STATE OF CONNECTICUT

CITIZENS' ELECTION PROGRAM

PUBLIC HEARING

DECEMBER 5, 2008
MR. CASHMAN: Good morning, Everybody.

Welcome to the hearing for the State Elections Enforcement Commission and the review of the Citizens' Election Program. Thank you all for coming. At this point, I'm going to turn the program over to our Director of the Citizens' Election Program, Beth Rotman, for some introductory remarks and then we look forward to hearing your comments. Beth?

MS. ROTMAN: Thank you, Steve. Good morning. As Chairman Cashman mentioned, I'm Beth Rotman, Director of the Citizens' Election Program for the State Elections Enforcement Commission.

Thank you to everyone who is here to discuss the Citizens' Election Program, which the Commission is charged with administering.

I am proud to be the director of the landmark program and it's a pleasure to see everyone here today at the Commission's post election hearing. This is the second of the Commission's two post election hearings. As the dust begins to settle on the 2008 election season, Connecticut has passed an extremely important milestone: The first run of the completely
voluntary Citizens' Election Program.

The program, which provides grants to qualified candidates, represents the broadest, most comprehensive and most successful effort to remove special interest money from the political system undertaken by any state in this nation's history.

In the program's first run, 75 percent of the State's candidates for state legislature participated in the voluntary program. When compared to the first run statistics of comparable programs, that 75 percent number is extraordinary. By way of reference, in their first runs, the public financing programs in Arizona and Maine had participation rates of one quarter and one third of eligible candidates respectively.

The embrace of the program by candidates is extraordinary, but the change in Connecticut goes much farther. Connecticut has made history this election season not only because of the staggeringly high participation rate, but more importantly because of what that high participation statistic really means for the State of Connecticut.

The fact of the unprecedented
participation rates for the first elections for voluntary public campaign financing means that the State of Connecticut has virtually eliminated special interest money from the elections. This is what democracy could be, this is what democracy should be and it's happening here. Thank you for coming. And I will turn things over to Jeffrey Garfield, the Commission's Executive Director and General Counsel.

MR. GARFIELD: Thank you, Beth, and thank you for those remarks. At this point, we do have a long list of speakers today; and we would like to get to them as quickly as possible, but I would like those of us around the table to introduce themselves, starting with Dianna.

MS. KULMACZ: Good morning. Dianna Kulmacz. I'm the Director of Campaign Disclosure and Audit with the Commission.

MR. HASEN: Mann Hasen, IT Manager.

MS. LOVE: Jean Love, Fiscal Administrative Manager.

MS. JENKINS: Joan Jenkins, Commissioner.

MR. CASHMAN: Stephen Cashman. I'm
Chairman of the Commission.

MR. BOZZUTO: Dick Bozzuto, Commission member.

MS. ANDREWS: Joan Andrews, Director of Legal Affairs and Enforcement.

MS. KIEF: Shannon Kief, Director of Compliance.

MS. NICOLESCU: Nance Nicolescu, Director of Communications, Legislative Affairs and Candidate Services.

MR. GARFIELD: Okay. Thank you very much. Just a couple of housekeeping issues. If you do have a cell phone, in keeping with the tradition of the legislature, please turn it off during the hearing. I will ask speakers to keep their comments brief. We do want to get all of your input on the record, as the Commission looks to formulate its recommendations to the 2009 General Assembly.

And leading off today is the Speaker Elect, Christopher Donovan. Chris, if you can -- long-time supporter of public financing. Great to see you here today, Mr. Speaker.

MR. DONOVAN: I guess -- well, I would
like to thank you for inviting me here to come and say hello. And I come here as -- certainly as a House majority leader, but also as a candidate who has just been through the process.

And I want to commend the Commission for making it as smooth a process as possible. As a first year, we did it with such an extent of candidates and, you know, we had our ups and downs and bumps along the way; but I was very impressed with how smoothly things worked, generally.

I personally went out early to see how it worked and started my -- raising my $5 contributions and up to the $100 early, just to see how it worked. And, you know, you hate to say this, but it was a little fun, going around and getting the small contributions and talking to people. It was different from the way we had raised money before, though it reminded me when I first ran for office, you know, nobody appeared. They gave me a shot, but people back home did it. So it was very reminiscent of that, going around and talking to people and people --

There was actually one gentleman who was helping me out. He was going around and we
were at some event and he was at a table and he said, "There's Chris over there. Give him five bucks. Come on." And, you know, before I left the evening, it had been -- it was early, so I had the long form. You remember the long form? So people filled out the long form and gave me the five bucks. I think I left that evening with at least 20 contributions. I was well on my way to the 150.

I think it was also for, those candidates who took time and thought about it and did it early, it worked out well. For those who kind of waited a little bit towards the end, it was a little rough.

But I think the Commission did a great job in also having people, consultants that people could talk to and work things out. That was important, I think especially in the first year. There were a lot of questions, people filling out forms that they had never done before. People writing checks in different ways that they had ever done before, you know, couples signing for each other and not doing that.

So we learned a lot and I think my colleagues are very interested in talking about it.
and some of the bumps along the way and try to
smooth it out. But I think overall it was a
tremendous, tremendous, tremendous success. And
things went smoothly.

You know, I really didn't hear much --

once people made the level, things went very
smoothly from that point along. And I want to
commend all of the people who in the Commission
made it work. And I think it was a really great
start and I really think made Connecticut shine
across the nation as a State that invested in
public housing; and not only did it, but did it
well. So congratulations.

MR. CASHMAN: Thank you very much.
The Commission greatly appreciates the cooperative
effort with which all members of the General
Assembly have worked with the Commission into
formulating this program, implementing it and
providing the funding for it; and we certainly look
forward to making any necessary changes in the
upcoming session. Thank you very much.

MR. DONOVAN: Thank you.

MR. GARFIELD: Thank you, Chris. Our
next speaker is Representative Andrew Fleischmann,
a long-time member of the Government Administration
Elections Committee and also a long-time supporter
of the Public Financing Program and the quest for
campaign finance reform in Connecticut. Great to
see you, Representative.

(State Representative Andrew
Fleischmann, Democrat, West Hartford.)

MR. FLEISCHMANN: Great to be seen.
Thanks so much for having me here this morning. It
is truly a pleasure for me to be here with you to
talk about how the system worked, having worked so
long with many of you to make this system a reality.
I almost have to pinch myself to realize we're
already at the point where it's shown what
Connecticut can do and now we're just debriefing.
What I would like to do is talk about what worked
well and where there might be some improvements,
some tweaks.

In terms of what worked well, so on
the technical side, I can tell you that up until
this cycle dealing with the computer filing system
was not an easy thing nor a predictable thing.
Under the CFIS system that had been administered by
the Secretary of the State, there were all sorts of
glitches.

I had treasurers tell me about pressing the Send button and having all sorts of data that they had entered simply disappear into cyberspace and then not being able to reach people to find out what had happened, how the glitch could be fixed. So there were all sorts of frustrations for my treasurers and I often felt guilty for asking them to serve.

Under the new system that you all set up, I am not aware of a single glitch that occurred for my treasurer; and that may seem like a small thing to folks watching on CT-N, but the fact is that you had so many candidates doing so many filings and this was the first year you had the system up and running and I think that was an extraordinary accomplishment and I thank you for the work you did to make that happen.

In terms of service, as I indicated, previously we had a system with divided responsibilities, some resting with the Secretary of the State, some with the Commission; and it could be quite difficult at times to get someone on the phone to help.
I had treasurers who would tell me of their frustration of calling at 4:30 or 5:00 on a weekday and having no one at an office who could answer because the day had ended; and, meanwhile, there was a filing due, say, midnight that night, but they were out of luck because they hadn't conformed to the schedule of the one person who might answer questions.

Under the approach that you all set up, that problem virtually disappeared. You all were very customer friendly. Of all of the calls that my campaign people placed to the Commission, I am aware of only a single call that went unreturned and that was during the crunch time of the July filing when I imagine it's possible it was lost in the shuffle, but all other calls were returned.

The person who was assigned to our campaign was invariably helpful, courteous, polite. And it really -- and the notion of having an assigned staff person is a great one. You know? There is an individual who can be reached and who can be spoken to. So I commend you for having used that structure and I would encourage you to continue it.
Last and most importantly, in terms of the implications for candidates and campaigns, it was an extraordinary feeling to be out there in September asking people to please give $5 to my campaign. I had some people who would say to me, you know, "That's just too little. I would like to give you more." And I'd say, you know, "Really, don't bother. I have already met the threshold for $5,000 in total contributions. I just need some more individual contributors from my town. Please give $5."

And so it was fun for me to be able to tell people, "No. $100, not needed; $50, not needed; $5, that's great." And it was not hard to go ahead and reach that 150 donor threshold, once I realized I was short of it because the ask was so small.

It was fun to have a campaign cycle where there were equal resources available to my challenger and myself. I didn't have to listen to carping about some kind of an unlevel playing field because the resources were equal. In fact, though the final reports haven't been filed, my guess is my opponent outspent me because I chose not to use
all of the resources available to my campaign through the grant.

And I think it's good for democracy, that they got a lot of mail from my opponent. They saw advertising for my opponent. They knew about the philosophical differences. I think it made for a good campaign and I think it's better for our democracy and it was a pleasure to be a part of such a system.

In terms of improvements, on the technical side, my campaign entered a whole bunch of data into your system and the most important data to us had to do with contributors; but when it comes to download that information, at present, I believe the only format one can get it in is a PDF document.

Now, that is tremendously frustrating to those of us who have entered the data because what it means is when it's time to go ahead and put together our own data base to do thank-you notes, we have to go ahead and recreate it in our own data base.

So having had my treasurer go ahead and enter all of the information, I now had to find
other volunteers to reconstitute it so I could do
my thank-you letters. If the data could be
downloaded in a format like Excel or even just a
format that is -- one that's compatible with most
data bases, like ASCII, that would save a
tremendous amount of time and unnecessary repeat
effort and I would appreciate it if the Commission
could look into doing that.

With regard to the calendar, as the
Speaker Elect indicated, under this new system,
most of the fund-raising efforts are front-loaded
because if you haven't gotten it all done by early
October, you're too late to be able to come before
the Commission and apply.

And I think it's good in the sense
that all of the fund-raising is done, but most
people in the public aren't aware of the new
calendar. So there were all sorts of contributions
coming into campaigns into October after you had
finalized your process.

I would suggest that it would probably
be good to make some change to reflect the fact
that most public awareness of elections really
comes to its height in October. People's tendency
to participate comes to its height in October. And what I would suggest is either setting some later dates for candidates who choose to participate in the system to allow them to cross the threshold. Because even if they are not crossing the threshold two weeks before election day, that's still better than being able to do it at all and I think maybe candidate may be ought to have that option.

Another possibility I would put out there for you is to make it permissible for a campaign that has reach the thresholds and gotten its grants, grant, singular, excuse me, to continue accepting contributions and to use those as dollars that will go back to the fund, the Citizens' Election Fund.

As long as you don't have a situation where those late contributions are giving one campaign or another an advantage, it's really immaterial whether they're accepted or rejected in terms of the fairness of the playing field. But, meanwhile, if you allow for acceptance of those dollars, those could be funds that would go into the Citizens' Election account to further strengthen the system.
So to conclude, I would like to observe that those improvements I just mentioned are really tweaks. They are not massive changes. And, in fact, overall I think that you did an amazing job of taking a system that was only put into law a few years ago and making it a reality. And I know there was a lot of hard work involved in making that happen and I thank you for having done that.

MR. CASHMAN: Thank you very much for you comments. Our IT person, I think, can address at least your technical comment.

MS. HASEN: The download of that data will be available as of January 2nd of this year. We are all done with our final testing, so you will get exactly what you requested in multiple formats, Excel, Access and also just a common limited file. You can have all of that data back from your campaign. Not just you, everybody in the public also can have that.

MR. FLEISCHMANN: That's great. And

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MR. HASEN: For contribution and expenditure, also.
MR. FLEISCHMANN: Just for my understanding, once that's available in January, will that be forever available and for the next cycle, available in a real-time basis? Because, frankly, I have already done my thank-you notes for this campaign, so it's a little late for this cycle, but is that a permanent change?

MR. HASEN: That is correct. It will be permanent from now on with about 12 hour delays.

MR. FLEISCHMANN: That's great. Thank you.

MR. HASEN: You're welcome.

MR. CASHMAN: Thank you very much.

MR. FLEISCHMANN: Thanks.

MR. GARFIELD: Thank you, Representative Fleischmann. Our next speaker is Jay Salvatore. Mr. Salvatore?

(Mr. Jay Salvatore, Campaign Treasurer for State Representative Kurt Cavanaugh.)

MR. SALVATORE: Yes.

MR. GARFIELD: Okay. Thank you.

MR. SALVATORE: Good morning. I think -- are you handing out, Sheri-Lyn, a copy of what I am going to speak about today?
MS. LAGUEUX: Yes.

MR. SALVATORE: Thank you. I wanted
to give some thought to what I'm going to say to
you today, so I did prepare it ahead of time for
you. My name is Jay Salvatore. I live in
Cromwell.

About a year ago, a friend asked me to
act as treasurer for his campaign for State
Assembly. I had never acted as a treasurer, so I
knew I had a lot to learn. At the time, I was not
even aware of the Citizens' Election Program or the
State Elections Enforcement Commission, so I am a
real rookie in this process. I'm not like the
previous speaker who had some knowledge of what was
going on.

In the last year, I have learned a
lot. It's been an amazing process. Our campaign
successfully participated in the Citizens' Election
Program and we've now gotten through the election.
After going through this process, it's my opinion
personally and acting as a treasurer that the
Citizens' Election Program should be considered a
tremendous success.

As a citizen, I am proud that our
state has taken the lead in rationalizing the
political fund-raising process. I am also happy
that it's placed limits on total spending and
eliminated inequities in candidate funding.

As treasurer, I know our campaign was
very excited to have an opportunity to focus on
getting our message out, rather than constantly
worrying about fund-raising. I heard from previous
candidates that up until the last minute they were
out there, trying to match their opponent in
raising money and we didn't have to worry about
that.

Early in the process, we had a
spending budget. We knew that our opponent would
be working with the same budget and that we would
both be operating under the same set of rules. I
truly believe that this process opens the door to
ordinary citizens to participate in the election
process. And I consider myself an ordinary citizen
and I did participate in the election process.

I can't compare the CEP to the prior
system, but I can give you a pretty good recap,
what it was like to go through this starting from
scratch. As I mentioned, although I was very
pleased with the entire process, there were some
particular items that were critical to our success
and some items that I believe could be improved.

On the success side, I wanted to give
credit to some of the staff at the SEEC. I was
very impressed with their attitude, hard work and
knowledge; and I would not have been able to get
through this without them. Specifically I wanted
to mention our campaign liaison officer, Lisa
Saccanino. She was always available to answer my
questions, returning e-mails promptly and always
giving me great information.

I also wanted to mention Dianna
Kulmacz, and who handled a number of the training
sessions I attended and other members of the SEEC
IT staff, who also trained me on how to use eCRIS.
ECRIS was also a valuable and easy to use tool and
I did all mandated reporting on line. Also, the
SEEC website was a great source of information
throughout the campaign.

Some of the items I think you might
want to consider looking at going forward include
following some of my experiences from the campaign.
I think clarifying the process for qualifying
campaign contributions. Our committee used the
recommended contribution certification form;
however, we were never sure whether certain items
would be approved when we submitted our grant
application.

There no way to completely verify the
information on the certification form that was
submitted by the contributor and there were
instances where the information on checks listed
different or addresses than the contribution form.
It would be helpful to understand guidelines around
this so we could catch the problems up front.

Again, I asked questions about those.
I got great answers. But we were never really sure
what was going to pass and what wasn't when
submitted things. Luckily we got through the
process in the first try and we didn't have any
problems with that.

I wanted to talk about reporting for a
moment. One of the things that happened to us is
that our reporting was triggered when our opponent
hit their 90 percent spending threshold. When my
opponent hit his threshold, I was informed that I
would need to start reporting weekly. I understand
the purpose of the threshold trigger, but why would
this trigger reporting apply to our campaign? I
think it created a lot of extra work for us and
requirements and I'm not sure the real benefit
associated with that.

There was some confusion at the SEEC
related to this. Based on my opponent's trigger
and a notice from the SEEC, I started weekly
reporting using the supplemental report in eCRIS.
I clarified with the SEEC staff that this would
replace my scheduled reporting; however, after the
election, I received a notice that I was being
personally fined for missing reporting deadlines.
It took me about a week to straighten this out with
the SEEC staff.

And then one other final item on
reporting that I wanted to raise and that is
reporting on other committee expenditures. I spent
a great deal of time trying to understand the
requirements related to uncoordinated campaign
spending by town or state committees.

I communicated these rules to whoever
would listen. However, I was completely subject to
the other committee for compliance. I recommend
that this requirement be eliminated mainly because I don't have any control over the process. If they have given the information, I can report it; if they don't, I don't and theoretically I am in violation.

Another item that I suggest that you look at is the response by SEEC attorneys. As I mentioned, one thing I was very pleased with was the response from my liaison. However, I did ask several questions that were referred to staff attorneys for resolution.

In this case, the process was far from satisfactory with responses taking one to two weeks and in some cases requiring that the question be asked multiple times. I recommend that you consider giving more authority to the liaisons to research and resolve issues.

And, finally, one other recommendation is outside regulatory requirements. There are, as I'm sure you are aware, regulatory requirements for a campaign outside of the SEEC, primarily the IRS. If you truly wish to encourage broader citizen participation in the election process, I would recommend you expand information about these
requirements, especially IRS requirements, provide information about obtaining and using tax ID's, tax filings and guidance for actions and decisions regarding the creation and the termination of the campaign committee.

I am in that process right now, trying to decide whether we're going to terminate the campaign committee or not, what reporting I need to do with the IRS. I'm really left to do all of that research on my own, primarily. It would be helpful if that was packaged with some of the other information that you are providing to campaigns.

Thank you very much and I really appreciate the opportunity to be able to share some of these experiences with you and thank you for the opportunity.

MR. CASHMAN: Thank you, Mr. Salvatore. Your real world experiences are much appreciated. Does anybody have any questions? Comments? Jeff?

MR. GARFIELD: Yes. I do want to agree with you on the 90 percent supplemental reporting requirement. I think that that requirement did cause treasurers and the agencies some heartache.
We are looking at some ideas to change that requirement, so we hear you and that we expect will certainly be part of the presentation that we make to the Commission at the next Commission meeting.

MR. SALVATORE: Thank you.

MR. GARFIELD: I want to clarify something on reporting of committee uncoordinated expenditures. Are you referring to the organization expenditures? Yes.

MR. SALVATORE: Yes.

MR. GARFIELD: Because they are supposed to obviously give you the information --

MR. SALVATORE: Right. And that's the issue.

MR. GARFIELD: -- from which to report. That's where the communication fell down?

MR. SALVATORE: Well, I think in my case, I had done a lot of research on this in trying to understand what they could help with, what they couldn't. And there's guidelines within your documentation about coordinated expenditures, which are not allowed, uncoordinated expenditures with town or state committees. So I understood the process pretty well.
The town committee that I was working with really wasn't aware of anything until I brought it to their attention. And what I was always nervous about throughout that process was would they really comply? Would they do what was necessary? Because I had no idea what they were planning on doing or what they weren't planning on doing and they eventually did give me some information. I'm not sure it's complete or not. So I am not sure that putting that burden on the campaign committee to capture that information and include it in the reports is beneficial or always going to be accurate.

MR. GARFIELD: I understand. I will say that in terms of the Commission's role, we did, as you may know, a lot of education. There was a sheet of several pages that went out to town committees regarding the treatment of organization expenditures and what their obligations were. Obviously in any new program, there's some start-up confusion and a learning curve and I'm sure that as the -- as they get more comfortable with the notion of what they need to do, under that particular part of the law. And we will see improved communication
between the town -- the party committees and the
candidates who are benefitting by the organization
expenditures.

