

# Government Administration and Elections Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-5522

AN ACT RESTORING THE CITIZENS' ELECTION PROGRAM, CONCERNING THE STATE ELECTIONS ENFORCEMENT COMMISSION AND REGARDING

**Title:** DISCLOSURE OF COORDINATED AND INDEPENDENT SPENDING.

**Vote Date:** 3/23/2018

**Vote Action:** Joint Favorable

**PH Date:** 3/19/2018

**File No.:** 454

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

### **SPONSORS OF BILL:**

Government Administration and Elections Committee

### **REASONS FOR BILL:**

The bill seeks to improve the Citizens' Election Program (CEP) and problems that have arisen since its inception. It also modifies laws affecting campaign finance and the State Elections Enforcement Commission.

- To permit gubernatorial candidates participating in the Citizens' Election Program to raise additional funds and qualify for supplemental grants
- Eliminate grants from the Citizens' Election Fund for candidates without an opponent.
- Modify the amounts of organization expenditures that state central, legislative caucus and legislative leadership committees may make to participating candidates
- Permit members of the State Elections Enforcement Commission to serve more than two consecutive terms
- Revise the manner in which the commission processes complaints
- Create bright lines between coordinated and independent spending
- Implement federal court rulings regarding the creation of independent expenditure political committees.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

### **Michael Brandi, Executive Director and General Counsel, State Elections Enforcement Commission (SEEC)**

Mr. Brandi states that the bill contains many provisions that SEEC has proposed in the past. He sees this bill as a starting point for discussions on how to restore and improve the CEP and to address the argument that it has been compromised by outside events and legislative damage over the years. Significantly, the bill does the following:

- Increases campaign finance disclosure by making it more focused and meaningful and creates bright lines between coordinated and independent spending.
- Restores lost funds. The gubernatorial race lost \$3 million in available funds since the inception of the Program. This proposes making a supplemental grant available in that race, where high spending and independent expenditures have consistently been a factor.
- Reestablishes organization expenditure limits erased by Public Act 13-180 while addressing the loss of 60% of the grant monies available to General Assembly candidates at the inception of the Program.
- Term Flexibility. We recommend restoring the ability of the leadership to choose experienced Commissioners.
- Technical fixes. To bring election laws in line with recent Connecticut court decisions.

## **NATURE AND SOURCES OF SUPPORT:**

### **Cheri Quickmire, Executive Director, Common Cause in Connecticut**

Common Cause has concerns with HB 5522 as written. The CEP is a successful national model for clean elections and needs to be strengthened, not attacked. Common Cause is open to supplemental fundraising and grants for gubernatorial candidates. They strongly oppose eliminating grants for unopposed candidates because the grants are already reduced, and many candidates decline grants and others return a significant amount of funding to the state. Common Cause also supports allowing gubernatorial candidates participating in the Citizens' Election Program to raise additional funds and qualify for supplemental grants because of the increased outside spending in elections. Finally, Ms. Quickmire states that they oppose the increase in qualifying contribution limits that was passed in previous session with no public input because it only benefits wealthier candidates and makes it difficult for candidates seeking to challenge incumbents.

## **NATURE AND SOURCES OF OPPOSITION:**

### **Joe Horvath, Director of Legislative Outreach, Yankee Institute for Public Policy**

Mr. Horvath believes that the bill will inhibit citizens free speech. He worries that Connecticut will follow in the steps of Wisconsin where there were investigations into private citizens homes because of "an overly broad and loosely-applied definition of 'coordination'".

He also is of the opinion that the bill does not adequately define coordination. He argues that using “tacit approval by a candidate as the threshold to determine coordinated spending is a dangerous proposition that, barring a candidate explicitly disavowing a group, is practically impossible to determine.”

Finally, he believes that the term “indirectly formed” is loosely defined and only causes more confusion.

**Tom Swan, Executive Director, Connecticut Citizen Action Group (CCAG)**

CCAG cannot support HB 5522 in its current form. With increased outside spending, CCAG is open to supplemental fundraising and grants for gubernatorial candidates but oppose eliminating any grants for unopposed candidates because the grants are already reduced, and many decline grants and others return a significant amount. Furthermore, in terms of organization expenditures, CCAG does not support the changes that were made several years ago and question if further changes will drive money to “secret places.” CCAG would like to see these limits reduced but believe it must be done in combination with tightening up restrictions on independent expenditure. Mr. Swan believes that these changes will likely only result in more secret money since there are strong disclosure requirements for contributions to organization expenditures. Finally, CCAG is disappointed that the increase in qualifying contribution limits.

**Reported by: Susan Tufts**

**Date: 4/12/18**