



Statement of

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**Connecticut
State Elections Enforcement Commission**

With Respect To

“The Citizens’ Election Program”

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Introduction

I appreciate the opportunity to submit testimony in regards to the inaugural run of Connecticut's Citizens' Elections Program. My name is Sean Parnell, and I am president of the Center for Competitive Politics (CCP), an organization dedicated to promoting and defending the First Amendment's political rights of speech, assembly, and petition.

Because the actual effects of Connecticut's program can only be seen in one election cycle, I believe the actual experience in Arizona, Maine and New Jersey with so-called "clean election" programs will provide valuable information to the Commission as you consider this program. It is my hope today to give you a research-based perspective of the experience in other states with either current or past "clean elections" programs, primarily by comparing the intended goals of the "clean election" program with the actual outcomes.

Goals of "Clean Election" Programs

Connecticut's taxpayers subsidized political candidates to the tune of \$9.3 million in 2008,¹ under the idea put forth by "clean elections" proponents that doing so would "remove special interest money from the political process and increase candidate participation rates."²

Connecticut's goals are similar to those in other states that provide taxpayer dollars to political candidates, such as Maine and Arizona. Other benefits supporters of these programs cite include improving public opinion of state government, enabling more women and citizens from non-traditional backgrounds to be elected, and saving taxpayer dollars by limiting unnecessary government spending on behalf of campaign donors.

Overwhelmingly, these goals and others have not been met in any of the states that either currently have taxpayer financed campaigns or have experimented with them in the past. The remainder of my testimony will focus on the actual results seen in Connecticut, Maine, Arizona, and New Jersey. These actual outcomes and academic research demonstrate that none of these states have seen the alleged benefits promised by advocates of these programs.

¹ Hughes, Paul. "Public funds change little: Candidates freed from fundraising, but outcomes stay same." *Republican American*, 9 November 2008.

² Associated Press. "Feedback sought on campaign finance program." *Hartford Courant*, 19 November 2008. [campaignfinancenov19,0,7205983.story](#)

Connecticut's Experience with Taxpayer Financed Elections

The *Republican-American* published an article after Election Day with the headline “Public funds change little: Candidates freed from fundraising, but outcomes stay same.”³ This speaks to the large disconnect between how “clean elections” are first promoted, and then defended after they are shown to have no little to no effect on the goals they are intended to achieve.

The article states that there was neither a noticeable increase in the number of victorious challengers or open seats that changed hands nor a significant change in the number of unopposed candidates.

Defenders of the program now argue that because so many candidates participated, it must be judged a success. But this ignores that the goal of the Citizens Election Program was not to simply act as an ATM for candidates but instead to change the way candidates and elected officials run for office and act once in office. Few should be surprised that, when offered “free” money, many candidates eagerly signed up.

Trends Seen in Other States with “Clean Elections”

With only one election cycle and those elected having not yet taken office, it would be unfair to judge Connecticut's Citizen Election Program a failure at this early point. However, other states have similar programs implemented as early as 2000, and the experience of these states provides a valuable look at what the Nutmeg State can expect to see, and not see, as it continues this program.

Decreases Confidence in Government

One of the main reasons states and some lawmakers have championed “clean elections” is under the mistaken notion that they increase public confidence.⁴ Research to date strongly suggests, however, that “clean elections” are limited at best in their ability to increase public confidence in government, and may in fact erode the public's confidence.

After Maine and Arizona first adopted full public financing in 2003, the federal government published a study of both programs, finding that taxpayer financing did not increase the public's confidence in government. In fact, a plurality of citizens said that government-financed elections had no effect on their confidence in state government, and only one in five citizens said their confidence in government had increased.⁵

Additional research by professors Jeffrey Milyo and David Primo examined taxpayer financing of campaigns to see if they led to increased confidence in government. Their

³ See id at note 1.

