



STATE OF  
CONNECTICUT  
STATE ELECTIONS ENFORCEMENT  
COMMISSION

*WRITTEN TESTIMONY  
PRESENTED BEFORE  
THE GOVERNMENT ADMINISTRATION AND ELECTIONS  
COMMITTEE IN SUPPORT OF S.B. No. 642 and H.B. No. 5823  
IN OPPOSITION TO H.B. 7385 and H.B. 7392*

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*March 25, 2019*

*Statement of Michael J. Brandi, Executive Director & General  
Counsel  
State Elections Enforcement  
Commission*

Co-Chairs Flexer and Fox, Vice Chairs Haskell and Winkler, Ranking Members Sampson and France, and distinguished Committee members. I am Michael J. Brandi, the Executive Director and General Counsel of the State Elections Enforcement Commission (“SEEC” or the “Commission”).

The Commission *strongly supports these bills*:

**H.B. No. 5823 AAC Campaign Consultants and Use of Funds under the Citizens’ Election Program**

The Commission believes the concept in this bill would be an excellent addition to H.B. 7210, An Act Concerning Campaign Consultants and Coordination, a bill which contains language proposed by our Commission. (The language in H.B. 7210 also appears in H.B. 1043 An Act Concerning Social Media Platforms and Campaign Finance.) All three bills address the lack of disclosure from consultants about what they are charging and how they spend the money—money often from the Citizens’ Election Program, public money. Campaign treasurers are frequently caught between a rock and a hard place when the consultants fail to provide the information that the treasurers need to comply with the law.

House Bills 7210 and 1043 would make it clear what information is to be provided by consultants to treasurers and make it possible to hold noncompliant consultants liable.

The bill before you for hearing today, House Bill 5823, would require consultants to register with the Commission and file an affidavit of intent to abide by the CEP spending limits. This requirement would give notice and serve as important training for consultants, as well as assisting with the enforcement tools provided for in H.B. 7210 and 1043. We stand ready to work with the legislature on the language of such an affidavit.

Combining House Bill 5823 with the language in House Bills 7210 or 1043 would alert consultants of their duties, make it possible to hold noncompliant consultants liable, would help the treasurers get the information that they need to do their jobs, would provide better accountability and better disclosure to the public, and would help ensure that public funds are being spent for legitimate campaign-related purposes. The bills, together, would increase transparency by providing tools to uncover common vendors which will help to ensure compliance with the independent expenditure laws. We strongly urge the passage of such language during this legislative session.

### **S.B. No. 642 AAC Social Media Platforms and Campaign Finance**

Senate Bill 642 addresses campaign finance disclosure and social media by requiring on-line platforms to make available for public inspection certain political advertisements; and provide to the State Elections Enforcement Commission contact information for a single point of contact at such online platforms who is responsible for the sale of the advertisements on such online platform. The Commission supports addressing the transparency of social media advertising but does not believe this bill goes far enough.

We believe that transparency and effective, efficient disclosure of social media is of utmost importance to the healthy function of our democracy. House Bills 7329 and 1043, which were before this committee for public hearing on March 13, 2019, also addressed campaign disclosure and social media. They are based on proposed Federal Honest Ads Act legislation (re-introduced in 2019 as H.R. 1 which has recently passed the House), and are intended to prohibit foreign business's funding of independent expenditures in Connecticut

as well as require online platforms to disclose who are buying political ads on social media. We urge that the legislature consider the fuller more complete approach put forward in House Bills 7329 and 1043.

We urge that if the legislature does not address dark money and the social media this session, then a working group including designees from our Commission be formed to address these issues. Such a committee could also consider concerns raised in House Bill 5815, An Act Concerning Political Advertising, which involves altered or fake images.

On to the bills *the SEEC opposes*:

**H.B. 7385 AAC The Department of Administrative Services and Changes to Affirmation, Affidavit and Certification Requirements for Large State Contracts**

The Commission strongly opposes this bill, which, as currently written, will substantially weaken both compliance with and enforcement of the state contractor provisions. Our administration and enforcement of the limits on state contractors will be severely damaged if the language currently before this committee is adopted.

