



Bringing Campaign Finance into the Sunshine

How legislation designed to streamline campaign contribution and personal financial disclosure reports actually restricted access for the entire state.

Table of Contents

Executive Summary	3
List of Cities Examined	4
Introduction	5
Problems with HB 143	6
HB 143 Section 1	6
HB 143 Section 2	7
HB 143 Section 3	7-9
HB 143 Section 6	9
Conclusion	10

Executive Summary

This report comprises a thorough assessment of the implementation of HB 143, legislation passed in 2013, across 60 municipalities in Georgia. The bill was originally designed to make filing personal financial disclosure and campaign finance reports easier for local elected officials. Although well intentioned, our findings will show that, in terms of access for an every day citizen of Georgia, these reports are woefully out of date and, in some cases, missing altogether. Voters are not properly armed with the information they need to make educated decisions about candidates, many of whom face reelection this November 2015.

Our Process

We examined campaign filings of city councilmembers and mayors in five publicly available databases that can be accessed through and are maintained by the Georgia Government Transparency and Campaign Finance Commission's (GGTCFC) website.

1. Campaign Contribution Disclosure Reports (CCDRs) filed directly with the commission before HB 143 took effect on January 1, 2014
2. Personal Financial Disclosure Reports (PFDs) filed directly with the commission before HB 143 went into effect on January 1, 2014.
3. A database of Local CCDR records transmitted to the commission by local filing officers.
4. A database of Local PFDs transmitted to the commission by local filing officers.
5. A database of affidavits wherein a candidate swears their intent not to exceed \$2,500 in Contributions and/or expenditures.

Cities Examined

Albany	Columbus	Locust Grove	Smyrna
Alpharetta	Cumming	Macon	Snellville
Athens	Dalton	Marietta	Statesboro
Atlanta	Decatur	McDonough	Stockbridge
Auburn	Dublin	Milledgeville	Sugar Hill
Augusta	Duluth	Milton	Suwanee
Bremen	Dunwoody	Monroe	Thomasville
Brookhaven	Fayetteville	Newington	Tyrone
Brooks	Gainesville	Newnan	Valdosta
Brunswick	Harlem	Norcross	Warner Robins
Calhoun	Holly Springs	Peachtree City	Woodstock
Camilla	Johns Creek	Rincon	Woolsey
Carrollton	Jonesboro	Rome	
Cedartown	LaGrange	Roswell	
Chickamauga	Lawrenceville	Sandy Springs	
College Park	Lilburn	Savannah	

Introduction

This November, citizens will go to the polls to select mayors and council members in cities throughout Georgia. It's critical that as they make their choices, citizens know who is funding the campaigns of incumbents and challengers. Decisions that directly affect people's lives are made at the local level of government; these elections are very important!

Common Cause Georgia examined the state of disclosures in 60 municipalities across Georgia. We utilized all the search functions available online at the Georgia Government Transparency and Campaign Finance Commission (GGTCFC) website and made direct contact with city clerks and election superintendents.

We believe what we found is an unintentional consequence of a well-intentioned piece of legislation passed during the 2013 legislative session by the Georgia Assembly. House Bill 143 was intended, among other things, to give municipal clerks and local election superintendents the ability to assist incumbents and candidates with completion of required disclosure reports. Upon completion and filing of the reports locally, clerks and election superintendents would then transmit the reports to the Georgia Government Transparency and Campaign Finance Commission, which would make it available online be available to everyone.

The reality is that this information was next to impossible to find. The state has no list of the municipalities scheduled to hold elections this November or of candidates who are qualified to run. While it should be easy for citizens to know who is funding the campaigns for these important positions in our communities, we found that it would be close-to-impossible for a Georgian interested in learning more about the money behind a particular candidate to access local campaign finance information.

The bottom line is that an untold amount of money is being spent at the local level on elections and, because of HB 143, there is a real lack of disclosure and enforcement of our state's campaign finance laws.

Problems with the Legislation

What follows is an examination of House Bill 143, the legal underpinning of the transparency issues and noncompliance we saw time and time again while conducting this research. Four sections of the legislation address campaign finance disclosure. We found that, section by section, this law has created huge barriers Georgians to know who funds candidates in local elections.

Section One

Section 1 of HB 143 empowers the Commission to prepare and publish a report listing each filer who has not filed their most recent campaign committee disclosures and personal financial disclosures, or any other disclosure reports, required within 30 days of the date that the report was due.

While the Commission publishes this list online, the amounts owed by past and current campaigns, lobbyists, and various committees are staggering. Candidates in just one city owe over \$30,000 owed in fines and late fees!

