



New Haven Democracy Fund

"To ensure that all the citizens of New Haven have a fair and meaningful opportunity to participate in the election of mayor."
New Haven Code of General Ordinances, Chapter 2, Article XI, §2-521 • Established in 2007 • democracyfund@newhavenct.net



Testimony of Jared Milfred
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Support for H.B. No. 6749 An Act Concerning Expansion Of Public Financing Of Municipal Campaigns

Chairman Jutila, Chairman Cassano, and Members of the Committee, thank you for the opportunity to testify in favor of H.B. 6749, an important piece of legislation to expand municipal public campaign financing programs in Connecticut at no cost to the state.

My name is Jared Milfred. I am the Chairman of The New Haven Democracy Fund, a municipal public campaign finance system authorized under the original 2006-07 pilot program which H.B. 6749 reinstates. The Democracy Fund is a city-level parallel of the state Clean Elections Program and is currently the only municipal public campaign finance system in Connecticut. On behalf of the entire Democracy Fund Board, I report that New Haven's public campaign financing program is an extraordinary success. Since 2007, The Democracy Fund has provided public financing for seven mayoral campaigns, disbursing \$91,000 of City funds to participating candidates in block grants and over \$92,000 in matching funds for small contributions. With guidance from SEEC and continual refinement after every election cycle, the program has become a model for municipal public campaign financing.

Public financing has changed the tone and character of mayoral elections in New Haven. The Democracy Fund ensures that all citizens have a fair and meaningful opportunity to participate in the election of their mayor and that every meritorious candidate has sufficient funds to communicate his or her message to voters. The program reduces the need for constant fundraising, while encouraging candidates to spend more time communicating with citizens. Furthermore, participating candidates increasingly solicit small contributions from low-income and minority voters, who have historically been removed from the electoral process.

Several other cities in Connecticut—including Hartford, Middletown, and Bridgeport—have expressed interest in implementing public campaign financing programs of their own. They cannot until a pilot program is reinstated. Passing H.B. 6749 would reintroduce and expand the original pilot program, enabling up to three additional municipalities to submit public campaign finance proposals to the SEEC for review. H.B. 6749 preserves all elements of the original pilot program and follows recommendations of the SEEC's final report at pilot program's close, which urged the General Assembly to "expand the Commission's authority to oversee the launch of additional municipal programs."

H.B. 6749 Preserves All Elements of the Original Pilot Program

Like the original pilot program created by the General Assembly in 2005, this reinstatement:

- 1) stipulates that only city legislatures can consent to the creation of municipal public campaign financing systems,
- 2) ensures that the SEEC will provide guidance to municipalities interesting establishing public campaign financing programs, and will retain authority to approve, review, and monitor such programs,
- 3) guarantees that no municipal candidate will be forced to use public campaign financing (participation must be voluntary), and
- 4) has zero fiscal impact for the state, since municipalities must independently fund any public campaign financing systems approved under the pilot program.

H.B. 6749 Enables Up To Three Additional Municipalities to Establish Programs of Public Campaign Financing under the Pilot Program

New Haven was the only municipality in Connecticut which submitted a complete proposal to implement municipal public campaign financing under the original pilot program. The pilot program formally ran during the 2006-07 municipal election cycle. Afterwards, New Haven opted to continue the Democracy Fund program with approval of the SEEC.

Since 2007, political leaders from at least three other municipalities in Connecticut (Hartford, Middletown, and Bridgeport) have expressed interest in emulating New Haven's system and implementing public campaign financing programs of their own. They cannot under current law. Passing H.B. 6749 would reinstate and expand the original pilot program, enabling up to three additional municipalities to submit public campaign finance program proposals to the SEEC for consideration.

H.B. 6749 Follows the Legislative Recommendations of the SEEC's Final Report at the Close of the 2006-07 Pilot Program

The 2005 legislation authorizing a pilot program required the SEEC to submit a report on its findings and recommendations related to the pilot program to this Committee of the General Assembly. In that report, the SEEC wrote:

"Public financing is a powerful tool in the effort to eliminate corruption and to restore public confidence in the electoral process where it has been diminished. It is important to encourage local governments to experiment with public financing, a proven method for achieving many identifiable and desirable goals in our democratic system of government. The Commission considers the first run of the pilot program to have been worthwhile and recommends expansion of the Commission's authority to oversee the launch of additional municipal programs."

A Proposed Amendment to H.B. 6749: Permit Municipalities to Provide Public Campaign Financing for Any Municipal Office

Currently, the pilot program legislation permits municipalities to provide public campaign financing only for the municipal offices of chief executive officer, municipal clerk, and legislative body member. While New Haven currently offers public funds just mayoral candidates, the Board of Alders is actively exploring an expansion of the program to other municipal offices, including Alder and Town Clerk, as permitted by the pilot program. However, the Board of Alders is also exploring the option of providing public funds for the campaigns for other city-wide elected positions, including Registrars of Voters and elected Members of the Board of Education. Public funding of these races could not be approved under the current draft of the pilot program.