MR. SALVATORE: My only suggestion
there is separate the two, just for you to
consider, because I am fine with them having
reporting requirements. Let them report that to
you and then take that away from the campaign
itself. So that's really my suggestion for your
consideration.

MR. GARFIELD: Okay. And I thank you
very much.

MR. CASHMAN: Thank you for your
comments.

MR. SALVATORE: Thank you.

MR. GARFIELD: Thank you. I notice we
are joined by the Senate Co-Chair of the Government
Administration Elections Committee, Gayle
Slossberg. Good morning, Senator Slossberg. And
if you have comments to make, you have the floor.

(State Senator, Gayle Slossberg,
Democrat, Senate Chair, Government Administration
and Elections Committee.)

MS. SLOSSBERG: Well, thank you and I
thank you for welcoming me here this morning and
for holding this hearing and the previous hearings
that you have had. And I do want to just let you
know that we have heard, you know, great things
about the administration of this program. I know
we were all a little nervous when we jumped off
this cliff together; but by all accounts, I think,
you know, there are some bumps that need to be
addressed and whatnot and I look forward to working
with all of you in the upcoming session to address
them; but all I can really do is give you all a pat
on the back for a job well done. We have heard by
and large very good things from all of you and all
of your staff. So congratulations. I look forward
to hearing the rest of the testimony and working
together for the rest of the session.

MR. GARFIELD: Thank you so much,

Madam Chair.

MS. SLOSSBERG: Thank you.

MR. GARFIELD: And we look forward to
working with you, as well. Our next speaker is Art
House. Art?

(Art House, Democrat, Candidate for
State Senator.)
MR. HOUSE: Thank you, Mr. Chairman, Members of the Panel. It's a pleasure to be here today. I am Art House. I ran in the 8th Senatorial District as a Democrat and I was asked to come here today to report on that experience.

The 8th District is a seat which has never gone Democratic. And one of the reasons I decided to run was the attractiveness of public financing. So I think in that sense my candidacy was partly inspired by the availability of public financing.

And it was a close race. We had about a 48 percent of the vote. So I think it was a good campaign and it was a good experience. I have three kinds of comments for you today, very briefly. Management, good government and fairness.

In management, and I think it's -- the first thing I have to say, it's extremely important to have a good treasurer. I had a very competent one named Matthew Kelly. But the role of treasurer has been changed by this act. It is no longer a fund-raiser. It's a compliance officer. And it is extremely complex and quite demanding. We killed a lot of trees. We made massive reports.
He had praise for the work of your staff. His telephone calls were promptly returned. The staff was knowledgeable. The questions were quite technical. But people knew what they were doing. They gave him answers and we were able to get through the compliance function easily. They are very prompt, as well. So congratulations, I think, for managing this in an effective manner.

One specific recommendation he had was that he found that the fact that there were three lists of public -- of potential donors to be quite confusing. I suggest you have a list, just simply have a list of people who can contribute and who -- and that's it. Not three separate lists. But that was one specific concrete thing that you might note for future use.

Two other points, good government and fairness. Good government, I think there were significant positives during the entire campaign. I never met with a lobbyist. I never met with a state contractor. And that's different between past years. Obviously, that is how money would have been raised so that was a stark difference.

I think it started the process of
grass roots activities. A lot of town committees have no idea what is going on and a number of them were not active in the campaigns just because they didn't realize how important it is. In the future, I think they will be, both because they can contribute money to campaigns and they can help with that list of 300 that you need. Others were quite motivated and were very strong participants. But in the future, I think town committees will be strengthened because they will have a role in the public financing qualification process. Also, the Senate Democrats, the parties themselves, have stronger roles because they can contribute. So I think those are two positive outcomes from this.

And a third, I would say, is that from August onward, after we qualified, we were able to concentrate on the issues, on the campaigns, out working with voters and not on financing. That was a tremendous benefit, not to have to interrupt campaigning or discussion of a serious matter in September and October because you had to go raise money. I thought that was a net positive and I deeply appreciated that.

On fairness, I think the record is
mixed. I must say I disagree with the comment made by Representative Fleischmann. I do not think that this new system ensures fairness or a level playing field. Name recognition is huge in a political race. I don't have to tell you that. At the state representative level or at the municipal level up to about 20,000, 25,000, you can compensate for lack of name recognition by hard work. If you start in June and you knock on doors four or five hours a day and make phone calls all the time, you can probably reach about 10,000 doors or households, which is maybe half of a state rep district. You can't do that for a senate district.

And so name recognition is a very big (inaudible) but the other side ought to get the same amount of money. If have you a primary in a state senate race and somebody has $30,000 and owns the lawn sign game through the entire month of August, that person's name recognition goes up very, very dramatically.

It was suggested to me that I ought to find someone just to primary against, very simply to get the $30,000. We thought of doing that, but there was no person genuinely interested and it
would have been a sham, just simply to have the
name recognition go up. But there is a very
serious disadvantage. And if you give one side
$30,000 for primary, you ought to give the other
side $30,000 in order to have a -- to approach the
level playing field for name recognition.

I do think the system works, if both
sides are equally well-known. If you have a
candidate who might only be able to raise say
$20,000, $30,000, $40,000 and have you public
financing and that amount is leveraged to $100,000,
you approach fairness. Both have $100,000.
Obviously the person who would only have $20,000,
$30,000, $40,000, moving up to $100,000, makes the
race more fair.

On the other hand, it's like a 100
yard race. If you have an incumbent with a name
recognition of about 60 percent and a neophyte with
zero, you're starting a 100 yard dash with somebody
at 60 yards and one at zero and you will never
catch up. It just won't happen. In which case,
the person with no name recognition may need
$200,000, $300,000, in order to run a fair race
against somebody to make up for that name.
recognition.

So advertising is the only way to do it. It was interesting in our race, there were no press releases. The demise of print journalism was quite significant. I mean, we had the -- the print journalism role has just diminished remarkably. And the only way to reach voters is through advertising or through direct mailing.

You can't do it by having a press conference. No one shows. Print journalism, very simply, is rapidly spiraling downward. So, therefore, the role of money in equalizing name recognition is more important than it's ever been.

You can't cover all of the bases. I think this in terms of management was a clear success. And I think in terms of good government, it clearly was a success. It's a great accomplishment and I think Connecticut can be proud of it. In terms of fairness, I think it's mixed. I think it does strongly protect incumbents and that is a long-term consequence, which I think can be quite negative for the State of Connecticut, if that is not compensated for.

Those are my experiences. I am glad I
ran. And I think this was a better experience because of public financing than it would have been without it.

MR. CASHMAN: Thank you very much for your comments. Questions?

(No response.)

MR. CASHMAN: Next speaker?

MR. GARFIELD: The next speaker is Vincent Marino.

(Vincent Marino, Republican, Candidate for State Senate.)

MR. MARINO: Good morning.

MR. CASHMAN: Good morning.

MR. MARINO: My name is Vincent Marino. I was the Republican candidate for the 14th Senate District and I want to thank you all for the opportunity to come out this morning and thank you for having these hearings.

I was asked to come and speak about my experiences as a challenger in this election cycle. And I will tell you from a candidate's perspective, it was a wonderful experience.

The public financing, I think, took away all stresses associated with prior elections.
And although I was not a challenger in any prior
election, I do have experience as a Town Chairman
of the Orange Republican Town Committee, which I
served for five years, and I worked with state
representative and state senate candidates during
that time period.

And the stresses associated with
raising money in those prior elections, running up
until November, whatever election day was, trying
to come up with an extra few thousand dollars to do
a couple of things was constant and I think it
really did distract in those prior elections from
what the true mission of a campaign is and that is
to hone a message and get that message out to the
public.

I think overall my experience during
this campaign was that public financing allowed me
to move away from that stress of financing, which
gratefully was completed for me in June, and then
the stress became that of my treasurer to get all
of the paperwork done, which I do believe there can
be improvements made in that regard, getting, you
know, in the paperwork. It was a few dozen trees
that had to be chopped in order to actually get all
of the paperwork done.

But from a candidate's perspective, I think that it was a great experience. I did not see there being any problem with the minimum thresholds of 300 signatures and $15,000. I thought that that was a perfectly fine threshold. And just to disagree with the prior speaker, as a challenger running against Senator Slossberg, who obviously had greater name recognition than myself, it's an imperfect system.

It's -- you know, we are never going to have a perfect system. It's just an impossibility. There's going to be challengers with zero name recognition and I am sure we can find a challenger with more name recognition than an incumbent. You know, that's the way the system works. It's imperfect.

And I don't think it would be fair from a challenger's perspective to -- if I would have had $300,000 and Senator Slossberg would have had $100,000, I don't think that's a way to equalize this system.

I think, you know, we can only do the best that we can do; and I think that this is the
right first step. And from my perspective, I thought $100,000, although compared to prior elections where significantly more money was spent by people not participating or prior to the existence of this program, $100,000 may not be the right number to fund a campaign for a senate district. I think as long as the number is equal between both parties, I think that's fair.

I don't know what that -- I couldn't suggest to you what that right number is. I found that we spent every last penny. Maybe we felt we wished for an extra penny or so, but we did manage our money appropriately.

There was some comments made by prior speakers, and I will not go into them in depth, but I do believe that there needs to be some fixing with respect to reporting. There was the 90 percent requirement. That, you know, we found that once we hit the 90 percent threshold, you know, there wasn't necessarily reporting the way that there was supposed to be on the other side. And I understand that we were pretty close to the election at that point and we were told, "Well, shortly after the election, there's going to be an
additional reporting, so we're just going to wait for that." The rules are what the rules are. We had to follow the rules or we don't follow the rules. That would be the only thing I would take away from that.

With respect to your Commission, you know, I would like to applaud you all. From my treasurer's perspective, he had nothing but great things to say about the communication with the people that were assigned to our campaign.

Your efforts were tremendous. Your efforts were in unchartered territory; and so in that regard, I think you did a tremendous, tremendous job. So I want to thank you for your effort over the last four months. For me, it was a great experience.

How to make this system better? I think, you know, it's not an overhauling. It is a tweaking here and there. And I think in the large regard, it is in reporting to make -- not only from a donor's perspective easier, if we could do this electronically, it might be better.

I know in the court system, I'm a practicing attorney, and we have gone to electronic
filing and we are held responsible to maintain our
originals. So if there is ever a question, you
know, we have to produce the originals. So maybe
we could go to some form of electronic filing to
reduce the level of paperwork that actually needs
to be done, but we would be charged or the
treasurers be charged with the responsibility of
maintaining the originals. So ever there was an
audit, that paperwork could be produced. That
might be one way of reducing the number of paper
that is used.

Also with reporting, I don't
necessarily think that it's necessary at 90
percent. I don't know if 90 percent is a magic
number to trigger some event. I think that at a
certain point, you know, there should just be
milestones, whether it's, you know, a month before
the election, two weeks before the election, a week
before the election, a week after the election,
whatever that is. I don't think there is a magic
percentage that would make a difference, quite
frankly.

From a candidate's perspective, we are
organizing our campaign in a certain way. We are
spending our money in a certain way. It's not
going to make a difference at 90 percent, if my
opponent files at 90 percent that I'm suddenly
going to do something different. By that point,
it's too late anyway. So I don't think that that
is a magic number.

But I would like to thank you all for
the opportunity to come up. I had a great
experience overall. And if you have any questions,
I'm happy to field them.

MR. CASHMAN: Thank you very much.

With respect to -- I do appreciate you sharing your
experience with us. With respect to the electronic
filing, that is an issue which the Commission has
advanced to the General Assembly and undoubtedly
will be advancing again. Currently campaigns for
state senate are not necessarily required to file
everything electronically. We certainly encourage
that.

We think it would be better for
candidates and certainly for the Commission and
apparently for the trees, but that is something
that is an ongoing discussion between the
Commission, the legislature and the various parties
involved, so that will be brought up again undoubtedly.

MS. ROTMAN: Thank you. I would like to add to Chairman Cashman's point. Of course, the Commission completely agrees on the issue of electronic filing being the better way to go, not only because of the issues you raised, but because of the increased transparency for the public and the increased availability of the Commission to do our jobs in seeing where the spending is in these competitive races. And we also agree with you, and the Commission hasn't put out proposals on this yet, but we're considering at our next meeting something very similar to what you just spoke about, but I can't resist giving a little preview, which is taking out the uncertainty of what -- first of all, some treasurers were just confused about what is really meant by 90 percent, 90 percent of what. That's always -- can be tricky. And putting in the certainty of the deadlines, like you mentioned, and so the transparency is there. We don't lose anything for the public or for the campaigns.

Because one of the goals of that 90
percent and how it -- it did work in some races, even with the confusion of what it meant out there, was that it allowed candidates to know when their opponent might be near the spending limit because the program protects participating candidates with the opportunity to come to the Commission to ask for supplemental grants. And a lot of those late statements are all done with that in mind, the sort of 90 percent being the idea that now we're getting close to the spending limit and it gives the opportunity for candidates and then the Commission to weigh in on whether supplemental funds should issue, either because something is reported or because something is brought to our attention that is not reported that's happening out there in the race.

But we hear you on that and it's something we're working hard on and so I really appreciate the feedback on that, in particular.

Thank you.

MR. MARINO: Thank you.

MR. CASHMAN: Jeff?

MR. GARFIELD: Yes. Thank you, Mr. Marino. I do want to thank you for your nice
comments about the staff of the Commission. It was
a very strong effort by all of us to try and bring
a program to Connecticut elections that -- it was
very challenging and we certainly appreciate your
comments and thoughtful suggestions.

MR. MARINO: Absolutely. Thank you.
MR. CASHMAN: Thank you, Mr. Marino.
MR. MARINO: Have a good day.
MR. GARFIELD: Our next speaker is

Cicero Booker. Mr. Booker?

(Cicero Booker, Independent, Candidate
for State Senate.)

MR. CASHMAN: Good morning.
MR. BOOKER: Good morning. It's a
pleasure to be here with you this morning. For the
record, my name is Cicero B. Booker, Jr. I live at
149 Devon Wood Drive, Waterbury, Connecticut.

I would first like to thank the
program director and staff on the Citizens'
Election Program, Candidate Services Unit, for
their efforts and support in helping to keep
candidates in compliance with the state law as well
as the program rules. I believe that is a very
important service.
I was a candidate for the 15th Senate District in Waterbury, running on both the Independent party and the Working Family party lines. As you well know, they are minor parties. It is my understanding I was the only minor party candidate running for the state senate that qualified for the State's full funding. In order to qualify, there was 599 small grass roots contributions made from in the state and out of the state or in the district and out of the district to help reach the set goal of $15,000.

I am in strong support for the Citizens' Elections Funding program. I believe it has value for our election process. However, I believe it should be made equally fair for minor party candidates. For example, as a minor party candidate, I was required to collect over 2,700 signatures within the district to qualify for full funding; and I had to get 20 percent of the vote for the party to qualify for full funding next election without collecting the signatures. However, the major parties that failed to enforce the candidate for the election in the district, therefore, not getting 20 percent of the vote, can
still qualify for full funding the next election without collecting the signatures.

I believe that a major party that fails to endorse a candidate in any district, the endorsed minor party candidate in the district should automatically qualify for full funding without collecting the signatures and the major party should lose their automatic funding status in the district for the next election cycle and then would be required to follow the established current guidelines for minor parties to regain their funding status. This would correct the flaw I see in the program and bring some level of fairness.

With that said, I will close and answer any questions you have for me. I thank you for your attention in allowing me to speak to you this morning and I wanted to be short and sweet and to the point.

MR. CASHMAN: Well, thank you very much, Mr. Booker. It's nice to see that we do have with us a minor party candidate who went through the program. I take it your experience overall was favorable?

MR. BOOKER: Was it favorable?
MR. CASHMAN: Was it favorable?

MR. BOOKER: Yes, I believe it was favorable. But you have to remember, a minor party candidate, I am an elected official in the City of Waterbury as a minor party candidate. And we're used to working with what we call nickel and dime and with the grass root contributions.

In this case, this program allowed a campaign that be fully -- you know, be fully involved, using all of the necessary medias, you know, television, radio, newspapers and so on and so forth, mailings and stuff like that. So it was a rewarding experience, yes.

MR. CASHMAN: And as you obviously are aware, the legislature has determined the role of the minor party candidates as it relates to participation in the program. I think there are members of the legislature here and your comments certainly will be noted by them. And we will probably be putting forth some recommendations associated with making it more accessible for minor party candidates going forward. This was, again, the first go-around under the rules that were set up. And your implementation and how it implemented
as it related to you is instructive to us and we
will be trying to make some corrections with the
assistance of the General Assembly. Thank you very
much for your comments.

MR. BOOKER: Thank you.

MS. ROTMAN: I would just like to add
-- first of all, to congratulate you because while
you weren't the only senate candidate to qualify
for a full grant, you were one of a handful and it
was really a job well done. And I know that the
staff and myself personally enjoyed -- not the fact
that it was difficult, but the diligence that you
showed in your campaign to meeting all of those
requirements. And just to share with you on a
personal note, that it was very satisfying to see
you ultimately qualify and we enjoyed being a part
of that process with you.

So thank you, especially for doing all
of that work and congratulations for getting there.
It was really rewarding for all of us to see that
happen.

MR. BOOKER: And I thank you, as well.

What I did learn from the program is I didn't
realize I knew so many people.
MR. GARFIELD: Thank you, Mr. Booker.

MR. CASHMAN: Thank you very much.

MR. BOOKER: Thank you.

MR. GARFIELD: Our next scheduled speaker is Representative Diana Urban. I don't see her in the room, so we will go to William Jenkins.

(William Jenkins, Campaign Treasurer for Mike Alberts.)

MR. JENKINS: Good morning, Everyone.

My name is Bill Jenkins. I have been serving as the treasurer for various campaigns and political committees for the past 12 years. Most recently I served as the treasurer for State Representative, Mike Alberts' campaign committee in 2006 and in 2008. I have been a member of the Chaplin Republican Town Committee for the past eleven years and have served as the Republican Registrar of Voters in Chaplin since 2006. I have represented the 35th Senatorial District on the Republican State Central Committee for the past 11 years and was elected Secretary of the Committee in 2007.

I am going to go over a number things that -- my experiences with the program this year. The first thing I would like to talk about is the
distribution of surplus. For quite some time,
distribution of surplus from a candidate committee
was allowed to be done by the following methods:
To a party committee, to an ongoing political
committee, return to contributors on a prorated
basis or to a 501(c)3 charitable organization.

It makes perfect sense that a
participating candidate must return any surplus to
the fund, but it amazes me that now a
non-participating candidate can only distribute the
surplus either the fund or a charity,
9-608(e)(1)(A)iii reads as follows:
"A candidate committee for a
nonparticipating candidate, as described in
subsection (b) of section 9-703, may only
distribute any such surplus to the Citizens'
Elections Fund or to a charitable organization",
which means they now can't give it to a party
committee, an ongoing political committee or they
can't return to contributors on a prorated basis.

I feel this is wrong and unfair since
you have now removed the right for a
non-participating candidate, who wasn't part of the
Citizens' Election Program or anything under
Chapter 157, to distribute his or her surplus in
the same manner that a municipal candidate could
and can continue to do under present law.

As a side note, according to the
Internal Revenue Service, candidate committees are
political organizations subject to tax under the
IRC Section 527. Now I'm not a tax attorney. I
don't have a whole lot of experience with the
Internal Revenue Service's codes, but from what I
understand about the federal tax code, a candidate
committee is excluded from paying taxes on what the
committee spends to influence an election.

