OPPOSE POISON PILL CAMPAIGN FINANCE RIDERS IN FY18 OMNIBUS BILL

March 1, 2018

Dear Senator (Representative):

We strongly urge you to oppose all campaign finance riders from being included in the FY18 Omnibus Appropriations legislation passed by Congress.

Senate and House leaders have prevented floor consideration of any significant campaign finance reform measures for years. Instead of following regular order in the consideration of such legislation, they have instead attempted to attach riders to appropriations bills that would gut or seriously undermine campaign finance provisions, while not allowing up-or-down votes on the provisions.

One potential rider to the FY18 Omnibus Appropriations bill would gut the prohibition known as the Johnson amendment, which prevents Section 501(c)(3) organizations from engaging in campaign activities.

<u>A letter</u> signed by more than 5,500 charitable nonprofits, religious organizations, and foundations strongly opposes any proposal to eliminate or weaken the longstanding Johnson amendment.

In addition, more than 4,300 faith leaders representing every major religion have signed a <u>letter</u> strongly opposing attempts to repeal, amend, or otherwise tamper with the protections in the Johnson amendment.

The letter criticizes proposals that would "politicize the charitable nonprofit and philanthropic community by repealing or weakening current federal tax law protections that prohibit 501(c)(3) organizations from endorsing, opposing, or contributing to political candidates."

The letter from charitable groups provides the following explanation for support of the Johnson amendment:

Nonpartisanship is a cornerstone principle that has strengthened the public's trust of the charitable community. In exchange for enjoying tax-exempt status and the ability to receive tax-deductible contributions, 501(c)(3) organizations – charitable nonprofits, including religious congregations, and foundations – agree to not engage in "any political campaign on behalf of (or in opposition to) any candidate for public office."

That provision of law protects the integrity and independence of charitable nonprofits and foundations. It shields the entire 501(c)(3) community against the rancor of partisan politics so the charitable community can be a safe haven where individuals of all beliefs come together to solve community problems free from partisan divisions.

On another matter, a draft Senate Appropriations bill includes a rider that would gut the limit on political party spending coordinated with a candidate. This provision was upheld by the Supreme Court as necessary to prevent donors from using the political parties to massively circumvent the limits on the amount they could give directly to candidates. We strongly oppose including this provision in the FY18 Omnibus Appropriations bill.

In the last Congress, a campaign finance rider was enacted to prevent the SEC from finalizing regulations which would require public corporations to disclose their campaign activities to shareholders. This year's draft version of the SEC rider would go even further and prevent the SEC from even studying such a rule.

The SEC has a vital role to play in ensuring corporate transparency for shareholders. More than 1.2 million investors and members of the public petitioned the SEC to create a rule requiring uniform corporate political disclosure – the most signers to a petition in SEC history.

The last Congress also enacted a rider to prevent the IRS from implementing new regulations that would provide clear guidance to non-profit groups about the regulation of their campaign activities. This IRS rider would prevent nonprofit groups from obtaining a clear definition of campaign activities to assist them in complying with the law. The rider would also prevent the public from obtaining information about secret contributions spent in support of campaigns – information that citizens have a right to know. In preventing new IRS regulations, Congress is leaving in place a chronically broken IRS definition of "political campaign intervention" that allows those willing to game the system to pour secret money into our elections.

The IRS and SEC campaign finance riders currently in the law keep the American people in the dark about the hundreds of millions of dollars in secret contributions that have flooded our elections in recent years. Secret contributions prevent citizens from holding officeholders and big donors accountable for corrupt practices. We strongly oppose including the IRS and SEC riders in the FY18 Omnibus Appropriations bill.

Another damaging campaign finance rider would prevent any requirement for federal contractors to disclose their political spending. Requiring federal contractors to disclose their political spending protects the federal contracting process by assuring the public that their tax dollars are not being used to reward contractors in return for campaign finance support.

Any effort to rewrite the nation's campaign finance laws or to restrict related campaign finance measures should be done by regular order through the legislative process. This should not be done through the back-door misuse of the appropriations process that prevents members of Congress from voting on the specific provisions.

We strongly urge you to oppose the inclusion of any campaign finance riders in the 2018 Omnibus Appropriations bill.

Signed,

California Clean Money Campaign

Campaign for Accountability

Campaign Legal Center

Center for Media and Democracy

Common Cause

CREW

Democracy 21

Every Voice

Franciscan Action Network

Free Speech for People

Friends of the Earth US

Interfaith Center for Corporate Responsibility.

Issue One

MapLight

New Progressive Alliance

Norman Eisen, former chief White House ethics lawyer, 2009-2011

Public Citizen

People For the American Way

Represent.Us

Revolving Door Project

Richard Painter, former chief White House ethics lawyer, 2005-2007

U.S. PIRG

United to Amend

Voices for Progress