

To: House Committee on Rules  
Subject: HB 3523 - Campaign finance

1. The 48-hour reporting requirement should be triggered if a DONOR gives \$1,000 during the 14 days preceding the election. It should not be triggered by a donation of \$1,000. It is easy enough to get 25 checks for \$999.99 and there would be no political consequences until after the election. Simply, any donor who makes a contribution of \$1000 or greater or makes contributions aggregating to \$1000 or greater during the 14 days prior to the election will trigger the 48-hour reporting for the contribution that causes the aggregate to reach \$1,000 or greater and then any subsequent contributions by that donor are required to be reported in 48 hours regardless of their size. The feds have it set up this way and while it is a pain in the ass, it is fair and harder to abuse.
2. You need to get rid of pledges. They are seldom reported and there is no bright line about what constitutes a pledge. This will be particularly problematic if we have 48-hour reporting. Right now there is no requirement to report a pledge if the funds are received within the 30 or 7 day window after the "pledge" is made. This at least gives donors time to get a check in the mail. Under the 48-hour rule, the "pledge" would likely come due before the mail even had a chance to arrive... Assuming the donor put a check in the mail on the same day they made the pledge. This is certainly not likely. If this isn't reason enough, pledges are virtually never reported, so they are like the appendix of the campaign finance system -- no one knows what they're for until they get screwed up, then they are painful and expensive to fix. There was a provision to remove pledges in the dreaded SB 280 from last cycle. It would be easy to amend into this legislation.
3. You should also take the opportunity to remove the requirement that the Elections Division collect bank account numbers from committees. It is crazy and makes opening a committee difficult for volunteer treasurers (it is easy for me, so this provides me no benefit at all).

None of the above changes should result in any fiscal impact.

Thanks.  
Kevin Nealy