⁴ New Jersey specifically stated in their pilot program that it would be a “significant step towards strengthening public confidence in this State's democratic processes and institutions.” Available at http://www.njleg.state.nj.us/2004/Bills/PL04/121_.PDF

⁵ United States General Accounting Office. “Campaign Finance Reform: Early Experiences of Two States That Offer Full Public Funding for Political Candidates.” May 2003, available at <http://www.gao.gov/new.items/d03453.pdf>

conclusion was that taxpayer funding laws have a “negative effect on public views about whether ‘people have a say’ in their government or whether ‘officials care.’”⁶

This earlier research is also validated by New Jersey citizens’ own skepticism of “clean elections.” A recent report on the 2007 New Jersey clean elections pilot project⁷ found little confidence in “clean elections” to diminish the influence of large donors. While less than ten percent of New Jersey residents said they were “very confident” taxpayer financed campaigns would reduce such influence, roughly forty percent said they were “not confident at all.”

Additional research by the Center for Competitive Politics indicates that voters’ perceptions of “corruption” and “undue influence” are strongly connected to partisan and ideological differences. We found that donors to “clean elections” candidates in New Jersey who were represented by legislators of the opposite party were far more likely than others to believe their own legislators cared more about “special interests” and party leaders than constituents, even though their own legislators were elected with taxpayer dollars.

Special Interests

One of the claimed benefits of “clean elections” is that it reduces the power and influence of lobbyists and so-called “special interests.” But in “clean election” systems, interest groups are still able to provide substantial support to favored candidates, and may in fact be able to provide even more support than before.

This is because well-organized, pre-existing interest groups are ideally situated to aid candidates in collecting the required number of signatures and small donations. Utilizing their membership lists, paid staff, volunteer networks and frequent communication with members, the task of collecting the needed signatures and donations is far easier for candidates who are able to rely on the support of these interest groups.

This issue was most recently illustrated in New Jersey. This summer CCP conducted a survey of donors to “clean elections” candidates in the state’s second failed experiment with using taxpayer dollars for political campaigns. One significant finding was that despite claims that “clean elections” would end candidate reliance on interest groups for funding, nearly half of contributions came from citizens connected to interest groups, with a majority coming from just six interest groups: two unions, a pro-life and a pro-choice group, the National Rifle Association, and the Sierra Club.⁸

⁶ David M. Primo and Jeffrey Milyo, “Campaign Finance Laws and Political Efficacy: Evidence from the States,” working paper 0413, University of Missouri, Department of Economics, (June 2005): 17.

⁷ Peter Woolley and Tim Vercellotti, *Public Attitudes Toward the Clean Elections Initiative*, Fairleigh Dickenson University’s Public Mind Poll and Rutgers University’s Eagleton Institute of Politics, November 27, 2007

⁸ Preliminary analysis of the New Jersey surveys can be found at the website of the Center for Competitive Politics available at http://www.campaignfreedom.org/docLib/20080807_Key_Findings2.pdf. Additional analysis, including the section on interest group influence, will be available before the end of the year on the website.

Another example of this is the case of Arizona Governor Janet Napolitano, who relied upon labor unions to collect nearly one quarter of the required signatures and \$5 contributions⁹ needed for her to qualify for her millions of dollars in “clean election” funding. In another instance, a pro-life group in Arizona essentially raises the qualifying contributions for favored candidates, according to conversations with one Arizona state legislator.

It’s difficult to imagine that Governor Napolitano, legislators aided by right-to-life groups, or any other candidate, is any less grateful to such organized interest groups for this support than if they had simply made a direct contribution.

When asked, more citizens in Arizona thought that government-financing *increased* the influence of “special interests groups” than thought government-financing decreased the influence of special interests.¹⁰ Similarly, just 25 percent of Maine residents thought that government financing decreased special interest’s influence.¹¹

Does Not Lead to “Better” Representation

Another mistaken belief about “clean elections” is that they will lead to different legislative outcomes, presumably more representative of the interests of citizens and constituents. Political scientists Stephen Bronars and John Lott explored this belief in a 1997 study published in the University of Chicago’s *Journal of Law and Economics*.¹²

Their research revealed that campaign contributions are driven by ideology, and that legislators vote according to their own beliefs, their party loyalty, and the views of their constituents – not contributions.

