, the agency could not provide this reassurance and a consequent rise in the number of complaints is inevitable.
- Another, and perhaps the most disturbing element of this proposal, is that it removes the Commission's ability to judge the seriousness of violations, identify and provide training to prevent common errors, suggest changes to simplify the process based on lessons learned during reviews, and punish only the most serious violations. A keystone of the Commission's audit process is the discretion to dismiss complaints with lesser violations or for first time offenses, while preserving the ability to direct resources to address the most egregious violations. Only by reviewing, in whole as was done in 2008 or in part as is currently being implemented for 2010 campaigns, can this be accomplished. Without such a review, it is impossible for the Commission to ascertain what level of violations are shared (and therefore can be attributed to systemic misunderstanding that should result in training or improvements

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to the law rather than in civil penalties) and which are outliers. In other words, it is only by correcting all of the “tests” that the Commission staff can reasonably “grade on a curve.”

- The most serious violations are caught by careful scrutiny of campaign finance reports and supporting documentation. Serious violations such as co-mingling of public funds with personal accounts were detected in 2008 only due to the review process. If this bill were to pass, it would be far more likely than not that such violations will go undetected in the future.
- There is no appearance of impropriety or partisanship currently to the public with the audit protocols that have been implemented by the Commission. This is not presently a problem: there is no need for a fix. Randomization of audits could easily mean that the Commission is only allowed to look at smaller campaigns while committees that accepted over a million dollars in public monies go completely unreviewed.

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