The Commission must use its powers to collect these fines and late fees. There must be swift repercussions for candidates, lobbyists, and independent committees that don't submit their required reports on time. The Commission should be empowered to take further action against those candidates who purposely fail to file.

Section Two

Section 2 of HB 143 describes the types of expenditures that are permitted by campaign committees. Most campaigns appear to follow both the letter and spirit of the law, but some deceptively misuse their campaign accounts; to make charitable contributions, pay club memberships and generally allocate campaign contributions for purposes other than seeking office.

We believe that the Commission should establish explicit rules that prohibit the use of campaign funds for anything other than the direct expenses of running for office. If a candidate wants to contribute to various charities, he or she should do it with their own funds, not money raised to support a political campaign.

Section Three

Section Three of HB 143 is the largest, most substantive portion of the law and the section that has done the most to limit transparency of local campaign finances. This portion of the bill changed the Commission as the single designated filing entity for all campaign committees in the state.

Section Three effectively creates mini Campaign Finance Commissions across the Georgia at the municipal and county levels of government. These reports aren't easily found or available to the public and there is no enforcement mechanism for candidates who file these reports late or not at all.

We believe there should only be one filing office in the state: the GGTCFC. All candidates, lobbyists, independent committees, political action committees, and ballot initiative campaigns should file under the same set of rules and procedures and be made available online to every Georgian.

Section Three Cont.

Because some officeholders and candidates may lack computer skills or access to computers, we believe that it should be permissible for the city clerks and election superintendents to assist those candidates in completing and submitting their reports electronically.

Section Three also created an exemption for candidates to file a one time affidavit promising to limit their campaign activity. Instead of filing campaign disclosure reports, candidates can swear out an affidavit promising not raise or spend more than \$2,500. In many city council district races \$2,500 is a significant amount of money, and the non-disclosure of donors limits the public's ability to make educated decisions about which candidates to support. We also found instances where candidates in competitive races are likely abusing the affidavit option to avoid campaign disclosure.

Georgians need more disclosure of the money that is being spent in campaigns, not less! The \$2,500 threshold should be lowered to \$1,000 and only be an option for non-election year disclosure reports.

Yet another example of decreased transparency as a result of HB 143 is a provision that allows political action committees, independent committees, and political parties to avoid disclosure of up to \$25,000 raised and spent to affect the outcome of an election. That means in all four corners of the state there are interest groups spending significant amounts of money on elections without ever disclosing the source of those funds.

Georgians deserve *more* disclosure — not less — of the sources of money being spent on campaigns. We strongly believe that all independent committees, political action committees, political parties, and ballot initiative campaigns should be required to register with the Campaign Finance Commission and file disclosure reports on the same schedule as campaigns. Sunshine is the best disinfectant against the shadowy groups anonymously funding campaigns and weakening our democracy.

Section Three Cont.

Finally, Section Three of HB 143 addresses the filing responsibilities of retiring elected officials and unsuccessful candidates. Unsuccessful candidates or retiring elected officials with leftover campaign funds should be given a deadline for filing their termination reports and spending leftover campaign funds. Candidates and elected officials who raise funds for an unsuccessful race should not be able to sit on the money for other political purposes.

Section Six

Section six of HB 143 addresses conflict of interest issues. It states, “...each public officer shall file with the commission, together with the financial disclosure statement, an affidavit confirming that such public officer took no official action in the previous calendar year that had a material effect on such public officer’s private financial or business interests.”

We fully support that statement and believe the commission’s role should be expanded to review and enforce conflict of interest issues. That language also further illustrates the importance for all elected officials and candidates at all levels of government to file at a central location. The Georgia Government Transparency and Campaign Finance Commission should be empowered to review and answer all questions concerning conflicts of interest and take action against violators.

Conclusion

Common Cause Georgia endorses the new leadership at the Georgia Government Transparency and Campaign Finance Commission. After years of controversy, millions of dollars in payouts to whistleblowers and the reduced public trust that comes with it, we look forward to a more open agency with a deeper appreciation for open and transparent government. It is critical that the Commission and its staff continue to receive the necessary funds and authority to carry out its mission.

It is important to remember that our proposed fixes require the legislature to take action and cannot be dealt with by the commission alone. Addressing the implementation problems with HB 143 and other big changes at the commission will be a top priority for CCGA as we move into the 2016 legislation session. A forthcoming report will detail agency needs like independent funding and appointments, adjustments in the amount it collects from fines, and a host of other big picture changes to further reestablish itself as an agency that truly serves the public's interests.