There is no principled reason for state legislation to prevent municipalities from providing public financing for the campaigns of candidates for any elected municipal office. Municipalities should be permitted to decide for themselves, with approval of the SEEC, to provide (and pay for) public financing for any municipal race they deem appropriate.

I urge the Committee to Amend H.B. 6749, replacing “campaigns of candidates for the municipal offices of chief executive officer, municipal clerk and legislative body member” with “campaigns of candidates for any elected municipal office”.

Respectfully Submitted,

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Appendix: Additional Information on the New Haven Democracy Fund

What Is the New Haven Democracy Fund?

The New Haven Democracy Fund, utilizing appropriations from the New Haven Board of Aldermen, provides public matching funds and public financing grants to Mayoral candidates who voluntarily agree to abide by certain restrictions and limitations on how campaign funds are raised and spent.

The Democracy Fund is a pilot program approved in 2007 by the State Elections Enforcement Commission of the State of Connecticut. The State General Assembly had authorized the Commission to approve up to three pilot programs for public financing of municipal election. The City of New Haven is the first and only municipality in the State to establish a public financing system for municipal elections.

What is the purpose of the Democracy Fund?

The purpose of the Democracy Fund is to ensure that all citizens of the City of New Haven have a fair and meaningful opportunity to participate in the election of their Mayor. Specifically, the ordinance aims to counter the perception that New Haven's public policy is influenced by campaign contributions; to ensure that meritorious Mayoral candidates are able to raise and spend sufficient funds through public financing of elections to convey their messages to the voters; to reduce the need for ongoing fundraising and to encourage Mayoral candidacies to spend more time communicating with citizens; and to give all citizens an opportunity for a reasonable supporting role in the selection of Mayor by making even small contributions meaningful.

How does the Democracy Fund Work?

A Mayoral candidate becomes a participating candidate by agreeing to abide by the contribution and expenditure limitations and ceilings established by the Democracy Fund ordinance. Contributions are limited to no more than \$370.00 from individuals or a town committee. A participating candidate must not accept contributions from political committees or business entities. Qualified campaign expenditures are limited to no more than \$368,000.00 in a primary election and \$368,000.00 in a general election.

The Democracy Fund provides public matching funds up to \$125,000.00 and a public financing grant of \$19,000.00 for both the primary elections and the general election. A candidate's contribution of his or her own personal funds is limited to no more than \$19,000.00 per primary or general election.

In order to qualify for public matching funds for a primary election or a general election, a participating candidate must raise two hundred (200) contributions, from separate individuals who are electors (that is, registered voters) of the City of New Haven, of no less than \$10.00 and no more than \$370.00. Matching funds consist of \$50.00 per distinct individual contributor of \$25.00 or more; contributions under \$25.00 are matched two-to-one.

Which Candidates have received Public Campaign Financing from the Democracy Fund?

2007: Participating candidate John DeStefano's campaign received \$11,850 in matching funds. DeStefano won re-election in 2007.

2009: Participating candidate John DeStefano's campaign received \$11,390 in matching funds. DeStefano won re-election in 2009.

2011: Participating candidate Jeffrey Kerekes' campaign received \$8,202 in matching funds and a \$17,000 grant for the September primary, where he placed second to Mayor DeStefano. Participating candidate Tony Dawson's 2011 campaign collected a \$17,000 grant and \$6,420 in matching funds. He placed fourth in the 2011 primary.

2013: The New Haven Democracy Fund contributed \$111,250.00 to participating candidates competing in the 2013 New Haven Democratic Party primary election for mayor.

Justin Elicker for Mayor collected:

\$9,840 in matching funds April 5, 2013;
\$19,000 in the contested election grant Friday, April 19, 2013;
\$8,600 in matching funds Friday, April 26, 2013;
\$13,500 in matching funds Friday, August 23, 2013;
\$3,530 in matching funds Monday, September 9, 2013;
\$54,470 in total.

Kermit Carolina for Mayor collected:

\$ 5,530 in matching funds May 22, 2013;
\$19,000 in the contested election grant May 22, 2013;
\$ 1,020 in matching funds July 16, 2013;
\$ 5,060 in matching funds September 6, 2013;
\$30,610 in total.

Participating candidate Gary Holder-Winfield collected:

\$7,170 in matching funds Friday, May 17, 2013,
\$19,000 contested election grant, Friday, May 17, 2013
\$26,170 in total.

How is the Democracy Fund Administered?

The Democracy Fund is overseen by a seven-member volunteer board. A Democracy Fund Administrator is responsible for the day-to-day operation of the Democracy Fund. A Democracy Fund Investigator is responsible for investigating alleged violations of the Democracy Fund ordinance and complaints made against participating candidates. The Democracy Fund Board has the authority to levy fines for violation of the Democracy Fund Ordinance by participating candidates.