

In Support of LB175

The original Nebraska Accountability and Disclosure Act prohibited the exchange of campaign funds between campaign committees:

“A candidate committee shall not make a contribution to or an independent expenditure in behalf of another candidate committee.”

But in the 1980s the legislature tweaked the rules:

“... except that a candidate committee may make a contribution to another candidate committee for a fundraising event of such other candidate committee.”

At the time of the change, contributions were relatively small ranging between \$50 and \$100. As you can see on the attached chart, many contributions or “ticket purchases” now range between \$500 and \$1000. A single contribution during the 2016 election cycle reached \$20,000.

In fact \$70,000 moved from 27 campaign accounts to 77 candidate committees. These contributions were not small donor contributions. Every contribution exceeded the \$250 reporting threshold. The current rules allow office holders to become major players in our election process. Unfortunately they are using other people’s money. One would hope their private contributions reflect the same generosity.

It is important to consider the intent of the original donor? Did he or she expect the contribution to a senator to be donated to the mayor’s race, or the governor’s campaign, or a local school board election? The original language was there to protect the original donor not to facilitate money transfers.

It is reasonable to ask, what should I do with my campaign funds after I leave office? Currently you can keep the campaign account open and run for another office, or donate to a political party. Very few donors would object to a large contribution to fight cancer or to feed the hungry. Under the current rules the original donor has no idea that their contribution could become part of an insider exchange.

Jack Gould
Issues Chair
Common Cause Nebraska