



**Testimony of Arn H. Pearson
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**Presented to the Committee on House Administration
on H.R. 1826, the Fair Elections Now Act**

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Chairman Brady, Ranking Member Lungren, and distinguished members of the Committee on House Administration, thank you for the opportunity to testify. My name is Arn Pearson, and I am vice president for programs at Common Cause.

For almost 40 years, Common Cause has provided a nonpartisan voice for reforms that make government more open, honest and accountable to the American people. In the wake of the Watergate scandal, we led efforts to create the Federal Election Campaign Act in 1974, ushering in the system of campaign finance regulation and presidential public funding that federal candidates have run under for more than thirty years. But times have changed, and that system is in bad need of an upgrade. You have before you today, in the Fair Elections Now Act, a golden opportunity to craft a new framework for the 21st Century that will improve the quality of campaigns, give you more time to serve the public interest, and restore public confidence in the integrity of Congress.

Let's face it: These are hard times for Congress. Your job is not an easy one. The problems facing America are daunting, yet by most estimates, you have to spend more than a quarter of your time fundraising, often from those who have a direct financial stake in what you do. There has been a steady drumbeat of pay-to-play scandals here and in the states, and every day the news is full of stories that highlight the inherent conflicts of interest in the current system and erode the public's faith that you will act in their best interest. No wonder public approval for

the job Congress is doing stands at around 33 percent, after hitting an all-time-low of 14 percent last summer.¹

A bipartisan national poll conducted earlier this year by Lake Research Partners and the Tarrance Group found that 79 percent of voters worry that large campaign contributions are a roadblock to progress and will prevent Congress from tackling the big issues facing the nation, like our financial crisis, health care and climate change – a sentiment strongly held across the board, regardless of party affiliation.² Even worse, a Pew Research Center survey found that 81 percent of Americans believe that lobbyists bribing members of Congress is commonplace,³ and a 2006 poll by CNN found that half of Americans think most members of Congress are corrupt.⁴

These cynical public sentiments – and the campaign finance system that fuels them – do a profound disservice both to the people like you who go into public service and to the core institutions of American democracy. The vast majority of members are good, talented and dedicated people caught in a bad system.

I doubt this is what you had in mind when you decided to run for Congress. Surely the American people did not send Mr. Smith to Washington to spend his time raising money. They expect and deserve more, and so do you. If you could start from scratch, would this be the system you would choose?

At first blush, the current campaign mess looks like a Gordian Knot. The cost of campaigns – and fundraising – is soaring, members face increasing pressure to fundraise for their own campaigns and their caucuses, and powerful interests with a financial stake in what you do are pouring record amounts into political contributions and sophisticated lobbying campaigns. A recent report by Common Cause on health industry spending provides a good case in point. The industry has contributed more than \$374 million to members of Congress since 2000, targeting the lion's share to committees that handle health care legislation. Health industry campaign

¹ Gallup, *Congress' Approval Rating Drops to 33%*, June 23, 2009, <http://www.gallup.com/poll/121208/Congress-Approval-Rating-Drops-33.aspx>.

² Lake Research Partners and the Tarrance Group, national opinion survey of 800 likely voters, conducted February 2-6, 2009.

³ Pew Research Center for the People & the Press, *Americans taking Abramoff, Alito and Domestic Spying in Stride*, Jan. 11, 2006, <http://people-press.org/reports/pdf/267.pdf>.

⁴ CNN, *Poll: Half of Americans think Congress is corrupt*, Oct. 19, 2006, <http://www.cnn.com/2006/POLITICS/10/19/congress.poll/index.html>.

contributions were up 73 percent in the 2008 elections as compared to 2000, and so far this year, the industry has spent \$1.4 million per day on lobbying.⁵ Meanwhile, the current campaign finance regulatory regime is in a state of flux, with many of its key underpinnings under attack from reform opponents eager to open the floodgates.

But the words of Common Cause's founder, John Gardner, ring as true today as they did in 1965 when he was sworn in as President Johnson's Secretary of Health, Education and Welfare: "What we have before us are some breathtaking opportunities disguised as insoluble problems."