So if they take all of their
contributions and spend it, then they have no tax
liability. However, an expenditure in the form of
a distribution of surplus made after an election
certainly cannot be considered an expenditure to
influence an election. Now if you make one before
the election, you probably could argue that, Hey,
I'm making a charitable contribution to someone,
he's a good guy, and that certainly could be argued
that it's certainly an expenditure to influence an
election, but I think it's difficult, if not
impossible, to make a case with the IRS that you
tried to influence an election by making a charitable contribution after an election day. It -- and possibly making that political organization under federal law subject to federal taxes. It might be worth the Commission's time to investigate this further with the Internal Revenue Service.

Another issue, the grant application, SEEC Form 15, demands more than the law requires. 9-706(b) requires candidates to certify to seven items and treasurers to eight. The grant application form designed by the Commission requires candidates and treasurers to certify to a multitude of additional items that are not found in any statute or regulation or declaratory ruling.

The one that concerns me the most is demanding that candidates and treasurers certify that they read and understand all applicable statutes, regulations and/or declaratory rulings. Now, I'm probably -- seriously, I'm probably only one of a handful of people in the entire State of Connecticut that actually has sat down and read all of Chapter 155 and Chapter 157. I mean, call me someone with too much time on my hands, but it's one of the things that I enjoy doing with my spare
time, is reading statutes. I know it sounds crazy and I guess that's just one of my personal quirks.

But, again, I maintain that I have read all of those and, quite frankly, I can't honestly swear that I understand everything that's in those statutes. And it's -- I just think it's an unreasonable request for someone to certify to that. After signing the SEEC Form 15 saying, Hey, I read and I understand in those statutes, regulations and declaratory rulings.

And for one thing, I mean, many treasurers and candidates -- I'm sure many treasurers and candidates submitted these, the SEEC Form 15's, and I'm not sure if they read them before they signed on them because there was a typo on there that I picked up and crossed out when I submitted mine.

Because under the treasurer it said, oh, where was it? On the May 5th -- on the May 2008 revision of the SEEC Form 15, under Item 9 for the treasurer on Page 5, it says special election when it should have been election. Obviously that's because you first designed the form for the special elections in 113th and the 23rd senatorial,
whatever they were, the special elections in
December, but when you were transferring the firm
-- transforming the -- making the additional
changes to the form for this election cycle,
something got missed. And, like I said, everyone I
know signed them that I saw on the website and
didn't notice that error.

On another item, I feel this program
has made participating candidates even less
connected to the people, contrary to popular
belief. Candidates now, in my experience, don't
even see the need to write simple thank-you notes
to people who made contributions anymore since 80
to 85 percent of their money comes from the State.
Willing volunteers and donors are now told,
"Thanks, but no thanks. I have my money from the
State, so I'm all set."

Past campaign activists now feel
disconnected and distant from the process because
candidates no longer need their help and
assistance. On the other hand, although this
public money for the campaigns has certainly been a
windfall to political consultants, mail houses,
printers and polling companies.
All the candidates have to do now is hire some out of state political contractors to perform the functions that volunteers had done in the past. This program has caused yet more people to become disillusioned with politics and increase the voter apathy that has been a growing problem in the state over the past 20 years.

The simple facts are this multi-million dollar program to fund political campaigns with taxpayer dollars has really only accomplished three things.

It has added a significant number of state employees to the State Elections Enforcement Commission. No. 2, it's made -- candidates have to perform much less work in order to seek office. Like it or not, part of running a political campaign is fund-raising, just as knocking on doors is and making public appearances is.

No. 3, it has taken millions of dollars of money away from other areas that the government should be concentrating on, like public safety, public transportation and social services.

I know the claim has been made that this money is from the Abandoned Property Fund and
it's really not tax dollars; but ultimately the
money that's in the Abandoned Property Fund is
always -- has always wound up into the General
Fund, one way or the other, so it's essentially a
robbing -- in my opinion, a robbing of Peter to
Paul type of situation.

I think the result of this past
election proved that giving financial handouts to
candidates has essentially had no effect on the
outcomes of all the race -- all legislative races
across the state.

Election results are much more a
function of other factors, including voter
registration statistics, incumbency or who's at the
top of the ticket, rather than who spent more money
on their campaign.

For example, in the 50th District,
which I'm intimately familiar with, in 19 -- excuse
me -- in 2002, the winner of that race was outspent
three to two. I know that because we were on the
three side and we lost. In 2004, the winner was
outspent three to one. In 2006, the winner was
outspent two and a half to one. In this year, the
same two candidates ran against one another. Both
took state money; and as a result, the results were almost identical to 2006 where the winner was outspent two and a half to one.

Based on my 16 plus years of being involved in and running political campaigns at the state level, a well financed and nearly perfectly run campaign can only influence an actual outcome of an election by no more than 3 percentage points. The natural, noncontrollable, underlying factors that are parts of any campaign cannot be overcome by money alone.

I would respectfully urge you to drop your quest for passage of legislation that would require mandatory electronic filing for all participating candidates. I expressed my opposition to this at the GEA public hearing this past February, based on my experience with other agencies' websites and systems, most notably the Secretary of State's statewide voter registration system for registrars. As I mentioned earlier, I'm a registrar in the Town of Chaplin. Mr. Garfield's response was that the SEEC developed its own software and the problems I experienced with the Secretary of State's system would not be
experienced with the SEEC system.

That's probably true. I would -- I don't doubt that your system is probably better designed than the current system we have for the voter -- for the Secretary of State's office. And I will give you that one. That's true.

However, the only problem is that all of these systems were all run through the Department of Information Technology; so no matter how good your software system is, you're subject to problems that DOIT may have, may or may not have, with sites going down, servers not working properly and those types of reliability issues.

And my concern is what happens if the system crashes on the 10th of the month and the reports are due or if there is a major storm that disabled power and cable. I know that sounds crazy and maybe a little -- not very likely to happen, but just for the three years that I have been the Registrar in Chaplin, we have had two power outages on Election Day, a thunderstorm and somebody hitting a telephone pole, so these things do happen.

And when we're required to file these
reports by midnight on the 10th of the month or face a $100 fine, I don't -- right now the present law doesn't allow any latitude to waive that, even in the case of an natural occurrence that is beyond anyone's control.

I also understand that you're suggesting that the legislature increase the late filing fee for the 7th day preceding the report from $100 to $1,000. I just think that that's absolutely outrageous. I mean, to me it's bad enough to pay a $100 fine for a late filing, but a $1,000 fine? I mean, it's almost like you're elevating it to a level to a late filing fee, which could honestly be an honest mistake to the level of a felony and I just think that's extremely wrong and I would hope that you don't do that.

I have also studied quite a few of this year's campaign finance disclosure statements that are posted on the Commission's website or created using the eCRIS system. And let's face it, we have a long way to go.

Why is it that SEEC Form 30 requires me to numerically assign a contribution ID when I do my form by hand and instructs me to continue
sequentially until the termination of the committee, yet the eCRIS system never lists them sequentially. All of the reports I have looked at, there's a contribution ID number, but they're all over the lot. It goes from 1 to 2 to 140 to 30 to -- nothing's in order. And if the eCRIS system doesn't do it in order, why should anyone who does a hand report be required to do it in order?

I think, to me, in order for it to make sense, it seems to me that it would be nice if the eCRIS system could sort things numerically before it puts -- before it issues the report, but that's not happening.

It's also almost impossible, for even a highly experienced campaign treasurer like me, to make sense out of the amended disclosure statements that many treasurers filed this year. Some of the contributions were listed in boldfaced, some were in red, some were in strike through, strike through red, strike through bold; no where on the Commission's site or in any of the literature or regulations you've published is any explanation to decipher these codes.

I did call Nancy Stanowicz (phonetic)
and asked her how -- what the explanation was for
this and she recommended that I talk to Amjad
Mahmmod, who I unfortunately haven't had a chance
to talk to, but there probably is an explanation
for what bold red means or strike out means and all
of that, but I just haven't talked to him. But,
again, my --

MR. CASHMAN: I am going to ask you if
you would, please, to just conclude your comments
in the next minute or so.

MR. JENKINS: Okay.

MR. CASHMAN: If you have written
documentation or if you can prepare it in the
future, we will be happy to take it under
advisement.

MR. JENKINS: Okay.

MR. CASHMAN: But please conclude your
comments in the next minute. Thank you.

MR. JENKINS: Okay. Another issue,
the sole proprietorship issue, I think -- I mean,
9-601 (9) defines an individual as a human being, a
sole proprietorship or a professional service
corporation organized under Chapter 594a and owned
by a single human being.
This year we had contributions from sole proprietorships and we were told, "Hey, you can't take that because -- and I -- and my response to the Commission was, "9-601 (9) says an individual is a sole proprietorship. Mr. Garfield sent an e-mail to State Representative Chapin last December saying the same exact thing. "We have revisited the issue and determined that a sole proprietorship check can be a qualifying contribution provided that the individual owning the business submits a signed contribution certification card and that it would count toward the in district number of 150 for a state rep. And my concern is was that's what Mr. -- at least that's what Mr. Chapin was told. We were told something completely different a few months later.

The House parties were allowed under 9-601a(b)5 and contributions -- a donation from a business up to $100 is allowed under 9-601a(b)12; however, the Commission is saying that House parties are okay, but you can't take a $100 donation from a business.

I think that's -- I think that is an
inconsistent application of the law. I have other
comments that are -- other things that are in the
written testimony, so if you would like me to
conclude, then I will; but there are a few other
things that are in the written testimony that you
can review later on.

MR. CASHMAN: Thank you very much and
we will. Have you provided the written testimony
to the clerk?

MR. JENKINS: Yes.

MR. CASHMAN: Thank you very much.

MR. JENKINS: Okay.

MR. GARFIELD: Kim Hynes?

(Kim Hynes, Former Candidate for State
Representative, Organizer, Common Cause of
Connecticut.)

MS. HYNES: For those of who don't
know me, I'm the Senior Organizer for Connecticut
Common Cause. Common Cause is a non-partisan,
nonprofit citizen lobby which seeks to improve the
way Connecticut government operates. Common Cause
has more than 400,000 members nationally and 36
state chapters. In Connecticut, we have about
7,200 members.
First, I want to thank the SEEC for arranging this hearing and also for the amazing job you guys did in implementing this program. I have been speaking to a number of candidates and all of the feedback was uniformly positive.

The response when people had questions, the rapidity of which the answers were given, all very, very positive feedback. And I just want to thank you. It's an amazing job that you did. Thanks especially to Beth and Jeff, who I worked with and who were very helpful to me.

My time, yes, over the past year, I have been both doing some public education on the program and also talking to candidates since the election and before the election to see how they did with the program. I am going to skip over a little bit of my written testimony, just in the interest of time; but all of the candidates that I have interviewed, which has been more than a dozen to date, have had very good experiences with the program.

The two things that they have highlighted to me is the pleasure they took in actually getting out and involving the grass roots
and that became part of their fund-raising strategy to reach the threshold amounts. They looked at that as an opportunity to really gather their volunteers and identify their supporters; and they felt that was very helpful.

The second thing I heard over and over again is, "I never could have run, if not for this program." Nancy Seltzer, who ran in Milford for Jim Ammon's seat, is a single mom putting two kids through college and she said -- she called the program a blessing. She said she never in a million years would have been able to run without this program. And that's what I heard really over and over again from people from all parties.

What all of the candidates had in common was the trust they held in the Connecticut Government to honor the promise of campaign funds once they met program requirements. The thousands of citizens who donated small amounts trusted, too, that the candidates they supported would get the promised grants and be able to wage competitive races.

One issue that has come up is what happens when a candidate is opposed by an
individual whose campaign ends on unexpectedly not
long before the election. Though unlikely, this
actually did happen in the 2008 cycle.
Fortunately, somebody was found to fill the slot;
otherwise, the other candidate faced losing his
grant.

I think that's just maybe a fix we
need look at, if the opposition suddenly dies and
there's no one to fill the slot, the other
candidate already has ordered mailings and spent a
bunch of money. And, you know, just we might need
to look at that on a time frame for dropouts or
death or what have you.

Another thing that I think we need to
look at is in 1996, citizens in Maine voted to
adopt the Maine Clean Elections. Their program is
very similar to the Connecticut system.
Connecticut, however, reached 75 percent
participation this year. It took Maine years to
get there. So I think that's a real credit to the
SEEC and everyone who worked to make the program
possible, as well as to all the candidates who
participated.

In Maine, they have really seen
positive effects in terms of the diversity in the
legislature, the number of people who run and the
lessening of the influence of special interest
money, which is -- it's been a great thing for them
and I think it will be a great thing for
Connecticut, too.

However, starting in 2001, the Maine
legislature started to take from their Clean
Election Funds to address budget shortfalls. It's
been quite a problem for them. While they have
every year had just enough money to make their
program work, from year to year, they don't know if
the money is going to be there. So it's very
unsettling, both for the candidates who are
thinking of running and for the voters who put that
system in place.

Last week, unfortunately our own
legislature voted to take five million dollars out
of the Citizens' Election Fund. Members of the
General Assembly justified this unfortunate action
by asserting that the money was surplus and would
not be needed, but's that actually not something
that is clear or something that we can determine at
this point.
Common Cause is alarmed by the fact that lawmakers did not rule out future cuts that could be put -- that could put the viability of the program at risk. It is clear that the current budget shortfall must be taken very seriously and difficult decisions need to be made. However, Common Cause will fight during the upcoming legislative session to protect the Citizens' Election Program from future cuts, which we believe could seriously undermine the integrity of the program.

While the 2008 election cycle did not use the entire amount projected for this year, it is not appropriate to assume that future cycles will also utilize less money than anticipated. The 2010 election cycle will include the Gubernatorial race, as well as other statewide offices. There may well be more primary candidates for various offices than anticipated originally when the program was designed. In 2006, there were at least six candidates for Secretary of State from the Democratic Party alone from time to time. That alone would boost the budget needed more than what is currently anticipated.
As well, in the race for Governor, there could be a situation where we have an independently wealthy candidate that emerges that opts out of the program and self-finances. That potentially could require matching funds for the other Gubernatorial candidates that could run into the millions of dollars so, again, unanticipated funds that might be need.

Finally, another variable is the amount of independent expenditures that could be made. We have no way of anticipating how many groups might spend independent expenditures that may be matched, also a variable that there is no way to know, so there is no way to know how much of cushion we will need.

It is vital that the Citizens' Election Fund maintain a surplus, so that all qualifying candidates can be assured that their grant will be delivered on time. Citizens of Connecticut strongly believe in this program. As a Senior Organizer of Connecticut Common Cause, I have fielded many calls and e-mails from individuals all over the state who are outraged that the fund was raided. They in turn placed
calls and sent e-mails to their senators and
representatives, asking that law makers respect the
program that replaces monetary influence with
citizen involvement.

The Citizens' Election Program has
been a tremendous success in its first election
cycle and has very strong support among the voters
of Connecticut. Perhaps in the end it isn't so
much about funding of elections as it is about
getting citizens better informed and more involved
and promoting trust once again in our government.

The type of involvement that this
program promotes, I believe, takes us back to the
type of democracy that our forefathers envisioned.
I really want to thank everyone who has worked so
hard to make this program a success and everyone
who will continue to work to keep our elections
clean in the years to come. Thanks.

MR. CASHMAN: Thank you very much.

Jeff?

MR. GARFIELD: Yes. Thank you,
Mr. Chairman. And thank you for your testimony,
Kim. You should be heartened to know that we are
working out a solution to the problem that you
noted regarding the dropping out of the candidates
and the effect on the grant for those candidates
who were in the program and I think we will have an
adequate solution to present to the government
administration elections committee in 2009. And I
appreciate all of your efforts and the efforts of
Common Cause regarding the funding issue.

It was a dangerous situation. We
realize that, you know, that the state is facing
incredible deficits; but this program, as you say,
is -- has strong support, was long time coming and
it will take a lot of vigilance on everybody's part
to keep the funding intact. So we thank you for
your efforts to help us secure that funding. Thank
you.

MS. HYNES: You are very welcome.

Anyone else?

MS. ROTMAN: Just very briefly to add
to Jeff's comments, thank you for the work that you
have done and the work that Common Cause has done.
We certainly appreciate the compliments of our
staff. Who wouldn't? But the reality is that while
we're all very proud of the work that the
Commission has done and everybody on the team
worked very hard, it's quite accurate to say that
without the continued involvement of all of the
people like -- and groups -- like Common Cause that
help passed the law; without your continued
involvement, your own work with candidates, working
on campaigns and your outreach to get the word out
there, then we would not be in the successful place
that I think we're in.

So thank you again for that because
you really were a great team member with us and we
couldn't have done it without you. So thank you.

MS. HYNES: Well, I look forward to
working with you over the next years.

MR. CASHMAN: Thank you.

MS. ROTMAN: Thank you.

MR. GARFIELD: Okay. The next
scheduled speaker is David Stevenson.

(David Stevenson, 2008 Democratic
Candidate for State Representative.)

MR. STEVENSON: Good morning. I thank
you for holding these hearings because I think
these hearings are our best means looking backwards
in retrospect and it's our best means of looking
forward successfully and continuing this program.
My name is David Stevenson. I live in Bethel. I am a full-time real estate professional. In May of this year, I was asked to seek the office of State Representative and I took on a second full-time career for the following six months.

I had the pleasure of many great neighborhood discussions with voters in the 107th District. I conducted a spirited race with David Scribner, a good and decent person whose voting record I disagreed with.

With reference to what Mr. House said earlier, he mentioned about the lack of challenge, the lack of challenge in his race and the incumbency, my opponent had not been challenged since 2000, so it was a long period of time that there was no opportunity to view any other points of view in the 107th assembly districts.

My experience is one which I would greatly recommend to anyone with a strong will, lots of energy and a wonderful, supportive family. My wife Diane was and continues to be incredible. The process also brought many young adults into the process. People like Sal Liccione, who managed my campaign, and Michael Gradia, Nick Alred, Bob
Garavel, James Root, just to name a few, and, of course, many others who campaigned door to door with me by foot or by bicycle. Today's volunteers will be tomorrow's candidates. So this was a great experience for all of them who were involved at the grass roots level.

I would like to begin my testimony with the letter from Phil Specht, a farmer who lives in Iowa and whom I know through issue-oriented political campaigning. He wrote, "Our democracy is dependent on giving voters the power to decide and it can only happen in contested seats with challengers. David Stevenson should be credited with taking citizenship seriously and doing his part to keep office holders accountable. We are all better because of it."

Now this letter was written specifically about me; but in reality, it's a testimony to the great experiment which Connecticut and 12 other colonies began over two centuries ago and a testimony to this new great experiment which was begun here in Connecticut this year.

Along with America's interest in a presidential election and the prospect of America's
first African American president and/or America's first woman president or America's first woman vice president, America's eyes were also focussed on Connecticut's statewide elections, as they have been focused on our state since corruption brought down a Governor, a crisis which provided us with the impetus and the opportunity to move forward with a public financing bill.

Now many naysayers have noted that public financing did not affect outcomes of legislative elections in 2008. In fact, many seats continued to go unchallenged this year in spite of the great experiment which Connecticut's legislature initiated. I believe that that will change, but there is a greater good which we saw an immediate positive effect in the removal of campaign donations from lobbyists, corporations and political action committees.

Now I am not going to cast any stones on those individuals. Lobbyists, corporate members and Political Action Committee members are people. They are human beings, not specters hiding in the shadows, looking to undermine the will of the people. However, their behavior, the work on
behalf of their own self-interest had been allowed
to go unchecked and even encouraged by our
legislature, our government.

These lobbyists, corporate members and
Political Action Committee members felt the need to
compete against each other; and in that competitive
process, they sought out the best government money
could buy. Connecticut's allowing that system to
continue enabled and even encouraged them to engage
in behavior that they knew was morally wrong and
which we knew was morally wrong.

Donations to legislators from these
groups, whether they were donations of hundreds or
even thousands of dollars, were donations with
expectations in return. In return, those donations
cost Connecticut's citizens, Connecticut's
taxpayers many times those donation amounts.