Three professors at the Massachusetts Institute of Technology, in their own study which found that soft money contributions by corporations had no noticeable impact on public policy, also noted that “The large majority of studies find no significant effects of hard money contributions on public policy...”¹³

Another study by the Goldwater Institute in Arizona analyzed the voting records of legislators elected with taxpayer dollars compared to legislators who relied on private contributions. The study concluded that legislators funded with taxpayer dollars “voted no differently from legislators who accepted private contributions.”¹⁴

⁹ Chip Mellor, *Three Lessons from Arizona*, Welfare For Politicians 31, 37-8 (John Samples, ed., Cato Institute, 2005).

¹⁰ See *id.* at note 6.

¹¹ See *id.*

¹² Stephen G. Bronars and John R. Lott, *Do Campaign Donations Alter How a Politician Votes? Or, Do Donors Support Candidates Who Value the Same Things That They Do?*, 40 J. LAW & ECON. 317, 346-47 (1997).

¹³ Stephen Ansolabehere, James M. Snyder, Jr., Michiko Ueda, MIT Departments of Political Science and Economics, *Did Firms Profit from Soft Money?* January, 2004 (later in: *Election Law Journal*, spring, 2004).

¹⁴ Robert J. Francosi, *Is Cleanliness Political Godliness?* p. 16, November 2001, Goldwater Institute

Another false claim made by “clean elections” advocates is that these programs result in more diverse legislatures, or that they allow nontraditional candidates to run for and win office.¹⁵ However, research shows that in Maine and Arizona, the two states with the longest history of publicly funded elections, there has been no significant change in legislator’s occupational categories or in the number of women elected to office.¹⁶

The percentage of legislators categorized as having “traditional occupations,” law and business, remained static overall in both states. In Arizona, lawyers averaged 10% of legislators before taxpayer-funded campaigns, and have remained at 10% since. Legislators with business backgrounds rose slightly, averaging 39% before the 2000 election and 42% in the sessions since. In Maine, the number of legislators coming from “traditional” occupations remained flat at 32%. A slight 2% reduction in the number of legislators with business backgrounds was offset by a 2% increase in legislators from legal occupations.

In both states, the number of women serving in the state legislature has actually declined slightly.¹⁷

Does Not Reduce Wasteful Spending

“Clean election” advocates often promote the idea that despite subsidizing political campaigns with public dollars, these programs actually save taxpayer money because legislators will no longer feel obligated to earmark funds or approve contracts in order to reward campaign contributors.¹⁸

Continuing to use Maine and Arizona as the most time-tested examples of the failures of taxpayer financed campaigns, CCP recently analyzed spending patterns and tax burdens in both states for the periods before and after they adopted their programs.¹⁹

The research showed that the total tax burden on residents in both states has actually increased since implementation of taxpayer funded political campaigns. In Arizona the burden rose from an average of 10.35% of income in the years 1996 – 2001 to approximately 10.40% in the years after. Between 2002 and 2007, Maine’s tax burden

¹⁵ Public Citizen. “Fair Elections Action Week!” available at http://action.citizen.org/t/5489/content.jsp?content_KEY=4050

¹⁶ Center for Competitive Politics. “Legislator Occupation – Change or Status Quo after Clean Elections?” April 2008, available at http://www.campaignfreedom.org/docLib/20080506_Leg.Occ..pdf; also “Do ‘Clean Elections’ Laws Increase Women in State Legislatures?” August 2008, available at http://www.campaignfreedom.org/docLib/20080826_Issue_Analysis_3.pdf