Currently, the state contractor provisions in the campaign finance statutes, and in Executive Orders signed by Governors Rell and Malloy, require each state agency and quasi-public agency to obtain affidavits disclosing certain information from state contractors and prospective state contractors. This has been called OPM Ethics Form 1.

This may sound like a minor requirement but I assure you it is not. Having a state contractor have to identify their principals and review their own past contributions serves several very important purposes. First, it is an action they must affirmatively take that makes them aware that the state contractor contribution ban is real, and taken seriously. This really can't be emphasized enough: this, more than any acknowledgement, written or otherwise, of some boilerplate notice provisions, or any paragraph buried deep in the body of the contract, informs them about Connecticut's no-nonsense attitude on corruption. It is a statement of the culture that they are now a part of, and are being asked to respect and participate in. Next, it makes them have to affirmatively identify who the principals are at that company who will be affected by the state contract, and forces those people to identify

their own contributions. This puts them on notice as well. In putting all of the principals of these businesses on actual notice of the state contractor contribution and solicitation ban it makes them much less likely to accidentally violate it, and put their contract in jeopardy.

When contractors get this affidavit, it frequently opens their eyes. First, our compliance staff receives regular calls from individuals who are completing OPM Ethics Form 1, which currently contains the certifications concerning campaign contributions. These calls help to educate the callers as to the parameters of the state contractor contribution and solicitation provisions, and also helps the callers determine whether they are principals of a state contractors or prospective state contractors covered by the provisions. In addition, the current system has resulted in numerous self-reported complaints, where principals who are completing this form realize that they may have mistakenly made an unlawful contribution in the past, and are able to self-report their past actions to our agency. This allows our Commission to find mitigating circumstances (or not), and allows the contractor to manage their risk. As a result, more state contractors and prospective state contractors are aware of the law and comply.

We understand the need to streamline the contracting process and eliminate paperwork and make Connecticut more business friendly. We support these goals. But sometimes it is necessary to pause in the middle of a process to emphasize something that is worth emphasizing. That Connecticut strives to be a zero-corruption state is worth emphasizing. In our experience, no one appreciates that more than the people and businesses with state contracts, who call us expressing relief that they don't have to play that game. Eliminating these affidavits signals that we are back-sliding into the same pay-to-play culture that this legislature and the past two governors worked so hard to eradicate.

We understand that this may not have been the intention of this bill, but an unintended consequence. We stand ready to help the Commissioner of DAS, who proposed this bill, and the legislature craft a solution that preserves this important and successful piece of our campaign finance system.

**H.B. No. 7392 AAC Voter Privacy**

The Commission opposes this bill as drafted. The bill prohibits the Secretary of the State or a registrar of voters from disclosing voter registration information to anyone except a candidate, candidate committee, or political committee. It is quite broad and would appear to prevent the State Elections Enforcement Commission from access to information that it uses during investigations and the Citizens' Election Program's grant application process. While the information may be available through other means, such methods will be slower and more costly. We therefore request that the State Elections Enforcement Commission be exempted from the application of this statute entirely.

We would also urge the Committee to think carefully about this bill and its ramifications. Which other public agencies will it block from information? What adjustments will be required for the registrars' offices? What re-programming will be required for the Connecticut Voter Registration System? We understand that this is a work in progress and the legislative session is long. We look forward to continuing to work with this Committee and the legislature as a whole to reach the right balance of access to information and disclosure.

**Thank you for the opportunity to present this testimony.**

We would like to express appreciation to the Committee, the Office of Legislative Research and the Legislative Commissioners' Office for their time and effort spent on these bills. It is our sincere hope that the bills will continue to strengthen and improve one of the best experiments in democracy in the nation. We look forward to working with you further and stand ready to assist in any way. I would be happy to answer any questions you may have.

Michael J. Brandi

Executive Director and General Counsel  
State Elections Enforcement Commission