Succinctly put, would you rather have
Connecticut taxpayers spend $50,000 in each of 151
two-person state house elections than $170,000 in
the 36 two-person senate race elections or would
you rather have Connecticut taxpayers foot the bill
for the payback, which these lobbyists, corporate
and Political Action Committees have received for
many years along with the morass of immoral
behavior which accompanied that system? I will
take clean elections any day. Thank you very much.
If there are any questions?

MR. CASHMAN: Thank you very much.

Anybody have any questions?

(No response.)

MR. CASHMAN: Thank you much for
sharing your experiences.

MR. STEVENSON: My pleasure. Thank
you for having me here.

MR. GARFIELD: Greg Simones?

MS. ROTMAN: We have some sign-ups. I
believe the next speaker is not here yet, so if
Greg Simones is not here yet, we will go to William
Cutler.

MR. CASHMAN: If there's anybody here
who has not signed up and wishes to speak can see
the clerk and we will make the time available.

(William Cutler, Citizen.)

MR. CUTLER: Thank you very much for
the opportunity for speak briefly. I am a citizen.
I have been a very active participate in a number
of political activities. I have had no experience
whatssoever with this new procedure. This is the first of a major step forward for Connecticut and it's an opportunity to learn. People like myself and others need to learn a lot about how this has been done and what needs to be done.

It's an opportunity to study the results and the manner in which the program was effected. There is an important public relations follow-through that is needed to get the message through to the people of Connecticut and I want to emphasize that.

Perhaps the way to do that would be through commissioning the University of Connecticut or some element thereof to perform a broad public relations survey and get that message into the hands of the citizenry. One question that comes up is the adequacy or the -- was this -- the monies involved, how they were spent. How the next step, the next election will be effected by these procedures and the changes.

This is an opportunity to stimulate and to springboard forward on the basis of the experience that has been had and thank you very much for what you are doing and what you have been
able to accomplish so rapidly. Thank you.

MR. CASHMAN: Thank you, Mr. Cutler, for your comments with respect to the public relations aspect of it. This is the second of two of our hearings to get feedback from the public as a starting point to see what people thought of the program and to hopefully take suggestions on how to improve it and with respect to the very important question of how the funds were spent, all of the candidates who participated in the program are required to submit disclosure statements which are going to be subject to audit by our staff over the next couple of months.

And, obviously, if there's any problems that arise from those audits, we will bring those to the attention of the legislature for corrective action. But thank you very much for your comments.

MR. CUTLER: Thank you, sir.

MS. ROTMAN: I will just let you know by way of background that -- first of all, thank you very much for the comments and I will let you know by way of background that there are -- there's quite a bit of academic research going on right
now, not just at the Commission, but also from
various universities, studying the impact that the
program will have on the State of Connecticut.
They have done a lot of research on
what happened in the process in 2004 and in 2002
and I understand that there is a survey out in the
field, as we speak, it may not look into all of the
issues that you suggested, but I wanted to thank
you for that comment.

Some research is being done and I
think there is more to be done that the Commission
will be an active part of. So I look forward to
hearing more from you in the future about ideas.

MR. CUTLER: One point on that, if I
may, there has been some thought that this would
result -- this would produce less participation and
some diminution of broad participation by
volunteers in connection with campaigns. I know
there may have been some less activity. And that
is one element that I think should be covered in
any such survey, whether taking the money issue out
has caused some reduction in citizen activity.

MR. CASHMAN: Thank you very much.

MS. ROTMAN: I'll just -- thank you
very much. And I will tell you that actually I
should mention that it's the Campaign Finance
Institute who is doing a study and I believe they
are looking at that exact question. There has been
some evidence in other jurisdictions of public
financing that there's also increased citizen
involvement when people give a small five dollar
contributions, that they actually feel more
connected to the process, so they are looking at
that issue. So I look forward to seeing what they
come up with and for sharing that information.

MR. CUTLER: Thank you.
MR. GARFIELD: Thank you. Our next
speaker is the Vice Chair of the Government
Administration Elections Committee, Representative
Diana Urban. Good morning, Representative Urban.
Good to see you.

(Diana Urban, State Representative,
Government Administration and Election Campaign.)

MS. URBAN: Good morning. It's good
to see everybody this morning and I am so glad that
we are having this opportunity to have some public
input. And, of course, I think you probably all
know that I have been one of the biggest fans of
our new public financing and I am extraordinarily
proud that Connecticut is pretty much leading the
nation on these issues.

That being said, I think that there
are a few areas that we can improve in; and I think
that you have kept the lines of communication open
during the process; and I want to compliment Jeff
and Beth on that. You know, you have been very
responsive.

And I would also think that a lot of
the candidates would probably share some of the
things that I am going to say because of the
treasurers, who were, you know, introduced to this
program and it took a lot out of the treasurers for
each and every campaign.

So I would start by saying that I
would hope that we could expand some of the
training efforts. I had -- out in Southeastern
Connecticut there were treasurers that felt
that--and maybe Southeastern Connecticut says this
a lot--that we weren't getting the attention that
we would like to be getting out in that area of the
state. So if there were more convenient times?

I know there were treasurers that were
working full time and trying to get to some of the
trainings and, you know, hoping that we could
expand the training and the times of the training
and the -- and probably sometimes the -- at the
beginning and I know getting the whole thing up to
speed there were times where there were
communication gaps. But, as I said, you guys did a
great job of taking care of that as the process
moved forward. But I did get some panicked phone
calls from treasurers about, you know, how does
this whole thing work and how do we get from A to
B?

The contributions coming in from
people when you're getting your, you know, your
threshold number, people were confused about that
contribution process. People felt like it was an
onerous process with all of the signatures that had
to be made and I think that I went through this
with you on other occasions, that you have to sign
the check and then sign the affidavit and then if
it's two people, they both have to sign the check.
And I think that we talked about ways that it could
be a lot easier, so that it didn't make it such a
painful process for some of the contributors.
And I almost also wondering whether we
want to make it clear the age of the contributors.
Because as I read the regulations, it really could
have been somebody -- I guess I'm not sure what the
burden of proof was, whether the person was
cognizant, you know, two years old, five years old,
ten years old. You know, at what point, you know,
did we cut off?

And yet I would also like to say that
some kids thought it was just the most wonderful
thing in the world to be able to give $5 to a
campaign. So, you know, I wouldn't want to say
that, you know, we don't want to take teenagers out
of the picture completely, but I do think that
that's probably something that we want to look at.

And I did get a few comments on how
user friendly the eCRIS is. And I'm sure that we
can continue to work on making that more user
friendly. I know myself that, you know, I am
technically challenged. And when you are trying to
deal with your kids who are like totally -- I mean,
I am still trying to figure out texting with my son
and it's -- I am making him crazy because I am
making him try to teach me how to do all of this.
You have to remember that some of the treasurers and people that are working on these campaigns are not, you know, technologically talented. So the more user friendly we can get the eCRIS, I think the better. And that all being said, I just think that it was a tremendous success, even if I did have an opponent.

Seriously, you guys did a great job; and I hope that we will continue to lead the nation on -- in this aspect. I think it makes a huge difference, a huge difference. So thank you. And it's nice to see my Chair here today.

MR. GARFIELD: Thank you, Representative Urban. And I certainly agree with your comment, that you have been a strong supporter of the Citizens' Election Program and of this agency. I thank you for that.

I just want to respond relatively quickly to some of the points that you raised regarding expanding training. I will say that I think we made a, you know, an incredible effort to hold quite a number of training sessions in the evening hours. I do realize that if there was one thing we could work on for 2010, it would be to
expand the locations. I realize that many of those training were held in Hartford and that there is a need to go to other parts of the state to expand those training opportunities.

I will say that we are working and we will have up and running for the 2010 campaign an online training program, so that should help considerably for treasurers who will be -- whose candidates will be participating in the program for 2010. I hear you on the joint checking account issue. I think that's an issue that we can work together on to resolve.

MS. URBAN: Excellent.

MR. GARFIELD: I do think that, you know, some of the documentation issues that you raised, there is a need to certainly have the integrity of the program and the certifications that are now required by law. But that being said, I think that the joint check account issue in particular is one that we can -- I think that there is a reasonable solution to that.

Age of contributors, very, very good point. I think that there is a balancing. And right now the law allows anybody under 18 to make a
contribution of $30, up to a limit of $30. So, you know, we should probably look at that more closely as we go into the 2009 session.

MS. URBAN: I do have to say I still want to emphasize, I loved -- there were some youngsters that thought it was tremendous to be able to do it. So, you know, it's --

MR. GARFIELD: Well, that's the balancing. And you do want to --

MS. URBAN: Yeah.

MR. GARFIELD: We do have the teenagers doing work at the poling place.

MS. URBAN: Right. And you want to encourage them --

MR. GARFIELD: And getting them used to, you know, democracy at an early age is a good thing. So, you know, we have those issues to debate as we go forward. And eCRIS, we are continuing to work on eCRIS. I know that Mann Hasen and his team have put together a focus group. We are going to get -- be getting input from the treasurers on what their feelings were with the system. We are committed to enhancing the system.

I think we had a very good first run
at it and we're obviously open to a dialogue to improve it going forward. So thank you for your comments.

MS. URBAN: Well, I would -- you know, I would just like to add that participating in this for the trial or the first run, not the trial run, this was the first run, but it's just a tremendous experience because you really feel that the power is being given back to the people within these campaigns, so that they know that a candidate whose running a clean campaign is focussed on discussion with the people and with their opponent. And I just don't think it gets any better than this. And I also -- and I do have to say, again, when we started this, I was like, How are they ever going to get this together and actually get it done? I was like, "Whoa." And my, you know, my sincere compliments to everybody sitting here, that you did get it together and it worked. So congratulations to you all, too.

MR. GARFIELD: Thank you.

MS. URBAN: Thank you.

MR. CASHMAN: Thank you very much, Representative Urban. On behalf of the Commission,
we do appreciate your support and look forward to working with you in the upcoming legislation session to address the issues that are being raised here today.

MS. URBAN: Thank you, Mr. Chairman, and I look forward to it, too.

MS. ROTMAN: Okay. So I think we're running a little ahead of schedule and a few of our later speakers may not be here yet, so we'll take the next sign-up in order of when you came in, which would be John Pelto.

(Jonathan Pelto, Democratic Political Strategist, Represented Avery.)

MR. PELTO: Good morning again. My name is Jonathan Pelto. I live in Storrs, Connecticut and appreciate the opportunity to come back and provide an addendum to my earlier testimony at the last meeting. You should have in front of you a second part of a Power Point presentation. If not, perhaps I could -- we could get that to you, so that I could point out just a couple of things.

MS. ROTMAN: Is this a hard copy or actual Power Point?
MR. PELTO: Hard copy. I'm sorry.

MS. ROTMAN: Okay. We will get that now. Thanks.

MR. PELTO: Again, I will submit this via e-mail as well as anybody else who would like copies of either the first one, or from the last meeting, I would be happy to get them copies.

What I wanted to come back for was to address one point in particular and that is what I think is a growing case for amending the statute to allow the legislative caucus to have one caucus committee rather than three.

I know that this is an organic project, an organic piece of legislation that required give and take and certainly understand the premise behind the notion that each of the legislative caucuses be given three leadership committees.

As you will recall, that in the original legislation, the speaker of the house is given a leadership committee. The majority leader is given a leadership committee. And the caucus has a caucus committee. And that is replicated in the senate for both the Senate Democrats, Senate
Republicans and, of course, House Republicans.

So there are a total of twelve leadership committees that are handled differently or caucus committees that have rights and privileges significantly greater than any other committee and the notion there was to allow caucuses to maintain their standard role of helping their candidates. Because as we have seen, during particularly the latter part of the 80's and the 90's, the caucuses for the most part took the place of the political partes in the recruitment and training and support of candidates.

And I think that that is an understandable and an appropriate part of the political process; but what has happened, not surprisingly, is that while the caucuses maintain the letter of the law, this, what arguably would be called a loophole, allowed them to violate the spirit of the law. The spirit of the law being that there be a limited mechanism for allowing the caucuses to play a role in supporting their targeted candidates and a limited role for special interest, despite having been banned from participating in the elections of rank and file,
the opportunity for special interest to come to the
support of the caucuses so that the caucuses could
come to the support of their candidates.

In the last presentation I made to
you, I showed you the disproportionate difference
between how the caucuses handle this delicate
issue. The Senate Democrats and House Democrats
made significant use of the opportunity to bring in
outside resources and target it towards their
targeted candidates.

There were -- the two Republican
caucuses made much less use. In fact, the quick
number was that the House Democrats had raised and
spent over $80,000 to support their candidates.
The Senate Democrats, just from Political Action
Committees, not even from individuals, House
Democrats in the range of $80,000, Senate Democrats
in the range of $54,000, House Republicans in the
range of $12,000 and Senate Republicans, $2,000.

So there was very disproportionate use
of this opportunity or this loophole. But what was
particularly interesting, when you pulled out the
numbers, was by having three committees that served
under one caucus, these leadership committees were
able to maximize maxed out donations from selected
interest groups. That is, if you take a look at
which committees gave more than $2,000 per caucus,
that is, did they write a check to Caucus Committee
No. 1, did they write a check to Caucus Committee
No. 2 and then write a check to Caucus Committee
No. 3?

Of the money that the Senate Democrats
raised from unions, more than 50 percent of it came
from unions that had already maxed out to one of
the caucus committees. That there were, in fact,
six different unions that gave more than $2,000 per
caucus and the data is in front of you, but there
was one union that actually maxed out to each of
the three Senate Democratic caucuses.

The case is even stronger on the House
side, where over 75 percent of the money raised
from unions for the Democrats came from unions that
had maxed out to at least one of the caucuses and
then was giving more money to the others. So that
there were actually three different committees that
maxed out to Caucus 1, Caucus 2, Caucus 3.

The spirit of the law was clearly to
restrain the shifting of special interest money
into the caucuses and then from the caucuses in support of the candidates. The notion that the $2,000 contribution limit from a union PAC or an ongoing political committee was exactly that, that it was the ability to flow special interest money into targeted races, but that there would be an effort to cap that.

But, obviously, by allowing each caucus to have three PAC's and then coordinate those expenditures as clearly was the case by looking at the way in which the money was expended, you have a total of one, two, three, four, five, six, seven, eight, nine, ten; ten different groups on the House Democratic side that were giving multiple contributions to multiple PAC's to steer the money into the targeted races and thereby giving certain races an advantage.

It did happen on the Republican side as well, although not as much. It was interesting to note that on the Senate Republican side there was not a single organization that gave more than $2,000; but on the House Republican side, there were two special interest money PAC's that gave more than $2,000. So this wasn't only done by the
Democrats, it was also by the Republicans, of maximizing the benefit of having three PAC's under the umbrella of one caucus.

The other is, as you begin to look at who was taking advantage of this opportunity, where you'll see, as I said, tremendous differences between the caucuses with the House Democrats bringing in PAC money of an excess of $80,000, Senate Republicans only $2,000. But even the way in which that money was brought in or the types of organizations that -- where the money was solicited from different greatly.

And I think it's worthwhile to note that allowing that opportunity to exist or that loophole to exist does give significant benefit to the caucuses to go to special interest money. As I said, House Democrats raised over $80,000, 77 percent of that came from unions, another 16 percent came from Democratic town committees or Democratic PAC's associated with Democratic tick legislatures and about 8 percent from what we would traditionally call one or more interest group committees, things like realtors or home builders or in the Democrats' case, a number of different
medical related special interest groups.

In the Senate Democrats, just over
$50,000, almost $55,000, was brought in from
special interest and then funneled into political
campaigns, of that, 87 percent of that came from
unions and about 9 percent from Democratic related
committees and another 4 percent from special
interest.

The Senate Republicans, about 50/50 on
their money, from interest groups versus
legislature PAC's and House Republicans about 50/50
from interest groups and Republican legislative
PAC's doing far less well obviously from unions.

The last is just how significant some
individual groups were able to push the boundaries.
There was one union in particular that by giving
the maximum contributions to a variety of different
caucus committees was able to give $10,000, far in
excess obviously of the spirit of the law, which is
$2,000 per, was able to give $10,000 by writing
checks to multiple committees within a given caucus
and then going to the next caucus and giving
multiple checks, giving checks to multiple
committees.
There was a total of thirteen groups that gave more than $4,000 via the caucuses to the political process. Of those thirteen groups, eleven were unions, one was a Democratic related — a committee related to a Democratic legislator and one was a traditional, what we would call, an industry oriented special interest group.

But I think that as you look at how to strengthen the law, and as we had talked last time, the independent expenditures are clearly one of the areas that there has been a lot of concern about, that when you actually account the dollar impact of independent expenditures or special interest funds, the flow of money from special interest to legislative caucuses to candidates far exceeds the independent expenditures, probably by a level of seven or eight to one. So if there is a real pressing problem that we see, as measured by this election cycle, it's far more in the area of the excessive use of special interest funds to the caucuses than it is necessarily on this time to the independent expenditures, although that may very well change.

And then last, but not least, is just
to -- as previously speakers said -- to be very weary of the efforts to derail the program under the guise of needing to take some of the funds to fund very important essential services, not there aren't essential services in the state that need to be funded, but legislators were elected to make difficult decisions. They need to prioritize that. But going after the public financing fund strikes me as being just about as counterproductive as one could get in trying to put the state on an even course.

And there are plenty of anecdotal examples, that if five million dollars is needed or forty million dollars, is needed, there are much more appropriate places to get. So I know the Commission will be concerned about that. I know all of us on the outside will be concerned about that. But in the end, the legislators will have to step forward and ensure that those inside the caucuses that want to derail the program in that method are not successful.

I don't think it was coincidental that proposals came forward during the special session from both Republicans and Democrats to take funds
out of the public financing account, that that
coincidence is one to watch as we move forward as
undoubtedly there will be legislators who see an
opportunity to bring -- to derail the program
without necessarily having their fingerprints on it
and I urge us all to be weary of that.

MR. CASHMAN: Thank you very much.

Once again, we very much appreciate the time and
effort that you have put into compiling this for
us. It's quite interesting, to say the least. We
will take it under advisement and consider that as
part of our proposed legislative proposal in the
next session and we appreciate the time and energy
that you put

ward in preparing it for us. Thank you very
much.

MR. PELTO: Thank you.

MS. ROTMAN: So it looks like we're
back on to our scheduled speaker, Greg Simones,
Treasurer for the Senate Candidate, Tom Simones. I
understand you're here?

MR. THOMAS SIMONES: Yes.

MS. ROTMAN: Okay. Great.

MR. THOMAS SIMONES: (Inaudible.)
MS. ROTMAN: Absolutely. Come on up.

MR. THOMAS SIMONES: (Inaudible) --

for my brother. I wanted to thank the committee
for hearing us today. We had a very positive
experience. I ran for the 20th District senate
seat on the Republican ticket and it was a very
positive experience that we had working with Andrew
Vascudo (phonetic) and people from the elections'
committee. My brother can elaborate greater on
that, but I just wanted to thank them and thank you
all.

We think there should be some things
that should be addressed. When I first was
running, I thought that the idea of public
financing meant that PAC's would be out completely.
And 100,000 is a lot of money to run a Senate race
with. It's a lot of money. And I think people,
legislators, senators, I mean, all of those
together should be beholden only to the people that
are constituents. That's what is behind the spirit
of the law. And to allow PAC's to still come out
and advocate for people, I think it's -- you know,
either one or the other.

And it seems like the job was left
unfinished. I mean, the idea of allowing to -- the
goal, No. 1, allowing candidates to compete without
reliance on special interest money. Well, they are
competing without relying on special interest
money, but special interest spends money on the
people, then there's -- it's the wrong people that
you want to be beholden to. You want to be
responsible and beholden only to your constituents,
and, of course, to the State.