¹⁷ See *ibid.*

¹⁸ U.S. PIRG. “Breaking Free with Fair Elections: Executive Summary.” March 2007, available at <http://www.uspirg.org/home/reports/report-archives/campaign-finance-reform/campaign-financereform/breaking-free-with-fair-elections>; see also Common Cause, available at <http://www.commoncause.org/site/pp.asp?c=dkLNK1MQIwG&b=4104619>

¹⁹ Center for Competitive Politics. “Do Taxpayer-Funded Campaigns Actually Save Taxpayer Dollars?” September 2008, available at http://www.campaignfreedom.org/docLib/20080930_Issue_Analysis_4.pdf

averaged 13.35%, compared to 13.17% in the six years before taxpayer funding of political campaigns.²⁰ The tax burden in Maine is now at an all-time high of 14%.

After enactment of taxpayer-funded political campaigns, expenditure growth in both states exceeded that of the rest of the nation.²¹ By FY 2006, Arizona's expenditures totaled \$25.376 billion, an increase of 46.25% over the 2001 budget.²² Maine's spending grew at almost exactly the same rate as before, rising 34.75% to \$7.100 billion by FY 2006.²³ At the same time Arizona's spending growth increased dramatically and Maine's remained constant, however, the national average for state spending growth fell to 30.81%.²⁴

Clearly, neither Arizona nor Maine citizens have experienced any savings as a result of having their tax dollars diverted into the campaign coffers of political candidates.

Conclusion

In conclusion, I would like to make the following two observations that I hope you will consider as you make your recommendations on the future of the Citizens' Election Program.

First, "clean election" programs have, as the research and evidence demonstrate, failed almost completely to achieve the goals set out by supporters of such programs. Confidence in government does not increase, elections do not become more competitive, the influence and effectiveness of lobbyists and "special interests" does not decline, and legislators do not vote differently once they are dependent on taxpayer dollars funneled through government rather than private contributions given directly and freely.

My second observation is that "clean election" programs are based on a fundamentally flawed premise, which is that elected officials are essentially "bought off" by a small number of individuals and groups with interests diametrically opposed to the greater good, and that if only these individuals and groups could no longer contribute to campaigns then the government would be able to quickly and easily enact legislation that the overwhelming majority of citizens all agree on.

²⁰ Numbers are author's calculation based on data from www.taxfoundation.org/taxdata/show/441.html and www.taxfoundation.org/taxdata/show/458.html.

²¹ Population growth in both states was essentially identical over both periods studied, and does not explain the increased spending growth relative to other states. Arizona population grew 15.57% between 1996 and 2001 and by 16.31% between 2001 and 2006, while Maine population expanded 2.87% in the earlier period and by 2.34% in the period after taxpayer-funded campaigns began. Author's calculations, based on the U.S. Census Bureau's annual population estimates available at: <http://www.census.gov/popest/states/>

²² National Association of State Budget Officers, 2006 State Expenditure Report, Table 1, published Fall 2007, available at <http://www.nasbo.org/Publications/PDFs/fy2006er.pdf>. Calculations by author.

²³ See id

²⁴ See id

This flawed premise requires you to believe the United States is a homogenous society, filled with citizens who all share roughly identical ideologies and interests, and that there is no real, honest disagreement among citizens about the size, scope, and direction of government policy.

In fact, the United States has a vibrant and competitive *two*-party political system, along with several smaller parties, precisely because large numbers of Americans fundamentally disagree with each other about the size, scope, and direction of government policy. These are fundamental and intense disagreements over how to best achieve the “common good” and what represents good public policy.

“Clean elections” are simply an attempt to suspend this political reality and pretend that tens of millions of Americans do not hold wildly different and conflicting views on important issues. As with all attempts to suspend reality, “clean elections” will fail, in this case after spending tens of millions of Connecticut taxpayer dollars while watching confidence in government continue to decline.

I hope this commission recognizes both the general failure of “clean elections” to deliver on its stated promises and the fundamentally flawed premise that such programs are based on. I would welcome the chance to provide additional research or information to the commission as you prepare your report and recommendations for the Legislature.