The knot can be cut. Americans are hungry for change. Many members of Congress are hungry for change. The system you inherited does not serve you well, nor does it serve the public well. People want representation that they can trust, and the power to give it to them lies within your grasp. And the timing is right – the Internet revolution makes possible a much more democratic system for funding elections, and the states have pioneered the way with innovative new solutions.

The Fair Elections Now Act offers a highly promising, effective and voluntary alternative to the current mess. Inspired by the success of reforms in states like Connecticut, Maine, Arizona, North Carolina and New Mexico, Fair Elections empowers candidates to run for Congress using a blend of small donor and public dollars, and to end their dependence on large contributions from special interests. Candidates who show significant support in their home states and agree to accept contributions of \$100 or less from individuals only can qualify for an initial campaign grant and earn a 4-to-1 match on in-state small donations.

This is not a partisan issue. Hundreds of Democratic and Republican legislators, statewide officials and judges have been elected through similar systems at the state level over the past decade. Candidates who used state citizen-funded election programs now hold 85 percent of the seats in the Maine Legislature, 78 percent of the seats in the Connecticut General Assembly, 54 percent of the seats in the Arizona State Legislature, 80 percent of statewide elected offices in Arizona, and 68 percent of North Carolina's top judicial positions.

⁵ Common Cause, *Legislating Under the Influence*, June 24, 2009, <http://www.commoncause.org/HealthCareReport>.

Citizen-funded elections work. I have worked closely with lawmakers from both parties over the last 12 years to implement and refine successful public funding programs in Maine and Connecticut, and to help design new systems for many other states and Congress. These are not one-size-fits-all laws; they are pragmatic programs tailored to the political realities of campaigns for different public offices and jurisdictions.

As a result, the laws enjoy strong bipartisan support from elected officials who believe they have significantly improved the political process for candidates and voters alike. Maine's elections commission surveys participating candidates after every election cycle, and those candidates consistently give the program high marks. As in years past, 95 percent said were satisfied with the Clean Elections program in 2008, and 97 percent said they would likely or definitely use the program again for their next election. The most commonly cited reasons for this satisfaction were being able to focus on voters and issues, and not feeling obligated to others.⁶ In Connecticut, 71 percent of participating candidates were satisfied with the Citizens' Election Program on its debut in 2008, and 66 percent believed the program reduced the perception that they were beholden to special interests.⁷

Voters like Fair Elections too. A recent poll in Maine shows that 74 percent of voters want gubernatorial candidates to use the program, and 55 percent said they would be more likely to support someone who did.⁸ Likewise, our national polling in February of this year found 67 percent support for public funding for congressional candidates who agree to abide by lower contribution limits, and that support was remarkably consistent across party lines.⁹

Clearly we need to change the way American pays for elections. The current pay-to-play culture leads to an arms race in campaign spending and fundraising, undermines public confidence in their elected government, deters qualified people from entering public service, and makes it harder for you to do the job you came here for.

Fortunately, the small-donor/public-funding approach embraced by the Fair Elections Now Act is on solid constitutional ground. In fact, the more the U.S. Supreme Court

⁶ Maine Commission on Governmental Ethics and Election Practices, *Report on Survey of 2008 Candidates*, forthcoming Aug. 6, 2009.

⁷ Connecticut State Elections Enforcement Commission, unpublished survey.

⁸ Critical Insights, *Spring 2009 Tracking Survey*, June 2009.

⁹ Lake Research Partners and the Tarrance Group, February 2009.

increasingly restricts what Congress can do to reform the system from a traditional regulatory standpoint – in cases like *Wisconsin Right to Life* and *Davis v. FEC* – the more voluntary public funding systems offer the best avenue for meaningful change. In a world with fewer practical limits on political spending by organized wealthy interests, Fair Elections offers a floor for vigorous campaigns for all candidates to ensure that concentrated wealth cannot drown out other voices.

At an 80 percent participation rate, we estimate that the Fair Elections program would cost approximately \$500 million per year. That is a very small amount when compared to the cost of the status quo, in which dependence on special-interest funding for campaigns distorts public spending priorities in a myriad of ways, including earmarks for campaign contributors, and undermines our democracy.

For the price of a cup of coffee per American per year, you can return common sense to the nation's capitol and leave a legacy for the next generation of voters and congressional candidates.

I urge you to vote in favor of H.R. 1826, the Fair Elections Now Act.