So that kind of seems, in my opinion,
just to be not in the spirit of the law. However,
if that were corrected, I think the monies are more
than enough and for -- you know, to allow us to
compete fairly.

The next thing, Goal 4, encouraging
competition in the electoral process. I spoke with
many, many people. And the potential candidates we
spoke or people that were thinking of being
potential candidates were deterred from running
because they thought the standards were too high.

To let you know, I started running my
race about five months before the election.
Four-fifth's of that were collecting the 300 names
and the money. So I was basically left with a --
one month to run my campaign. And my brother was
very helpful. I believe he did a very good job. I
know we did because people have been still talking
to me to this point. I mean, they're seeing me on
the street, still asking me if I won. "How did it
turn out for you?"

It was very, very gratifying
experience for the whole family. It was a grass
roots movement. Family, friends from the
Southeastern Connecticut region, but most people
did not even think of running, most of Southeastern
Connecticut was unopposed. The incumbents ran
unopposed. And I just feel like democracy is
better when we have two parties running, at least,
not just one. I mean, it doesn't make things too
interesting.

And the reason people were doing that
is because they felt that they could not qualify.
And, in actuality, Andrea Spillman and Mark Gutman
were on the ticket, he was Libertarian and, of
course, Andrea is a good friend of mine from the
20th District, who was the Democratic incumbent, I
felt that it was very interesting to notice my
brother could go online on the eCRIS system and
Andrea and I basically qualified in the same week. We had already applied in the same week, which was weeks before the deadline.

The parties had to jump in, both Republicans and Democrats. 50 percent of both parties did not qualify for the funds. They did not have enough people or enough money or both. That was the legislative -- you know, the legislators and senators, senatorial candidates, until the last week; and they were basically dragged across the line by the parties.

That seems to me to be the -- and my brother will speak to maybe, you know, ways that we can get around that. I think that there is a problem. I mean, the money -- for me, if somebody has got $5 to spend and sign up for you, and I had people -- and they know they're just putting in a ballot. They might not even vote for you. But they'll say, "Hey, I'd love to put you on the ballot. You're a good guy." But if they have five bucks, that's all they got. But if a person has $100, they usually have $500. If they have $500, they usually have $1,000. And there was -- and that was where it became very difficult.
I think there should be some loosening of the standards. I think there should be a higher threshold. I don't know how you would do it. I mean, one idea would be, okay, for every member in your family, you can give a hundreds bucks in your family. And just put that down and write it or raise the limit to like $500 as a cap; but I believe there are some things that should be done about that.

Also, this was very interesting to me, that the third party candidates, one of the goals was to get people to compete in the process; but, in actuality, it's to get Democrats and Republicans to compete in the process. I mean, it's kind of like Animal Farm. All animals are created, except some animals are more equal than others. And I say that completely with no shame whatsoever.

I think the fact that -- I think it's absolutely an abomination that this law would be passed by Democrats and Representative and not allow people who got popular support from the Green Party, from the Independent Party, especially when there's 1.2 million roughly independents in this State. That dwarfs the number of the eight hundred
and some odd thousand Democrats and six hundred and
some odd thousand Republicans and it's also a
violation of the equal protection laws of the State
Constitution and the United States Constitution.
It's going to come under fire.

And I would say we need to do
something right to correct it now. Either that or
-- I mean, it shouldn't be saying we're trying to
get candidates out there. Just to give someone
who's running for Senate. And I was -- I switched
parties. I was Independent and I switched because
I didn't want to run with $35,000. I wanted to run
with an additional $85,000, when I raised my
$15,000. That is not fair. And that's just --
like I said, it's just not fair. It's against the
spirit of the law. And it must be corrected or
there will be a judicial challenge and it will be
overturned. I think that anybody that voted for
this to have it to be a two-party club is wrong
and they have to acknowledge that it was wrong and
fix it.

I think at this point, I am going to
turn it over to my brother to talk about
qualification standards, but I thank you for
listening to me and here is my brother, Greg.

MR.

MR. GREG SIMONES: Thank you for giving us this opportunity today.

MR. CASHMAN: Good morning.

MR. GREG SIMONES: It was an amazing experience to participate in this process. We were a bunch of political novices and threw together a campaign, like my brother said, in five months. We were trying to learn. You know, early on my brother said, "Do you want to be my treasurer and campaign manager?" So that was two extra jobs on top of my regular job, so it made life interesting.

But since I had worked for the State of South Carolina, I had been a state employee, he figured, you know, he handed me this document, you know, the finance laws and figured I could digest it and figure it out. And, in part, that was mostly true, but it is a learning process and we do thank the people on the Candidate Services Unit for their assistance because, I mean, there were a lot of phone calls, a lot of back and forth, which made it really helpful to us to understand the process and do everything as is stated in the law.
I wanted to add, I think it was going back to what my brother Tom had just said. If you go back to the definition of a candidate, too, on -- in the guidelines, that was something that struck me kind of doing the postmortem on this, was that it really didn't specify it had to be strictly Republican or Democrat, that it was anyone that had been endorsed or nominated by a political party and was entitled to a position on the ballot.

So the issue of equal funding seems to be not strictly done away with in what I understand is the letter of the law. So that was just something additionally to add support to what he just said.

As for qualification standards, I know the intent -- I guess it was the goal, as looking through the six goals, Goal No. 5 was to allow more time to campaign. But the reality was, as my brother said, it seemed like it was about half or more of the people did not qualify until pretty close to the deadline, October 10th.

And so we had a flurry of activity in October, trying to get a lot of TV ads out and radio ads and get the word out; and part of that
was due to our inexperience and maybe we should have started sooner, but it seemed like a lot of people, including the people who seemed to have more experience in the process than we did, were also up against that deadline, too.

And a couple of ideas that I had, maybe potential solutions, was to maybe moving that qualification deadline up earlier a month, trying to encourage people to qualify sooner so they would have time to actually get out and meet the people. That was the intent of the law. And we realize now, in 20/20 hindsight, that we would have loved to have gotten out and talking to more people. That was really where the rubber met the road. You know, we were finding out what the people wanted. And we spent so much time and flurry of activity, just trying to raise funds, a small group of people, it was very difficult for us to do that.

The other possibility is lowering the qualification standards and maybe the financial standards. This was one thing that I was thinking that the amounts for the Representative and the Senate are not necessarily proportional. I think it was -- was it $5,000 and 150 people in district
for the Representative and $15,000 and 300 people; but if you look at the proportionality of those numbers between the two, there is a disproportion between dollars. I think one is three times -- the number of people is twice the amount, but the dollar amount is three times the amount of the Representatives, so there is a disproportionality. And I don't know what the intent was when the law was written, so I don't have that knowledge of what the intent was; but I also just wanted to note that there is a disproportionality.

And, also, if there is a lowering of these standards, I don't mean that in the negative sense, because I think we wanted to encourage the participation and get people out there, I don't mean that in a negative way at all, but I found a lot of people saying, and we weren't sure whether we were going to make it or not either, so -- until towards the end.

Okay. Let me see, the other possibility was -- and I found -- and we found that raising the money was easier than getting the signatures. That was another thing and that was one of our lessens learned that we would like to
pass along. And the other possibility, and I don't
know the legalities, I'm not a lawyer, I am a
scientist, so if I am speaking out of turn, just
take that into consideration, some of the out of
district people that did have, you know, support
from out of district people, may want to consider
some of those or a proportion of those as
qualifying for the candidate. These are just, like
I said, just suggestions.

And, also, with the donations form, we
found out -- we did a lot of work with the Hispanic
community in New London and we had to have the form
translated where we wrote in beside each of the
things in Spanish because we were dealing with a
lot of Spanish speaking folks.

My understanding was that there is a
form in the works; but given that the Secretary of
the State had, you know, a major push in trying to
bring Latino voters in to, you know, more
participation, we saw that firsthand and we wanted
to afford them the opportunity and the knowledge
because it was a learning process for a lot of
these people, including us, but including them, as
far as what they could do, what they couldn't do.
Splitting the tickets. Just learning the voting process.

So we tried to get voter registration cards out to people. We were encouraging people to vote. Whichever way they voted, we wanted people out there, too. And the form may need to be streamlined or organized because I know in cases where you have the numbers on the left and then there's occasionally a number on the right, sometimes those things got omitted, just purely by visualization and you just couldn't see it, so we would get forms that were half done and we don't meet the standards when it goes into the audit process to qualify for the grant. So that was another recommendation that I might offer to the Committee. And that's pretty much my part of it. I will let my brother wrap it up.

MR. CASHMAN: If I could just interject a question here?

MR. GREG SIMONES: Yes, sir.

MR. CASHMAN: Because you indicated that you had more difficulty with the signatures, in other words, in meeting the 300 individual contributors rather than the threshold $15,000; of
the two, the 300 people was the greater problem?

MR. GREG SIMONES: It was. You know, we started raising money and people were very generous early on and so we started raising, you know, more dollars. And I was concerned that we were going to all of this extra money and then we may need to turn a lot of money back in, so I started saying to my brother, "We just need -- you know, I would average it out saying, "We need donations of $20 or less", just to get the signatures.

So we had to kind of adjust midstream to kind of make things balance. And we came out on balance at the end. But there were a lot of people that probably would have given -- of course they would have given more, people were pretty generous. But we had a fair number of $100 donations. And I know the way it's structured, for 300 people, you need what, an average of $50 a donation to get to the threshold of $15,000.

MR. CASHMAN: Yes. Clearly the system is designed to encourage small contributions from a significant number of individuals to show broad-based support. That's the underlying
MR. GREG SIMONES: Yeah. It's a lot easier to go ask a person for a $5 or $10 donation. And they are more than likely to give that, especially in these tough economic times.

MR. CASHMAN: Thank you very much.

MS. ROTMAN: Just a question for you, actually. You made a comment about considering out of district contributions as part of the threshold. They could be considered for part of the $15,000 threshold, but not the $300 number. Were you -- was your suggestion specifically that those out of district contributions should be counted towards the $300? I mean, because they can count to the $15,000.

MR. GREG SIMONES: Right. I understand that. Yeah, they do count towards the money total, but not towards the number of people total. And I would say, I know the goal is to have, you know, district support; but if there -- if people are having a tough time, they may want to -- you know, the board may want to consider a percentage of out of district contributions, whatever that might be, 10 percent, 25 percent.
You know, it might be something worth considering
to make that more achievable.

We were fortunate in that we have, you
know, a network in our ethnic communities and
others that we had -- that a lot of people don't
have access to and we were able to approach a lot
of our friends in the area and these were, you
know, just average folks. But we were able to
raise the funds, where a lot of other people may
not have that network of people to rely on. And
that was the -- you know, so I can understand that
they would probably have greater difficulty. And
that was my understanding from other candidates,
they did have some difficulties.

MS. ROTMAN: I appreciate that. I
will tell you that from the staff perspective, we
did a lot of training earlier because we, as most
people know, had three special elections where
campaigns were able to achieve thresholds of 75
percent relatively quickly. But we saw on the
staff end that it takes some work and that the one
thing that we really were taking around to the
trainings is saying, you know, it's the same amount
of work, whether you do it early or later, please
start early.

And I will tell you that on the staff level, we were a little surprised that so many people waited towards the deadline. Maybe we're all somewhat deadline driven people. And I have to tell you that it's my suspicion that when the legislature makes any changes to those numbers at all, that it is -- it's just a guess, but that a lot of people would have started earlier, realizing that it takes some work and maybe more work than they had planned.

MR. SIMONES: Well, it may be a lot harder than people anticipated and it seemed that it affected the incumbents and the people who were knowledgeable about this, too, as much as it did those of us who were novices, because I noticed names on there that were qualifying late that were people that were supposedly had been in the system for a while so.

MR. TOM SIMONES: I have --

MR. CASHMAN: Real quickly.

MR. TOM SIMONES: Like my brother was saying about -- I mean, Andrea Stillman, as everybody knows, has been up here for a long time.
She -- I don't know if she just held back, but she qualified roughly about the same -- she put her paperwork in the same time I did through September 25th. So, I mean, it's not as easy as going -- like I said, you have to -- I mean, it came down to the point where I was going -- after I finished with my ethnic community, my Greek American, after I finished with my second ethnic community, which is the Latino community, then I am just going to people's houses and knocking on doors, "Hi, my name is Tom Simones. Can you give me $5? I would like to be on the ballot." And people would sit there and say, "Jeez, did you know this house is a Democrat?" And I said, "I know. What house isn't? I'm your neighbor." "Oh, okay." And I said, "You don't have to vote for me." I said, "Just get me on the ballot." You know? And that was -- like I said, but it took a lot of -- I mean, for me to have to hit the ground and take four months, it's almost like what you said, we had the majority of that, 75 percent of that money quick, and we had a lot of -- I am not saying to allow people out of state or to allow people even further, as my brother was saying, but to allow people still in
the Southeastern Connecticut area, people from
Mystic, people from Stonington, people from Groton
that were donating to my campaign to be qualified,
Connecticut citizens, that would be, I think -- you
know, a percentage of that would be very helpful so
we can get passed, because the idea, again, the
spirit of law is to get fund-raising over as
quickly as possible and move into the campaigning
portion of the campaign.

Other -- and just the last thing I
wanted to -- two last things. One, we spoke with
several candidates who were ready to quit. They
had told us the week before, "We're not going to
make it. We're not going make it. I can't make
it. I'm going to quit running." So they went back
to the party and the party -- like I said, the
party dragged virtually 50 per -- both Democrats
and Republicans dragged 50 percent of their people
over and, you know, they helped the parties do
whatever they had to do, but they got them the
money so they could qualify at the very end.

The final thing that was an issue,
it's not a big issue, but it was just the
illiterate voters. There should be some special
line on there. I had several people that did not
-- they were of specifically the Latino background,
Dominican, a couple of Dominican individuals who
had never gone to school and I thought that, you
know, just that they -- that there should be a line
where you can put your X or your mark or something
to allow these folks equal access. I just didn't
think they should be shut out of the voter process.
Because we did a lot of registering in
the Latino community. And, like I said, when I was
out there, to a person, they all voted for Obama.
I don't think there was one person who didn't vote
for him. But the idea -- I told them, "Look, you
can go out there and you can -- Greg was saying
voter education. People don't realize that if you
vote for a Democrat for president, you can vote for
a Republican for State Senate and a Green Party
candidate. They thought like it's the all party
level lever. If I start here, I have to keep going
straight across. So that was a part of the
education process.
Just in closing, I would like to
thank, you know, Secretary of State Bysiewicz, she
did a great -- I mean, she did a really good job
picking her staff, keeping them all organized and I thank you for hearing us this morning.

MR. CASHMAN: Thank you very much.

MR. GARFIELD: Thank you. Mr. Mark Papa?

(No response.)

MR. GARFIELD: Is Mr. Papa here? He is the next scheduled speaker. If not, yeah, Karen Houghtaling. And I hope I pronounced your name right, Karen.

(Karen Houghtaling, 2008 Democratic Candidate for State Representative.)

MS. HOUGHTALING: It wouldn't be the first time it was mispronounced. Hi. My name is Karen Houghtaling and I would like to thank the Commission for giving me the opportunity today to testify before you in regards to the new Citizens' Election Program.

I believe that Connecticut legislature and this Commission deserves recognition and praise for this program. I can't tell you what it was like to run for public office under the old system where private money is largely what funded the campaigns. I can tell you, though, that I have
heard stories of campaign managers harassing candidates to call more lobbyists and candidates, in turn, harassing lobbyists for bigger checks. After all, more often than not, the person with the most money won the election; and if you raised enough, you could send a message loud and clear to any political challengers not bother to run.

Today what I can tell you is that I went -- I would not have -- I'm sorry. Just a little nervous. Today what I can tell you is what I would not have run for State Representative this past August if it were not for the new Citizens' Election Program. I wanted to run because I recently became a grandmother and became increasingly worried about her future. I want to be as proactive as possible to ensure that she has the same opportunities that I was given.

The Citizens' Election Program is what actually made it reality for me. Not only to run for office, but to run a competitive campaign. The old system would not have allowed someone like me, who was working two jobs to make ends meet, while helping to raise my granddaughter, to wage a competitive campaign against an incumbent.
No doubt there will be other people like me in the future who have thought about running and will actually do so, now that there is a new system that encourages people who aren't connected to big money to run for office.

As I spoke to the voters in the district, they seemed to understand and truly appreciate the idea behind the State Citizens' Election Program. As I and others went door to door seeking qualifying contributions, donors seemed to understand that it was them who now owned the election process.

Many voters also said to me that they had never gotten so many contacts from one campaign or candidate in the district before. I would like to think it's because of the volunteer program that we built over the course of the campaign, which it is to a large degree. It had more to do with the new system that allowed and encouraged myself and my volunteers to spend more time with the voters than campaigns had been able to do in the past.

I am not surprised that about 75 percent of the candidates for state office used the Clean Election System. We would want to spend more
time calling people outside a district for campaign

cash when they could be talking to actual voters at
the door or on the phone.

I would also like to express the
urgency of addressing the independent expenditure
provisions with the Citizens' Election Program.
The program currently only provides matching funds
for certain independent expenditures. This needs
to be fixed this next legislation session. I came
up short by 50 votes for an incumbent on election
night. We knocked on thousands of doors, made
thousands of calls, sent out handwritten postcards
and had a message that resonated with the public.
I am proud of this. But in the end, if I had known
that I would be effectively outspent two to one
because of the independent expenditures that were
not matched, I am not sure if I would have decided
to make the sacrifice to my family to run for
office while working two jobs.

I liked the idea of relying on small
donors to get my campaign's message out and would
not want to do so in any other way. If this
loophole is exploited more in the future, others
I'm told are already positioning themselves to
abuse it. What incentive is it for candidates like me to want to participate or even run?

I might have been a new kid on the block when it comes to running for public office, but I knew I could never be competitive in a system where someone was essentially encouraged to rely on big, private money contributions. It's also important to note that all the independent expenditures were from a single organization. In other words, one large contributor changed the dynamics of the campaign.

In closing, I think the new campaign finance reform system will continue to open the door for legitimate candidates that would not be inclined to run otherwise. My biggest fear for the future of the program is that the special interest somehow will attack the program or figure out a way to undermine it or that the independent expenditure loophole is not fixed. I think it's important that the State and the advocates for campaign finance reform continue to fight for this program and protect it. Thank you.

MR. CASHMAN: Thank you very much.

MS. HOUGHTALING: You're welcome.
MS. ROTMAN: Thank you. And I will just share, you may know this already, may not, but at the last Commission meeting, the Commission authorized drafting legislation to address that very issue, which did concern the Commission in which we know came up in your race. So thank you thank very much for --

MS. HOUPTALING: Thank you.

MR. ROTMAN: -- coming here and telling us about that today.

MS. HOUPTALING: Thank you.

MR. GARFIELD: Thank you, Karen. The next speaker is Jim Dean.

(James H. Dean, National Chair, Democracy for America.)

MR. DEAN: Good morning. My name is Jim Dean. I am a resident, voter, taxpayer in Fairfield, Connecticut. I am also the Chair of a Political Action Community called Democracy for America, which is a national organization of about 725,000 members, several thousand of whom happen to be here in Connecticut.

And we conduct trainings and we organize all over the country and our real mission
is helping citizens take responsibility over the political process. I really came up here for just a couple of things.

One is to thank all of you, as well as the legislature, as well as the Secretary of State and her staff, for really establishing a national leadership in the field of campaign financing reform. We supported this year about 100 candidates. We probably supported about 1,000 people running for office in the four years that we have been in existence. I can't tell you how many states I walk through all of the time where the price of or the cost of running for office, even at the legislative level, is well into the six figures and in some states well over a million dollars. It is completely out of control. And I have never been prouder to be a citizen of Connecticut for the work that you have done to try to see this through to make really Connecticut a real place for citizen politics.

