

**CAMPAIGN FINANCE REFORM WORKING GROUP  
PUBLIC HEARING, AUGUST 4, 2005**

TESTIMONY OF DEMOCRATIC STATE CHAIRWOMAN, NANCY DINARDO

Mr. Chairmen, Representatives, Senators, members of the Campaign Finance Reform Working Group, my name is Nancy DiNardo and I am the Chairwoman of the Democratic State Party. Thank you for allowing me this opportunity to give testimony on this very important issue.

The Connecticut Democratic Party supports reforming our campaign finance system, and the public financing of campaigns, however, we do have some concerns about how such reform will impact grassroots party organizing both at the state and municipal levels, and the long term viability of the two-party system.

As we look to reform our campaign finance system here in Connecticut, I believe that it is important to remember the role of the party in our political system as it has evolved over the last 200 years. The party is the foundational organization for political activity in our towns, state and nation. It is the one overarching entity in our political system. In that respect the party is unique in providing coherence to the system and creating a framework for all political activity. The overwhelming majority of candidates begin their political involvement by determining with which party they chose to register. As such, the party is clearly the one legitimate vehicle for joint activity amongst candidates of the same party. Unless candidates of the same party can work together: sharing headquarters, telephones, and appearing on mail, the two-party system which is the basis of our democracy ceases to exist.

As I understand it, the mission of this committee is to draft a campaign finance reform bill by reaching a compromise between the House and Senate bills that passed their respective chambers during the last legislative session. Therefore my remarks here today are focused on the concerns that the Connecticut Democratic Party had with some of the provisions in both the House and the Senate bills.

Before I get to our specific concerns, I'd like to say that I commend all of you for your hard work and commitment to this issue over the last several months, Senator DeFronzo, Representative Caruso, you have both worked tirelessly on this issue as Chairmen of the GAE Committee and I truly appreciate your efforts.

The Connecticut Democratic Party currently provides a number of services to our candidates many of which, under last session's House bill, would be impossible to provide to most candidates because we would exceed our contribution limits very early on in a campaign cycle. For example, we provide access to a web-based statewide voter file, paid phone bank ID's, paid GOTV ID's, volunteer phone banking and including IDing and GOTV calls, free website hosting, campaign staff, use of our standard bulk rate mail permits, fundraising lists, and professional campaign trainings for candidates

and campaign staff. Additionally, in some races, we conduct research, run television ads, radio ads and now with the new federal campaign finance law in some instances we send mail to voters.

Under last session's House bill, where the maximum in kind contribution that a state party could give to a participating candidate for state representative was \$2750, the state party would, for example, only be able to provide the voter file to state house candidates because after that expense we would hit our contribution limit.

We could no longer provide paid IDs or GOTV calls, website hosting, use of our bulk rate mail permits, professional campaign trainings or anything else that we have historically provided to state legislative candidates. Also, given the costs of direct mail, we could not, under any circumstances, send direct mail on behalf of any state legislative candidates, and as I mentioned a minute ago, this is a problem because of the new federal campaign finance law – the Bipartisan Campaign Reform Act of 2002 also known as BCRA. BCRA prohibits any state campaign committee from paying for communications which support, promote or attack federal candidates. As a result, if state legislative candidates want to send out a mail piece where, for example, they use a photo they have with Senator Lieberman or Dodd, or Representatives Johnson, Shays, DeLauro, Larson or Simmons, and a quote from one them endorsing their candidacy, their candidate committee cannot pay for such a mail piece. In fact, under federal law, only the federal accounts of the state parties are the accounts from which such a direct mail program can be funded. This is also the case for paid ID and GOTV phone calls, or other joint federal/nonfederal candidate paid communications; our federal account is the only account that can pay for such coordinated activities.

Since the activities that I've just described could no longer be funded through the state parties, and state candidates could no longer coordinate with federal candidates due to federal law, the result would be duplication of efforts by state and federal candidates, a lack of a coordinated team mentality, and a lot of angry voters since they will receive even more phone calls than they already receive from campaigns and parties.

Another serious concern that we have is with both HB6670 and SB61. Both bills prohibited all state and municipal candidates from soliciting funds for all party committees. This is a tremendous problem both at the state and local level and would deal a blow to the entire party system since both state and local parties raise a significant amount of their donations through events which are hosted by elected officials.

Also at the local level, both the Senate and the House bills imposed problematic contribution limits on in kind contributions from town committees to state legislative races. The Senate bill does however make an exception to these limits where these contributions benefit two or more candidates, so that grassroots local organizing will not be impaired. Unfortunately, there is no such exception with the House bill, and that is a problem because these town committees could easily exceed their contribution limits very quickly if headquarters, telephones, mail, newspapers ads, radio ads and other activities are capped within the limits proposed. This will force candidate committee

efforts to be duplicated so that there could be multiple headquarters, phone calling, mail pieces, and quite frankly a lot of wasted money. This will also kill local grassroots organizing at the local party level, which will truly hurt our democratic (small d) process.

Also, on the municipal level the Senate bill imposes all sorts of new restrictions on town committees and state party committees giving to municipal candidates, but the public finance mechanism is voluntary whereby local councils and boards would have to decide whether or not, and how, to fund these municipal elections. At a time when municipalities are struggling every Spring to pass their local budgets, and more and more budget referenda fail at the polls every year, we should not once again look to local property tax payers to foot yet another bill. Therefore it is our position that if there is a bill which includes the option of a public financing system at the municipal level, the bill should allow for higher in kind limits for town committees to municipal and state legislative races, and also, because the funding of a public finance system is so challenging, at the local level, for towns that don't choose to implement such a system, the restrictions on municipal races ought to remain as they are under our current system.

In closing I again want to thank you for this opportunity. I look forward to answering any questions that you might have.