Maine Citizens for Clean Elections

P.O. Box 18187, Portland, ME 04112 www.mainecleanelections.org/ (207) 664-0696 (Ann Luther, co-chair) (207) 879-7440 (Alison Smith, co-chair) info@mainecleanelections.org

TO: The Honorable Senator Lisa T. Marraché, Senate Chair The Honorable Representative John L. Patrick, House Chair The Joint Standing Committee on Legal and Veterans Affairs

DATE: April 18, 2007

RE: **LD 636** "An Act to Create Optional Public Financing of Legislative Leadership Elections"

Maine Citizens for Clean Elections (MCCE) testifies in opposition to LD 636.

MCCE commends the sponsor and co-sponsors of LD 636 for addressing the issue of political action committees (PACs). We oppose this bill because it does not go after the real problem which is the unlimited contributions that are currently allowed in our PAC system.

MCCE does not view the issues of PACs as either a Clean Election problem or a leadership problem. We view it as a problem of potential corruption and the appearance of corruption when large sums of money in politics change hands in order to influence elections. Just as surely as unlimited donations going to a candidate's PAC violates the spirit of Clean Elections, they also violate the contribution limits under which privately funded candidates operate.

LD 636 forces Clean Election candidates who aspire to leadership to raise private money in order to pursue that ambition. That violates the spirit of Clean Elections. It also forces Clean Election candidates to collect signatures and abide by extra rules and reporting obligations that do not apply to other candidates. Only privately funded candidates could simply get elected and then decide to run for a leadership position.

Meanwhile, other privately funded candidates who planned a run for leadership would be free to form a PAC and raise unlimited contributions from any source. We believe that there is little rationale for allowing unlimited donations on the private side while changing the rules for candidates who receive public funding. In order to best serve the needs of the people of Maine, who deserve to know that their government is not for sale, the basic problem of unlimited contributions must be tackled.

Some may find it surprising that, despite our advocacy for public funding in candidate races, MCCE finds little public benefit in providing public funds for leadership races under

the scheme devised in this bill. What does the public gain from the tens of thousands of dollars that would go for candidates who seek votes only from members of their caucus, and only if they are successful in winning election? To expend that money while failing to rein in the enormous contributions that do and will continue to flow through PACs would be a great disservice to the citizens of Maine.

We also have a concern about attempting to regulate the activities of a new legislature's organization in campaign finance law. We agree that, of course, political contributions and expenditures must be regulated, but since leadership elections are not elections under the law, there seems to be something of a mismatch. This bill goes beyond regulating money raised and spent and actually dictates which publicly funded candidates may run for leadership positions once elected: only those who have jumped through required hoops, including raising private money during the election.

Many people already think it hypocritical that the handful of publicly funded candidates who have PACs raise private money during the election. It is true that the law bars Clean Election candidates from raising private money after they are certified, though this only applies to money for their own race. The additional PAC fundraising is legal, though understandably distasteful to many. But by forcing certain Clean Election candidates to raise private money during the election and after their certification, even though we acknowledge the amount is relatively small, the bill fails to solve the hypocrisy problem.

Finally, we believe the bill contains an error by including leadership races in the "rebuttable presumption" section on independent expenditures. That section deals with expenditures that trigger matching funds, but elsewhere the bill states that there are no matching funds in leadership races.

We urge an "Ought not to pass" vote on LD 636 and urge you to support reasonable contribution limits for all PACs that engage in candidate elections.

MCCE supports a contribution limit of \$1,000 per 2 year election cycle with a \$10,000 aggregate limit to all PACs. We believe that ballot initiative PACs should be exempt, that corporations should be prohibited from making PAC contributions, and that the limits should apply to equally to PAC contributions to other PACs as well as to individuals.