How many times have we walked around the State and heard, "Well, that's the Hartford crowd doing what they want to do." Well, now the answer to that is, if you don't like the way that's
going, we are the Hartford crowd and it's your
responsibility to run for office. And, in fact,
quite a few members of ours did run for office.

I was very happy with the fact when I
was told that we were not allowed as a national
political action committee to send out emails or to
raise money for these candidates because under the
new laws and, in fact, I embrace that because it
shouldn't be about special interest, no matter what
their politics are. It should be about the
citizens. And we fully, fully support this effort,
as we do support similar efforts in other states.

I would also just like to quickly give
you just a couple of take-aways that I know just
anecdotally from the experience of some of the
candidates that I knew who were running for office.
And No. 1 is, you do have to start early. I really
believe that. No matter what rules are changed and
what procedures have changed, it really is the same
as any election under any circumstance; you have to
start getting your list together, getting your
networks together to run for office.

It's serious business and it does take
a lot of work. It's hard to do. We certainly want
to be supportive of that, but I think we need to get that message out to a lot of people.
Because, you know, when you are running, doing this for the first time, obviously you're going to find out a lot of things that you didn't know about; and if you start early, you can overcome some of those challenges.

The second thing that I—and I think all of us would encourage this—is that whatever needs to be done to make it possible for other parties to participate on an equal level playing field should be done because it is democracy and I know we have a large number of unaffiliated voters in the state. And the more that we do to accommodate their energy and empower them to be part of the process, the better. So those are things.

And then the third thing, and I know you have done a lot of work on this already, but to the extent that it's possible, for either this body or others, either to do training, and we are a partisan organization so I hesitate to say that we're the answer to that or the solution to that problem, but those trainings, the learning that you
have gotten from this first go-around of this
publically financed elections, anything that you
could post on your website about sort of tips, just
generalized tips in a non-partisan way, to really
try to give people a heads-up on what they're in
for I think is enormously helpful.

It is tough to take responsibility
over the process. It's tough to have a job and
take care of people you love and try to be making
the change that you want to make in our government
and we said that we can make that as easy as
possible. We're certainly all for that. But most
of all, I really want to, again, thank all of you
as well as a lot of other folks who are not in this
room.

We need to stick with this program.
We need to keep it fully funded, which is very,
very important, I think, to everybody here in
Connecticut. And, most of all, we need to make it
work. And it really has worked, on large part
because of the work that you have done and others
have done. And we very much want to be as
supportive as we can, either me as a personal
citizen of the state or us as an organization in
any way we can to make that happen for every party.

MR. CASHMAN: Thank you very much.

MR. DEAN: Thank you.

MR. CASHMAN: We appreciate your comments.

MR. GARFIELD: The next speaker is Tessa Marquis.

(Tessa Marquis, Project Coordinator, New Standard Institute.)

MS. MARQUIS: Hi.

MR. CASHMAN: Good morning.

MS. MARQUIS: My name is Tessa Marquis. I live in Milford and have volunteered in several capacities for candidates in Connecticut over the last few years. The use of funds received by candidates for campaign help and for temporary employees frees the more experienced volunteers for some crucial work during the campaigns. And just as there's a constant search for good, viable candidates for these local races; there is also a dirth of experienced campaign support staff and management.

In spite of the training sessions and literature provided, a considerable amount of time
was spent explaining, re-explaining and arguing about the rules of the new game. We need to continue to build an infrastructure of candidate support staff and management and the funds from this program certainly help us to accomplish this goal.

Ideally, as town committees and candidates become more experienced with the program, we may see a growth towards improved infrastructure and encouragement of a talented, professional workforce.

The number of dedicated, passionate, experienced young people simply cannot afford to be involved in politics may be encouraged to continue and possibly even double their efforts, if they can stop working their jobs and volunteering or -- because the election cycle falls awkwardly in the school year, they have to kind of stop right when we're really getting started.

I feel that this program holds great promise. I wish it was available for all elections. In Milford, we were discussing how to get an enormous amount of money to run a mayoral candidate in the next few months and it's -- it's,
um, frightening. It's really scaring me. It is six figures. Instead of cutting the amount of money available for campaign finance, what I would like to see is an expansion of the funding and access to include the municipal elections because that is where we start to train people to then run for the state and the federal level. Thank you.

MR. PAPA: Mr. Papa?

MS. ROTMAN: Then I think we are due for a five-minute break on our schedule.

MR. CASHMAN: We'll take a brief recess and we will reconvene very shortly.

(Whereupon a break was taken in the proceeding.)

MR. CASHMAN: Who are our sign-ups?

If anybody is here who has not signed up and wishes to speak, please see the clerk over there and we will time to accommodate everybody. Our next speaker is?


(Judy Aron, Former Candidate for State Representative and Critic of Public Candidate Financing.)
MS. ARON: And I guess now there's --
now for something completely different, as they
say. I felt compelled to comment today on the new
public financing campaign laws that were enacted by
our Connecticut State Legislature. The claim is
that it reforms the way political donations were
made and received and that the new system levelled
the playing field.

The Governor even gave it her blessing
and said that these reforms were a model for the
rest of the nation. We have heard several other
speakers also say the same kind of things. They
explained that it was okay for politicians to take
State money because it isn't taxpayer money.

In my view, this new public financing
scheme for political campaigns is nothing more than
State funded political welfare. And I believe that
no candidate can run with the message of reducing,
controlling, justifying the size and expenditures
of State Government while taking government funding
for their campaigns.

It would seem to me that our State
surely has more pressing issues to spend our
precious State money on than financing political
campaigns where money is used for lawn signs, bumper stickers, robo calls and probably millions of pounds of paper in the form of distasteful and annoying mail that gets thrown in the circular file upon receipt.

The fact that this money purportedly came from unclaimed liquidated assets from Connecticut citizens does not mean that the State should waste it on political campaign propaganda.

There's so much more that could be done with that money, especially as we're facing large budget deficits. Connecticut could also have used those millions on tax relief. Connecticut taxpayers should be fuming mad at this. I know I am.

State money was frittered away by the political machine on both sides of the aisle and I think it's a travesty. The State of Connecticut has social welfare, corporate welfare, medical welfare, educational welfare and now political welfare.

I think we ought to leave the fund-raising to the campaigns and keep government out of it. Funding campaigns was never and never
should be a function of the government at any
level.

Now I understand that the primary
source of the CEF's deposits is money derived from
the sale of property deposited in the State Special
Abandoned Property Fund, which is administered by
the State Treasurer, but that does not mean that it
isn't a State financial resource that could and
should be put to better use.

And let's take a look at the notion of
abandoned property. Is it entirely proper for the
State to liquidate those assets to the benefit of
the statewide politicians? If the State won't
spend it on worthwhile government programs, then
why not give it to charity? If the State must
redistribute that wealth at all, then why don't
they use it in a more worthwhile endeavor? I just
find the whole concept of this political welfare
scheme distasteful and incredibly wasteful.

The CEF was projected to contain in
excess of fifty million dollars for grant
disbursement for the 2008 General Assembly election
cycle. I have heard that it was actually 9.5
million, and you can correct me if I am wrong, that
was actually spent in the November 2008 election cycle.

So while we disbursed millions of dollars of political candidates to blow it on Chockkis (phonetic) to promote their campaigns, really the only beneficiaries of this State funding was every specialty printer, advertiser and campaign marketer in Connecticut and beyond.

And, in fact, I attended a political candidate program, my son ran for office in Hamden, and I have to tell you that the mass mailing and robo call pitchmen were practically salivating over the dollars that were coming their way from the candidates sitting before them.

As far as the state political machines go, they all seem to claim that if one didn't take this public money, then one was doomed to lose, despite the fact that both sides of the aisle participated and someone had to lose. I also think that this program makes the politicians a bit more lazy, some thank God that they didn't have to bother with fund-raisers or even most of their constituents in person. They just had to bug a number of people they already knew, 150 for the
House, 300 for the Senate, for a few bucks
initially so they could reach their dollar amount
thresholds to qualify for this State handout.

Constituents were really only
important to them primarily to help them qualify
for their grants. By funding political campaigns
like this, I think that it also keeps the cost of
campaigns artificially high. Now they are
essentially saying that it cost $30,000, which is
$5,000 from small donors and $25,000 from the State
grant, to fund a State House race and $90,000,
which would be $15,000 from donors and $75,000 from
the State grant, to fund a State Senatorial race.
And, actually, I have seen successful races funded
on much less.

The only good thing about the program
is that it is voluntary. Truly if legislators
wanted real campaign finance reform, they should
only have made it so that PAC, money special
interest money and money from businesses should be
capped. Period. We didn't need to have any kind
of State money being used in these campaigns.

And the question begs to be asked,
what could your town have done with the $200,000,
which would be $100,000 from each party in State
money, that was given to the four people running
for state house and State Senate in your own
district? Instead, that $200,000 was used on
mailers, TV ads and phone calls and I think
Connecticut deserves much better.

I would also like to add that the
discrimination against minor party or third party
candidates in this program is just -- it's
appalling, quite frankly. My son ran for State
Representative in Hamden. As I said, for specific
reasons, he was not able to run on the Republican
candidate ticket. His paperwork wasn't submitted
on time, so he had to run as a petitioning
candidate. He had never intended on taking State
funded money anyway, participating in this
political funding in the first place.

So it really only impacted his
opponent as to the amount of money that he was able
to then get from his grant, whether he was going --
you know, whether my son was going to run as a
Republican or run as a petitioning candidate.

I think, though, that if people choose
not to take public funding for the reasons that I
have stated, which my son also decided not to take
this funding, we had noticed quite markedly that
folks who decided, who made the conscious decision
not to take public funding, were ostracized by
their parties and other candidates.

It was like, "What do you mean, you're
not taking State money? You know, that's free
money. You don't have to do anything for that",
pretty much. And I think their candidacies weren't
taken very seriously either, which I think is very
sad.

We have heard that, you know, certain
people were deterred from running for office
because of the paperwork and the rules and
regulations and everything that's involved in this
and I think that's kind of a shame, too.

So I will just wrap it up to say that
I just don't think that funding these campaigns by
government is a good idea. And I think that really
truly if we wanted to clean up our campaigns in the
State of Connecticut, that really all we needed to
do was to put a cap on the amount of PAC money,
special interest money and money from businesses
that are donated to these campaigns in the first
place.

Because if you really take a look at it, as Mr. Pelto pointed out before, special interest money, businesses' money and so forth made it into these campaigns anyway. I don't think that -- you know, I don't think that giving State money the way we have is a good thing for our State. So thank you very much for your time.

MR. CASHMAN: Thank you, Ms. Aron, for taking the time to express your views. Thank you.

MR. GARFIELD: Our next speaker is Representative James Spallone, a member of the Government Administration Elections Committee who is one of the legislators who worked very hard to enact campaign finance reform. Great to see you, Representative Spallone.

(James Spallone, State Representative, Government Administration & Elections Committee.)

MR. SPALLONE: Thank you. It's a pleasure to be here. Thank you, Chairman Cashman, Director Garfield, members and staff of the State Election Enforcement Commission. I welcome the opportunity to describe my experience with the Citizens' Election Program, which I will start off
by saying that it was a very positive one indeed.

As noted, I am James Spallone. I'm a State
Representative from the 36th District, Chester,
Deep River, Essex and Haddam; and I am an
eight-year veteran of the Government Administration
Election Committee of the Legislature. As I noted,
the experience was very positive.

I became interested in campaign
finance reform many years ago, back when I worked
on the staff at the Democratic National Committee
in Washington. I noticed the large corporate
checks that would come in to the DNC Headquarters,
some in connection with the convention 1988 for its
operations.

There had been a recent cultural
change in Washington where my party, the Democrats,
had begun accepting large contributions from
regulated industry at the federal level to help
with the congressional campaigns. It was really
spearheaded by Representative Coelho of California.
And I think the result was clear in the agenda that
was set and the outcome in the legislature that
things had changed, I think for the worst for my
party at that time, and it was really spelled out
well in a book called *Honest Graft* by Brooks Jackson, a journalist.

So one of the most memorable moments or two of the most memorably moments of my legislative career were the passage of this legislation at almost 3 a.m. in the morning on December 1st and the signing of the bill into law by Governor Rell a few days later.

So there was never any question that I would participate in this program. I looked forward to it and I was excited about it. As I said, the system worked well and for me, as expected. Personally I was off to a great start in reaching my threshold in April and May. That did slow down a little bit, due to the end of the session, special sessions, starting up my own law practice and a death in the family. But once I concentrated on finishing off, getting that last 1,500 or so, everything worked fine.

And although I thought about how the system worked in theory for years, it was great in practice not to have to worry about fund-raising except for reaching those thresholds.

I have always been a great advocate of
door to door campaigning, and, of course, did that again; but I also more readily accepted invitation to go to community events or drop in on community events, knowing I wouldn't have to worry about maybe squeezing in or planning a fund-raiser. It's really the planning that takes the time, more than doing it, especially since I have always run a shoestring operation. I don't have a big, big organization.

Supporters of mine were generally enthusiastic but some didn't quite understand how the system worked, despite my discussing it during the campaigns and so forth over the years. It is new. People I found were very responsive if the requests were made in person. Really, I am only looking for $5, etc.

My treasurer, Art Thompson, went to the training that you held here. He said it was extremely helpful. He only had good things to say about the staff and the assistance he received when he had questions. Clearly the -- and I have spoken with some of you about this. The eyes of the Nation were on Connecticut during this legislative race cycle; and I hope the eyes of Washington DC
were on us, too, because we need fundamental change
there in the way that we fund campaigns.

We're going to be on the
defensiveness, I think, for this program in the
next year; and I would advise my colleagues and
this body to proceed with caution regarding
changes. We do need, I think, to go through the
cycle with statewide elections to see how it works
with statewide office. I am sure more people will
be used to it and more will be participating and
there will probably be even more challenged races.

I was disappointed in the five million
dollar diversion in the deficit reduction package.
We are going to have to hold the line on diversions
from the program. It will not be easy under these
economic circumstances. But we have to remember
that the Citizens' Election Program is an
investment in democracy. Connecticut had the
experience of the donors having too much influence
on the legislative and executive branches. And I
submit that it is more expensive in the long-run,
that corruption is more expensive certainly than
the Citizens' Election Program.

So we need to listen to people who
come to testify before this body and before the GEA committee and we need to make practical changes to make the program work better, if needed. But we also need to experience another cycle in order to make sure we know what changes are truly needed and we need to monitor the case in federal court.

I would be happy to answer any questions you have and look forward to working with you in the future to make this a better program.

MR. CASHMAN: Good morning, Representative. Thank you for your support. I have asked other speakers and I will ask you the same thing. In your campaign, did you find it more onerous the threshold, the $5,000 threshold, or the 150 or was neither a particular problem.

MR. SPALLONE: Neither was a particular problem. I had a unique perspective in that I had not accepted Political Action Committee or lobbyists' contributions in the past, so I already had at least 150 donors from within my district that I could approach.

MR. CASHMAN: So you had a ready made list essentially from which to work off of?

MR. SPALLONE: Yes.
MR. CASHMAN: Thank you very much.

Appreciate your time.

MR. SPALLONE: Thank you.

MR. GARFIELD: Thank you. We will now move to Michael Riolino, if he is here. Michael?

(Michael Riolino, Campaign Treasurer for Democratic State Representative, Michael Lawlor.)

MR. ROLINO: Good afternoon, Ladies and Gentlemen. My name is Michael Riolino and I was the treasurer for Michael Lawlor who ran for State Representative in the 99th District in East Haven and I was happy to be his treasurer, especially because this was the first year of this new public financing program and I was eager to learn about how it was going to work and I was eager to help Mike to also win his election.

I felt that in my town in particular that the public financing actually gave us a good campaign, if you will. We actually had an opponent who was on the same playing field as us, so it was really going to boil down to who could gain the most support from our town and that was interesting.
I also was the record keeper and I would file all of the necessary reports. I enjoyed using the eCRIS system. I was able to electronically file all of the needed reports. I found that system to be very easy to operate.

As far as getting the 150 East Haven residents, we actually felt that that was going to be a challenge and we wanted to get all of the required signatures and all of the required donations in a reasonable time, so that we could have -- so that we could submit our requests for the $25,000. And when we had to submit our 150 residents and $5,000, we also included a bit of a buffer, in case any of the contributions were disqualified. And even though we thought had all of the bases covered, there were still some contributions that were disqualified.

So we took everything into account and we spent our money wisely and I recently just closed out our account and I sent the remaining funds back to the State, so hopefully we could continue this next year. And I would be glad to answer any questions from this panel.

MR. CASHMAN: Thank you very much for
you time. Appreciate the opportunity to hear from you.

MR. RIOLINO: Thank you very much.

MR. GARFIELD: Our next speaker is Matthew Lesser. Is Matthew here? If not, we will go to a sign-up, our next sign-up person, who is John Green.

(John Green, Director, Working Families Party.)

MR. GREEN: Hello, everyone. Thanks for taking the time to hear my testimony. Also, I just want to extend, you know, congratulations to the Commission and staff on a job well done. I know I was in your offices and on the phones quite a bit asking -- it felt like Stump the Chumps on Card Talk sometimes, like really how can I come up with a question that they wouldn't be able to answer? I think I prevailed often. But, nonetheless, the responsiveness was excellent and to be commended so I appreciate that.

Again, my name is John Green. I'm the Director for the Working Families Party in Connecticut. Working Families is a minor party here that was established in 2002 and is now
qualified as a minor party in about 75 state
legislative districts and all five congressional
districts and has elected people in the City of
Hartford to the Board of Education, city counsel
and recently a registrar of voters position.

I am going to speak primarily to, you
know, the issues around minor party participation
in the program. First, I want to provide a little
background on our involvement in public financing.
When the public financing legislation was first
proposed a few years ago, Working Families
supported it, primarily because we felt it was an
important step in curbing the sort of corrupting
influence of money in politics and in government.
We also thought that public financing, you know,
could create more opportunities for candidates that
weren't necessarily connected to, you know, a base
of wealthy donors or contributors or to deep
pocketed Political Action Committees.

And although the legislation included
language that, as we have heard, establishes more
challenging requirements of minor party and
petitioning candidates, we still supported it.

There are some other minor parties
that have opposed the public finance system for this reason. We took a slightly different view. We felt that while the requirements on minor party and petitioning candidates were perhaps a little more stringent and demanding than they should have been or could have been, we also recognized that the reward for minor party candidates who did participate in the program were substantial. Most minor party and petitioning candidates raised far less money than what these grants represent for them.

And so we felt that for those parties whose candidates were willing to, you know, had the will and the capacity to actually do the work and qualify, that it was a significant advantage and an improvement over the previous private money kind of, you know, anything goes system.

So this year we decided to test that theory by fielding two candidates, one for State Representative and one for State Senate. Both sought to participate in the public financing system and for the most part, we were successful. They both were qualified. The State Senate, who you heard from earlier, Cicero Booker,
received a full grant and the State Representative, 
Candidate Debra Novel, received a two-thirds 
partial grant. And having been through the system, 
you know, once now, I think our position on the 
system remains essentially the same, that we 
continue to support it. And we think that it's 
mostly a positive thing for minor party candidates. 

Having said that, I think our 
experience also highlights, you know, some element 
of truth. There's some real concern around the 
issues that critics have raised in terms of the 
ability for minor party candidates to participate 
and I would like to just share a few of those 
experiences and point to a couple of other concerns 
that are not specific to minor parties and close 
with just a couple of recommendations that I hope 
the Commission and the legislature will consider, 
as they are thinking about where to go from here. 

And, again, I want to stress that I 
think our view continues to be that this program at 
its core is essential and beneficial for democracy, 
in general, including for minor parties. 

So I am not going to -- you know, I 
think people here know the way the system here
works for minor party candidates. There's, you know, these additional thresholds based on getting a certain number of petitions on nominating petitions or having attained a percentage of the vote in previous elections and there's a sort of tiered system for what percentage of the grant those candidates get. You know, 10 percent gets one-third grant, 15 percent gets a two-thirds grant and 20 percent gets the full grant.

So as I said earlier, our belief has been that those thresholds are probably a little higher than they might need to be. And so I will shed a little more light on that, particularly with respect to petitioning candidates.

One thing I -- to start with is to understand that the petitioning requirement is based on a percentage of voter turnout at the last election, percentage of votes cast at the last election. You know, there are very wide differences in terms of what that number actually is in a high turnout district versus a low turnout district. So urban districts, where the percentage of voters who vote is lower, the threshold itself is substantially lower; districts where the
percentage -- where the turnout of voters is higher, the numerical threshold for achieving eligibility in the program is also higher.

So, for example, in our case this year, we fielded a State Senate candidate in Waterbury in a district that was primarily Waterbury, in a district that's historically had a pretty low turnout and a State Representative candidate in a district that's entirely in Simsbury, a district that historically has had a very high turnout as a percentage of registered voters. In fact, the total population of the 15th State Senate district is much, much larger than the population of the 16th State Rep district. The number of signatures needed was not that different between these two because the percentages of turnout is so vastly different.

So, for example, in 2006, in the 15th State Senate District, there were approximately 13,500 votes cast. In the 16th State Rep District in the same year, there were approximately 11,000 votes cast one. And even though one is a senate district and one is a rep district, the number of votes cast was actually comparable.
So the number of signatures to qualify for a full grant in the State Senate District was roughly 2,700 and in the State Rep District roughly 2,200. So one question that may come to mind is why did the State Senate candidate succeed in getting the full grant while the State Rep candidate was only able to become eligible for a partial grant, even though the number needed for State Senate was higher than the number needed for State Rep. People following this? Okay.

And I think the answer is something that would -- that is important for folks to consider is, as they think about changes here. An answer to getting 2,200 signatures from a population of about 15,000 registered voters is a lot harder than getting 2,700 signatures from a population of 40,000 registered voters. There's a sort -- for people who have been involved in political campaigns, any aspect, whether it's a retail campaign or whether it's door knocking or phone banking or what have you, there is a sort of law of diminishing returns.

If you are phone banking a list of 10,000 registered voters, the first pass through
that list, you might contact 50 percent of them.

The next time you call through the 50 percent you
didn't reach, you're not going to reach 50 percent
of them. There is just -- this is the nature of
the beast, someone smarter than I can explain it,
but there is a sort of saturation point that makes
it harder to continue to get contacts with the same
diminishing universe of people.

So in the case of a State Rep

District, like the one that we're talking about

here, getting 2,200 signatures is like actually

getting a signature from one out of every six

adults in the community. It's a pretty daunting, I

think bordering on impossible task that I think is

something that, you know, could be looked at.

And just to give a little perspective

on this, the Working Families Party as a whole

gathered approximately 35,000 signatures on

nominating petitions for a variety of offices this

year, so we are not adverse to doing that work and

we have never really complained about it being

burdensome. I think it would create a burden for

the Secretary of State's office who has to deal

with all of this.
But achieving the density that this
system requires in a given district is, in fact, a
different -- a different animal and a much bigger
challenge that than just raw numbers. So I think
this is a problem that will probably worse in the
next cycle because, as we know, voter turnout
across the board was higher in a presidential year
than in a Gubernatorial cycle. So that, again, the
number of signatures needed as a percentage of
registered voters in a given community is going to
increase.

And my concern is that a large number
of communities or districts will be bordering on
sort of off-limits for minor party candidates that
use the public financing. It will just be
bordering on being not possible to attain the
density of signatures for petitioning candidates.

So that is one challenge we
experienced and I think that, you know, we and
others will continue to experience. I think it
relates to a second challenge that we have heard
from some major party candidates about, as well,
which is sort of the challenge of timing.

I think it's more -- a more key
challenge for minor party candidates. Obviously a part of the solution is to start sooner. I think we all get that and people can learn from that experience this year. But we also supported major party candidates this year who were running as clean money candidates and almost universally the sentiment that we heard from candidates was that they were going to focus on raising their qualifying contributions, you know, before doing anything else. And that was the sentiment we reinforced that I reinforced and I think it made sense.

People who sort of dealt with, you know, "I don't qualify for this grant, I basically have no campaign, so that's what I have to do."

For candidates running as minor party and petitioning candidates, that meant that the petitioning phase was a whole other phase that took a period of time. And I think the sentiment was similarly, "I don't even want to focus on fund-raising until I know that I will actually be eligible to get a grant." In other words, if the signature phase was not completed, those candidates couldn't participate in the program anyway.
And so for some sort of psychology
that says, "Let me focus on this one thing alone
and then turn my attention to the next phase",
creates a longer and more challenging time frame
for minor party candidates. I think it's probably
not a coincidence that I believe all of the minor
party candidates qualified for the program,
qualified within the last, you know, week or maybe
couple of days, submitted their application at the
very end. And, again, some of that is just because
of starting sooner, but I think there is a reality
to not wanting to -- or not having the ability to
raise the funds without having some knowledge that
you are eligible to participate in the program.

So, anyway, both of these points I
think argued for sort of modestly adjusting some of
the thresholds and requirements for minor party
candidates and I will suggest a couple of specifics
later. I want to weigh in on other topic that has
nothing to do with minor parties.

It was, I think, addressed by a couple
of other speakers, which is the interpretation of
the restrictions on independent expenditures and
the awarding of matching funds. As I understand
it, the current interpretation was that in one
case, a political action committee was allowed to
spend somewhere in the ballpark of $15,000 in a
State Representative primary on an independent
expenditure; but because of the i.e. was only
positive in nature, it did not trigger a, you know,
a matching grant for the candidate on the other
side.

And, you know, I think there's two
really serious concerns raised by this. One is
that I think that it seems to me that the purpose
of the public financing system is, or the primary
purpose, is largely to -- you know, to get -- you
know, to eliminate that sort of corrupting
influence of, you know, special interest in the
political system. And this interpretation of the
law, I think, opens up, you know, a loophole large
enough to drive a caravan of realtors through.

And so it arguably negates almost
everything else that the program could achieve or I
think it has the potential to negate that, as deep
pocketed special interest will continue to have the
resources to make, you know, close to unlimited
expenditures in support of their preferred
candidate.

And I think the second thing is it worries me that an agency would have to become sort of an arbitrary of what constitutes positive versus negative mailing or positive versus negative communications. To me, that sort of sets up a slippery slope that could be open to endless debate and challenge and controversy.

So my sense is it would be easiest and best for the program to treat all independent expenditures the same. So that's a recommendation on that. So hopefully the SEEC will revisit this or the legislature will revisit it.

And, finally, I just want to offer a couple of other suggestions that I hope would maybe on the table as the discussions about possible changes in the system evolve. One, as I have stated, I think some modification on the petitioning or minor party candidate percentages that are required is probably needed to ensure a bit more of an element of fairness and ensure that the thresholds are not prohibitively high. If the legislature wanted to maintain a three-tiered system, you know, system something like, you know,
5 percent, 10 percent, 15 percent as opposed to the
10 percent, 15 percent, 20 percent. You know, not
some sweeping huge change I think would kind of
accommodate this concern.

I think a second thing that should be
looked at with respect to petitioning candidates is
given the significant differences across districts
and the percentage of voter turnout and the number
of voters that turn out, it may be worth looking at
making that a flat number as opposed to a percent
of votes cast.

So that a candidate who is seeking to
qualify or be eligible in a district, in a State
Rep District in Simsbury, would have the same
numerical goal as petitions as a candidate seeking
to be eligible in Hartford. Even under the current
system, there's a huge difference between the
number of signatures you would be required to get
between those two districts.

And leveling that off by establishing
it as a flat number, similar to the way the
qualifying contributions, in district
contributions, is a flat number. It's not a
percentage of anything. So a flat number across
the districts would, I think, make that, you know, just less prone to -- I don't know, it just seems better. I can't put a better word on it than that.

And then lastly, I think it's worth considering -- you know, some of the other testimony we heard from folks was about the, you know, not getting done until a very late stage of the campaign or concerns about, you know, specific, you know, sort of practices around the qualifying forms themselves and, you know, getting the business entity checks or the, you know, dual account signer, that sort of stuff, joint account signer, my sense is that some of the stress and pressures faced by treasurers would be relieved if the program, and this may be a bigger shift that folks are willing to consider, but would be relieved if the program was a hybrid of the current public financing system with something closer to a matching fund system, like what is used in New York City as opposed to sort of the all or nothing system that we have now, wherein a candidate for State Representative who raises $5,000 in qualified contributions gets a grant of $25,000; a candidate who raises $4,995 in qualifying contributions gets
a grant or zero, that there may be a way to relieve
some of the pressures, if there was essentially --
you know, for example, if we made -- you know,
there still could be a floor, you know, you have to
raise $2,500 in qualifying contribution and then,
you know, we'll match anything on a four to one or
five to one basis that you raised above that up to
the limit of $30,000 between qualifying
contributions and public financing.

So I think that that system would
accomplish a few things. You know, I think
removing the sort of all or nothing aspect would
make it easier for candidates to, you know,
balance, you know, fund-raising with viewing other
things in the campaign that they think are
important. You know, you could sort of spend as
you go or raise as you go.

I think it would allow candidates to
qualify sooner in the process, so that they have
some matching funds on hand to use in August and in
September as opposed to -- I think there was a lot
of candidates, even major party candidates or
incumbent candidates, who didn't qualify until
September and October.
I think removing the all or nothing aspect would also significantly reduce the stress and the pressure on candidates and treasurers that stems from the detailed requirements of the QC forms themselves. You know, not that we want to encourage treasurers to be careless, but, you know, the $50 contributor who forgets to list his employer, you know, what's at stake in that? If that contribution is thrown out, you know, that could cost the campaign $300; right? The $50 that they lose because it's not a valid contribution and then the $250 in matching funds that they would have gotten. But it doesn't risk costing that campaign $85,000. Right?

So the sort of need to fix all of the things that people neglect in forms becomes less of a stressful process, that people could say, if it's worth it for me to correct that form or if I am able to do it, I can do that and then it will be considered a legitimate and qualifying contribution and we'll get the match; if not, it doesn't mean I end my campaign.

And I think lastly that sort of the matching system or removing the sort of all or
nothing system combined with slightly lower
thresholds for minor party and petitioning
candidates, you know, would create a system wherein
public financing was more proportional to the
effort and the base of the candidate, regardless of
party.

So a candidate who is willing to work
had and has a base of support in that community
would be capable of receiving a full grant. A
candidate who works less hard and has less of a
base, could participate but might receive less
money and all of that would be done regardless of
the party's status of the candidates. That's all I
got.

MR. CASHMAN: Thank you very much.
You have presented some interesting ideas and we
will be taking them under our consideration. Thank
you very much.

MR. GREEN: Thank you.

MS. ROTMAN: Before you go, I just --
I do want to say congratulations because you did
have a lot of candidates -- a number of -- a couple
of candidates qualify and I know there was a lot of
hard work on your part and the candidate's part and
so congratulations on that because I know it must have been gratifying to get there in spite of some of the issue. And I know it was certainly a pleasure to work with you on that.

MR. GREEN: Likewise. Thank you.

MR. GARFIELD: Thank you, John.

We're going to move to our next scheduled speaker, Matthew Lesser.

MR. CASHMAN: And if anybody has come in in the interim that wants to speak, see the clerk and we will accommodate you as quickly as possible.

(Matthew Lesser, Democrat, State Representative-Elect.)

MR. LESSER: Good afternoon. I'm Matthew Lesser. I'm the State Representative-Elect from the 100th District in Middletown, Middlefield, Rockfall and Durham. Thank you for giving me the opportunity to speak on this issue. I would like to particularly thank Chairman Cashman, and Vice Chair Jenkins.

On November 4th, with the help of the CEP, I was able to challenge a three-term incumbent in my race for the Connecticut House of
Representatives. Even as a first-time candidate for state office, I am confident that I would have been able to raise the $30,000 necessary to run a competitive race.

However, doing so would have had real costs for my ability to run an effective campaign and I believe for the health of the system. For any campaign or candidates, time is its most precious resource. After I qualified for public financing in June of 2008, I was able to spend all of my time on the campaign, meeting voters directly and understand more fully the range of their concerns. That made me a better candidate, one more responsive to the needs and priorities of my perspective constituents. I also believe that having had the chance to meet so many of my constituents will make me a better legislator.

The result of public financing is a more in touch, a more competitive and more independent legislature in which our General Assembly finds itself accountable to our voters and to the voters alone.

As we prepare to enter a challenging session in which we will be asked to make difficult
choices regarding the budget, it is a comfort to know that in part thanks to the CEP, our General Assembly is more independent of special interest than it has ever been.

That said, as with any new program, there is some room for improvement; and I would like to offer four suggestions. First, the power of party committees threatens to erode the intent of the CEP. The total level of organizational support received from all sources should be capped at a certain level. I would suggest $10,000, but the actual level is, I think, less important.

The rules at present allow a candidate to receive organizational support from eight or more different party committees. In a scenario involving eight, the additional organizational expenditures permissible, $28,000, would exceed the total size of the CEP grants. In the event that one party exceeds the spending cap, I would suggest that the maximum level of organizational support should be correspondingly increased.

My second suggestion is that the SEEC regulations should be restricted with regards to the exploratory committees. Currently the
regulations allow candidates to raise and spend
unlimited funds in an exploratory committee and
still remain eligible for the full CEP grant. This
is a loophole that allows for, in my view, an Enron
Iraqi intent of the CEP. The regulations should be
amended so as to reduce the CEP grant by the amount
spent by an exploratory committee.

Third, the ban on contributions from
current and perspective State contractors and
lobbyists and their family is in my view too harsh.
No one wants candidates for State office to appear
beholden to special interests; however, the CEP
program itself and the $100 limit for qualifying
contributions are in my view by themselves
sufficient to ensure independence for State office.

And my fourth and final suggestion is
that, and this actually goes to I know what some
other speakers have suggested, is that to the
extent allowable under the First Amendment, the
SEEC should try to place limits on independent
expenditures that do not promote the defeat of the
candidate. And that can be either limits or
providing qualify -- matching contributions.

Because outside groups appear to have
the power to spend unlimited funds to promote the
candidate of their choice, a loophole that could
render the CEP program irrelevant, in much the same
way that we have seen Section 527, organizations
decreasing the attractiveness on the presidential
level of the presidential public financing system.
So those are my four recommendations.

Thank you for giving me the
opportunity to speak. I am glad to be here as a --
as to what I view as a success story of the program
and I hope the program continues.

MR. CASHMAN: Thank you very much for
your comments and congratulations on the outcome of
your race and we look forward to working with you
in the upcoming session.

MR. LESSER: Thank you. I would also
like to turn it over, if I may, to my -- someone
who was instrumental in my campaign, my deputy
treasurer, Saul Carlin.

MR. CASHMAN: If you speak briefly,
that will be fine.

MR. CARLIN: Thank you,
Representative-Elect Lesser. Saul Carlin. It's
been an honor to join you here. Thanks to the
Chair and the Vice Chair for giving us this opportunity to speak on such an important matter. I would also like to acknowledge our campaign's official State Election Liaison, Andrew Casputto, for always being patient and courteous as we both worked through the CEP's requirements for the first time.

My name is Saul Carlin. I am a student at Wesleyan University. And in addition to working on Representative Lesser's campaign, I am President of the Wesleyan Chapter of Democracy Matters, which is the youth branch of Common Cause.

As a long-time advocate for clean elections and electoral reform, I want to congratulate everyone at the State Elections Enforcement Commission for their faithful and might I add successful execution of a Clean Elections Program that this year effected truly progressive change to the way campaigns are run in the State. Thanks to the CEP, 81 percent of the membership of next General Assembly will have run as clean candidates. 75 percent of all candidates were able to put their fates in the hands of the voters, rather than special interest by participating in
But as Representative Lesser suggested, steps can be taken to further increase the competitiveness and independence of participating campaigns by eliminating overall expenditures from both party committees and PAC's. Their influence runs counter to one of the essential goals of public financing, which is to put on an equal playing field. All candidates surpassed a certain threshold for public support. There will always be room for improvement, but having had the opportunity to become intimately familiar with CEP, I have confidence that it will be viewed as a model program by legislative bodies across the Nation as they look to reform their electoral systems. Thank you.

MR. CASHMAN: Thank you very much for your comments.

MR. GARFIELD: The next speaker is Susan Kniep followed by David Blackwell.
(Susan Kniep, former mayor of East Hartford, President of Connecticut Federation of Taxpayer Organization.)

MS. KNIEP: Thank you very much and
thank you very much for holding these hearings. I am Susan Kniep. I'm the former mayor of East Hartford and currently the President of the Federation of Connecticut Taxpayer Organization.

It's very good to know that campaigns are no longer owned by incumbents. And, in fact, a level playing field has been offered to all candidates who may wish to run for State election. So certainly the campaign finance laws, as they are today, are beneficial to candidates and beneficial to voters, so that we have informed voters to determine the candidate of their choice to best represent them. And what better way than being informed by having the financial resources to relay to voters.

There are, however, some flaws in the system. And I'm assuming that's why you are having these hearings today and certainly the previous speakers were so eloquent in speaking to some outstanding issues. One that has not been addressed, however, is the fact that incumbents who are running for election unopposed, incumbents who are running unopposed still do have access to public financing.
Now, if there is only one name on the ballot, unless absolutely no one who goes to the poles votes for that person, which is highly unlikely, I'm sure they're going to receive at least one vote, they are guaranteed their seat.

So when you are looking to saving money and your -- and the issue of financial resource now and going forward, that might be an area that you wish to address. Because certainly incumbents, we now pay -- well, we paid for public financing of campaigns before this recent legislation, which has benefitted many in the 2008 election, and that is through incumbents being allowed to send out types of literature to their constituents during the course of the year.

And one thing I would ask is that the State Elections Commission audit, conduct a formal audit, of those pieces of literature that are supposed to be informative to the constituents as opposed to campaign pieces. And I think the more that you look at those, you're going to find that there is -- that it's very difficult to tell the difference between a piece of campaign literature and the literature that is being sent out by
legislators, informing their incumbents of—
informing their constituents of what is going on in
the State.

In fact, I would like to see that
whole program abolished because that is costing us
millions of dollars. Incumbents today sitting in
the legislature have every opportunity to write
articles in their local newspapers or coming to
local legislative bodies, to town counsel meetings,
etc., or holding a forum in their towns, which they
should be doing.

But we, the taxpayer, do pay for
incumbents in our State to send out pieces of
literature, which I would ask that the Enforcement
Commission look at to determine if, in fact, these
border on pieces of campaign literature.

The other issue is that what Mr. Pelto
had spoken to previously, it is hopeful that you
will be holding formal hearings on those issues
that were raised. Because as important and
significant as public financing is and wanting to
keep it on a level playing field, involved
participants who donate those $5 or #10 and feel
that they have a vested interest in the campaign,
the intent, of course, in public financing is to
take the special interest, to take the PAC's out of
the election.

And, in fact, if they could funnel
money in to party caucuses and those funds can find
themselves -- find their way to candidates, then
those issues must be addressed. Certainly any
hurdles for a third party candidate should be
addressed, as well, which I feel confident you will
doing as.

As the President of the Federation of
Connecticut Taxpayer Organizations, we, our
organization, took a position on the State
Constitutional question. We did want to see a
State Constitutional Convention. We lost. We lost
that referendum item.

And I think that one contributing
factor to us losing was the fact that we had three
elected officials standing in unison on the State
property denouncing this question. And I am
wondering if maybe we don't need some laws as it
relates to that particular issue.

But we have referendum questions that
are going before the voters statewide. If we
should not be restricted elected officials from
using State property to denounce or promote, or
promote, these referendum questions.

You know, certainly when that
happened, we realized that we had an insurmountable
issue to address. And, unfortunately, I think that
with the three major state leaders standing
together denouncing that question did not allow us
to be on a level playing field. So I would ask if
there's anything that could be addressed in that
regard.

Also, signs in schools. I don't know
if the Elections Enforcement Commission can do
anything about notifying the Boards of Education;
but I can tell you that we did have people standing
at poles and those individuals are -- were aware
that signs had been placed in schools. They were
on classroom doors saying to vote no for the
constitutional convention. And, obviously, that is
a violation. Maybe the school districts are not
aware of that. Maybe they need to be made aware of
that.

And getting back to the issue of
allowing incumbents or any candidate who is running
unopposed to have access to public financing, I
would ask that you look to the fact that we had --
I believe it was roughly close to 60 people or 60
positions that were unopposed in this election.

So many people went into the poles and
they voted, they only saw one name on the ballot.
And you did have incumbents who went after and did
get this money. Now, certainly something is not
quite right about that. We would hope that through
public financing, people would realize -- although
I am sure there are many people out there who don't
even know that there is public financing who may
wish to run for election and think that, "Well,
gee, I have to raise all of this money. Can I do
it?" But -- and so maybe there needs to be greater
advertising or letting people know that this money
is available.

But certainly when you have people
running, one name on the ballot, and especially if
they are incumbents, there is absolutely no reason
why they should be receiving, especially the
incumbents, one dollar of campaign financing when
running unopposed.

I thank you so very much for listening
to my statement and thank you very much for holding
this meeting. And I would also like to take the
opportunity to commend every member of the State
Elections Enforcement Commission. I, too, have
relied on you in calling and posing my questions.
I get an immediate response, a very courteous
response, an accurate response; and I know that I
am not alone in calling you. So I thank you so
very much.

MR. CASHMAN: Thank you very much, Ms.
Kniep.

MR. GARFIELD: Thank you. The next
speaker is Former State Representative, David
Blackwell. Great to see you, David.

MR. BLACKWELL: Good afternoon, Mr.
Garfield, Mr. Chairman and Members of the
Commission. For the record, I am David Blackwell
and I was the candidate in the 4th Senate District.
I have some copies of my testimony here.

I want to begin just by thanking you
for this opportunity to come before you and give
you my impressions of the Citizens' Election
Program and how it worked in the 4th Senate
District.
And at the outset, let me say that the CEP provided me the funds necessary to run a competitive campaign for the State Senate. The fact that I did not prevail had probably more to do with the coattails of Barack Obama than anything else. However, there were other factors at play in this race and I want to talk about them for a moment.

As a candidate and as a State legislator formerly, I have supported the concept of a level playing field through publically financed campaigns. However, as a State legislator, I did vote against public financing campaigns for several specific reasons. And, regrettably, I think my reasons were born out in this, the inaugural test of the Citizens' Election Program.

I think the primary flaw in the CEP is caucus PAC's. The pernicious effect of organizational expenditures made by caucus political action committees who coffers are infused with special interest money are the problem.

Three years ago when this legislation was created, creating the CEP, the Chairman of the
House GEA committee, Chris Caruso, admitted on the floor of the House that he had had great difficulty sleeping the night before, as he was still deciding whether to support the very legislation that his committee had produced. According to Representative Caruso, and I want to quote, "Some of those concerns that I have raised before deal with various political action committees and their ability to provide in kind services to the participating services."

Like Representative Caruso, the use of caucus PAC's is the sort of reason why I did not support this as a State legislator. The amounts of organizational expenditures that caucus PAC's are entitled to provide are huge and should give any candidate pause. Moreover, the balance sheets of the Senate Democratic caucus PAC's dwarf those of their Republican counterparts.

Now, theoretically, a Senate candidate in the 4th Senate District could see $10,000 from each of the three senate caucus PAC's, $10,000 from the State party and $10,000 from each of the four town committees. That is a total of $80,000 extra in a Senate campaign.
Now, upon learning of the extent to which caucus PAC's are permitted to give organizational expenditures, I sought to level the playing field in my own race by suggesting to my opponent that she and I jointly pledge to reject such funds. My suggestion itself was rejected by my opponent and now I understand why.

It appears upon preliminary inspection that ten's of thousands of dollars extra were put into her campaign. Unfortunately the reporting requirements of this law are so weak that I will not know sometime until 2009, if at all, exactly how much was spent on my opponent's campaign.

The laws are intentionally designed to withhold such information until well after campaigns have ended and the next legislative session has begun. However, the filings of the three senate Democratic caucus PAC's show that more than $150,000 of special interest in other monies were deposited as recently as September and October of this year. Such funds were then used to produce and send out a series of election mailers on behalf of Senate Democratic candidates.

The result was that my opponent spent
more in this legislative race, either directly or
indirectly, than in almost any of my opponent's
prior campaigns. The conclusion I make is that
rather than limiting the impact of special interest
and other money into campaigns, the CEP actually
has increased the flow of money into certain
campaigns by simply laundering special interest
money.

On Sunday, November 2nd, several
people provided me literature mailed on behalf of
my opponent from her campaign and from the Advocacy
Group, Love makes a Family. The mailers, which are
attached to my testimony as Exhibits A and B, show
identical photos of my opponent together with other
individuals. After contacting Elections
Enforcement on Sunday night, it was determined that
the photos do not appear to be from the candidate's
government website, campaign website or any other
website in the public domain. Rather it appears
that the same photograph was shared between my
opponent's campaign and Love Makes a Family.

The law does not allow for a candidate
to coordinate his or her message with an
independent political action group. Doing so, as
you know, constitutes a prohibited contribution to
the candidate's campaign. The law provides, of
course, for an equal grant of money to the agreed
candidate; however, as the Election Enforcement
investor astutely pointed out, at 8 p.m. on a
Sunday night, even if Election Enforcement would
rule in my favor on the Monday before the election,
what was I going to do with the money? My
conclusion here is that there must be something
that the -- the law does not adequately provide for
unlawful literature drops that occurred just days
before the election.

There are a couple of other factors
that I just want to briefly mention and Mrs. Kniep
mentioned legislative mailers. Such mailers are
used by incumbents on both sides of the aisle. I
used them when I was a legislator, but I didn't use
them once I was nominated for office.

Now, of course, we moved, the
legislature moved the nominations from July to May
just a few years ago and also this year, for the
first time, legislators or candidates had to sign
affidavits saying they would abide by the spending
limits of CEP 10.
I received this on July 9th and it
cost the taxpayers $12,710.95. This is after my
opponent was nominated. This is after my opponent
signed an affidavit saying that she would abide by
the spending limits. And I suggested some
legislative texts to oppose this loophole in my
testimony.

I also want to mention the State Bond
Commission Slush Funds. The 2007, 2008 State
budgets authorized ten million dollars in State
Bond Funds for the House and Senate, Democratic
caucuses and the Governor's office. The Senate
Republicans and House Republican were specifically
excluded from any such funds. These funds were
generic in that they weren't designated for any
specific project or any specific district.

The original amount was 140 million
dollars, but the Governor refused to consent to
that brazen request. Additionally you may have
noticed that Governor, because of the recent budget
crisis, the current budget crisis, has said that
she will not use the funds as her disposal.

Senate Democrats had no such
reservations, rather they directed 22 percent of
their Slush Funds authorized for themselves to a
single district, single candidate's district, that
of my opponent. These are State monies and we will
be paying for them for the next 20 years.

Finally, I just want to mention
something that goes back a number of years. There
is a letter from Elections Enforcement to the
Senate Democrats giving express permission for
incumbents to appear at public functions, but not
for challengers.

I had a problem trying to appear at
some of the same functions that my opponent
appeared, whether it was a veteran's group or a
senior citizens' group. At least in one condition,
I was told, one circumstance, I was told by a
senior citizens' group that I had nothing to say.

Now I find that to be a little bit
disheartening, as a challenger, that I am not
allowed to go before the senior citizens' center
and talk to the senior citizens when my opponent
can put it in the paper and, in fact, it was in the
senior citizens' center mailer that my opponent was
appearing, but I was told I had nothing to say.

As I said at the outset, the
Democratic party had the distinct advantage of an extremely popular standard barrier for the 2008 election and yet the CEP did help me run a competitive campaign. However, it would be disingenuous to conclude that the CEP had levelled the playing field or has even taken the special interest money out of elections. I think the contrary is true in certain conditions, certain circumstances.

The CEP actually has increased the amount of money in political campaigns and has allowed incumbents on one side of the political aisle to tilt the balance of any truly competitive race back into their favor. With the additional funds of caucus PAC's at their disposal, there is no reason that the Senate Democrats should ever lose a competitive race.

If the CEP is truly to work, Chairman Caruso's concern about political action committees, their ability to provide in kind services to the participating candidates must be resolved. I thank you for your time.

MR. CASHMAN: Thank you very much for your comments. Next speaker?
MR. GARFIELD: The next speaker is Christine Horrigan from the League of Women Voters. (Christine S. Horrigan, Director, Government Issues, League of Women Voters in Connecticut.)

MR. CASHMAN: Good afternoon.

MS. HORRIGAN: Good afternoon. And I did submit my written testimony earlier today by e-mail, so I hope you all have a copy. The League of Women Voters in Connecticut believes that there is no better investment in democracy than clean elections. Clean elections help to ensure that legislators are not beholden to special interests, a particularly important consideration during tight budget times.

The Citizens' Election Program enables candidates to spend more time discussing issues with the voters rather than fund-raising. The program also reduces corruption and the appearance of corruption; thereby instilling confidence in our elected officials. We are thrilled that approximately 75 percent of the candidates running for the General Assembly elected to participate in the Citizens' Election Program.
As reported at the launch of the Citizens' Election Program in June of this year, Maine and Arizona both have campaign finance funds. In their first year of use, they had a 30 percent candidate participation rate. Connecticut is clearly doing something right.

Although we cannot control the characters or the actions of individuals who run for office, we can reduce the influence of special interest money in our system through public financing of elections. We urge the legislature to restore the money that was recently cut from the Citizens' Election Program and to continue to recognize and support the important role this ground-breaking program plays in our democracy.

Thank you for the opportunity to comment.

MR. CASHMAN: Thank you very much for your testimony.

MR. GARFIELD: Thank you, Christine. And thanks to the League for all of their support over the years in bringing about the campaign finance reform and supporting the Commission.

MS. HORRIGAN: You're welcome.

MR. GARFIELD: Do we have some more?
We have Peter Thai?

MR. THOR: Thor.

MR. GARFIELD: Thor. Sorry about that.

(Peter Thor, Director, Policy & Planning, AFSCME Council 4.)

MR. THOR: Hi. My name is Peter Thor. I'm the Director of Policy & Planning for Counsel 4 AFSCME, which is one of the largest unions in the State of Connecticut, representing $35,000 state municipal employees.

I wanted to speak very briefly and I have got a really small issue. The -- I think the -- with regard to the rules and regulations promulgated by the SEEC, we came across something that was a little difficult. As part of my responsibilities, I was asked to calculate what it would cost if we lent out our phones to a candidate.

We have a bunch of phone jacks in our lower office that we have had since we built the building and we simply plug in old phones, and -- if a candidate wants to use the phones and they get volunteers who come in and dial away.
And so I was asked to do a calculation on what this would cost. Now, for purposes having absolutely nothing to do with this, we estimate -- for other business purposes, we have an estimate of the square foot value of our floors.

So I did a calculation on -- based on the number of square feet around four desks on four phones that inconvenienced no one. It's just the way it's been done since 1986, when we built the building, and I came up with a number which I converted into an hourly number and I recall the number, I don't -- I don't even -- I don't have my work along with me, I lost it, but I remember the number, it was $9.87 an hour, so I rounded up to $10.

And the candidate had phoners in for two hours and got a -- and was told to pay us a total of -- I believe it was $346. And we simply can't find a way to justify that number. In other words, we think we made a profit off that candidate's contribution.

So what I am asking the Commission to consider is some sort of basis that we can use for calculating a cost based on our real costs. And I
have no idea how the Commission came up with that, but it's based on real costs and hopefully not a market cost.

So it's a relatively small thing, but I think it has an affect on some candidates and I think it discourages people from making contributions to the election effort, which I think is an important part of the process, which this law, which we heartily support, was intended to do.

My other point is a larger one. Other speakers have addressed it; but on the independent expenditure problem, we're hoping that you propose legislation to correct that.

And that -- and other than to say thank you very much and I can see that you have survived.

MS. ROTMAN: Thank you very much. And I'll -- just to give a little background, your comments are very well taken and we will absolutely look at that issue, as we will look at a lot of issues we have heard about today.

Just a little background on the issue that you raised, I think that the term hotelling is what is often used in campaigns and I believe there
was a suggestion that the fair market value for
what it would have cost a candidate to use those
kinds of resources on the market would be the
appropriate benchmark.

I am not saying that to be
defensiveness or to say that we won't certainly
take your comments under advisement and think about
whether that remains appropriate going forward; but
that is where it came from. With the idea to keep
the level field, it should be the cost available on
the open market with the idea that not all
candidates necessarily had access to coming to your
space in particular or any other particular space,
but sort of the open market space.

MR. THOR: I see your point and I
think -- I think it's worthy of consideration, that
you look at a more relaxed standard because I
suspect that most candidates will have access to --
you know, I think most of us in this room have
participated in campaigns at one time and I know I
have dialed a lot of phones from lawyer's offices,
real estate offices and, you know, all over the
place as well as -- I know there is one person in
New Haven who has five lines in his house for one
explicit purpose. Thank you very much.

MR. GARFIELD: And our final speaker,

last but far from least, Tom Swan of the

(Thomas Swan, Executive Director,
Connecticut Citizens' Action Group.)

MR. SWAN: I have a lot of testimony.

I won't be that long. As Jeff mentioned, my name
is Tom Swan. I'm the Executive Director of the
Connecticut Citizens' Action Group. We were both
strong advocates of the law and I have also known
to be a practitioner sometimes of politics in terms
of helping with campaigns and all.

And I think -- I watched the first
day's worth of testimony and I have heard most of
today, although I had to step out for a couple of
phone calls and meetings, and I think I want to put
some of this in context. You all, the Governor and
the Legislature deserve an amazing amount of kudos
for what you have accomplished during the course of
this year.

And I know a lot of other people have
talked about it, but I don't know that anybody is
reminded that three years ago we were written up in
national newspapers across the country as
Corruptacut and that we were the most -- and we
were the Louisiana of the north, the most corrupt
state in the entire country.

And right now, I know that our allies
at Common Cause, Jeff, Beth and I, are being asked
to travel all over the country to describe what you
have accomplished and the legislator and the
Governor enabled in a very short period of time.
And I know that you all have, the staff of
Elections Enforcement, were put under a lot of
pressure to do this in a real short period of time;
but from moving in that short a period of time,
from being known as a corrupt -- the most corrupt
state in the nation to the state with the model
campaign finance reform program, could not have
happened without your hard work and time.

And we deserved that. We made the
legal 220 million dollars to Enron for a $50,000
campaign contribution to the Republican Governor's
Association. We would give politically connected
lobbyists finder's fees in exchange for them to
help raise money for our state treasurer and no one
party had a lock on that level of corruption.
I heard Former Representative Blackwell a couple of minutes talk about leadership PAC's. We did a study, I think it was in 2000 or 2002, that showed the top five lobbying firms funneled over 50 percent of all contributions to leadership PAC's, which beforehand could give an unlimited amount of campaign contributions to whatever campaign that they wanted to do. And if we go back and look, we will see a number of races that got over $50,000 from one PAC.

I heard my friend, Bill Jenkins, earlier talk about, you know, that a disincenticized [sic] participation. I think no matter what candidate that you talk to, including those that were frustrated with the program, would say it was the exact opposite. That they actually had to spend time talking to people within their district and involving -- and I think that a lot of legislators who had had the experience of having the one or two cocktail parties in Hartford, where you could raise your $50,000 or your $100,000 and go back to your campaigns, it had become sort of easy. And especially if you were from a district that people so much used to being asked to
contribute or to give to candidates.

It was a little bit more difficult or
if you were in a poor district, it might have been
a little more difficult, but we sought every single
person that attempted to do it from those places,
even people that became challengers very late
within the process. Marilyn Moore in Bridgeport or
Edwin Vargas, here within Hartford, they were able
to qualify and meet that threshold. Was it a pain
in the butt maybe? Yeah, but they did it and they
had to talk to people in their districts for the
first time instead of having to go to PAC's and
lobbyists.

Also, my friend, Mr. Jenkins, talked
about the difference between a good campaign or a
bad campaign makes up a difference of 3 percent.
As a practitioner of campaigns, I can't state that
there's -- that the truth is anything further than
that. And if he really believes that, I think that
might explain, at the risk of making a partisan
statement, why the Republicans have shrunk to 37
seats within the house.

The difference is in how leadership
PAC's and money was allocated and all during this
campaign, I could not believe when I heard a radio
ad with a PAC saying that, you know, "Vote for a
House Republican this year. We will lower your
taxes in a year", that Republicans didn't
necessarily have the name, thinking that was an
effective use to be electing people to the House of
Representatives for that caucus.

And then people said you don't have
necessarily the turnover and we talked about in
past years or the competition. I haven't fully
done my homework, but I don't think we have seen as
many incumbents lose general elections since the
income tax year.

I think people for the most part are
happy with their legislators, but we did have
greater competition. But the most important thing
is that we have restored the public's trust. We
have gotten candidates going back to their
community and involving their constituents. The
strategies are going to evolve.

The next election cycle is statewide
races where the rubber is really going to hit the
road. But the work that you and the staff of the
Elections Enforcement did this year has made that
road much clearer and much more hopeful.

And as we saw both with our experience here, but I would argue again at the national level, where we saw more participation in people giving, and people that had never given before, I mean, President Elect Obama raised 750 million dollars with over half of that coming from people that gave less than $50, who had never been asked before.

And what we have done is we have created a system that incentivizes that type of participation by grass roots people by eliminating the type of corruption that gave us that terrible name. And I would say yes, created a more competitive and vibrant democracy that is going to result in better public policy, including, I hope, universal health care in the next year. So I just want to thank you and say you did a really great job.

MR. GARFIELD: Thank you, Tom. Thank you thank for all those comments and particularly for your long standing support of this reform effort and your support of this agency going forward, ensuring that we had the proper resources
to do the job that you say that we have done. And
we are certainly very proud of the accomplishments
of the first run and we owe you a debt of gratitude
for all your support.

MR. SWAN: I owe you a gratitude. It
worked out as well as I could have hoped and, you
know, we will support a number of the reforms that
were talked about, from independent expenditures,
the electronic filing to some of the others. But
you all really made what we were hoping for as a
system a reality and the residents of Connecticut
owe you a lot of gratitude because I know it was a
lot of time. Thank you.

MS. ROTMAN: Thank you, Tom. And I
will add my personal thanks to that because really
the teamwork that you offered at the Commission
staff has just been tremendous. So thank you and I
look forward to our continued work together.

MR. SWAN: Thank you.

MR. CASHMAN: Thank you. Is there
anybody else that wishes to speak? If not, I will
conclude the hearing. Thank you all for coming.
Thank you for your input. Thank you.
CERTIFICATE

STATE OF CONNECTICUT)
    )
COUNTY OF NEW HAVEN )

I, Sara Devino Posta, a Notary Public duly commissioned and qualified in and for the State of Connecticut, do hereby certify that the foregoing record is a correct and verbatim transcript of the proceeding hereinbefore set forth.

I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action in which this proceeding is taken; and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, or financially interested in the action.

In witness whereof I have hereunto set my hand and affixed my notarial seal this 12th day of January, 2009.

Sara Devino Posta, LSR No. 00267
Notary Public

My commission expires January 31, 2012