



310 SW 4th Ave., Suite 413
Portland, OR 97204-2311
503/283-1922
503/283-1877
www.commoncause.org/oregon

To: House Rules Committee
From: Kate Titus, Common Cause Oregon
Re: HB 4076, Small Donor Elections
Date: February 8, 2018

On behalf of Common Cause and Voice for All Oregon, I express strong support for the bill before you, HB 4076, Small Donor Elections.

Common Cause

Common Cause is a nonpartisan organization that works for open, honest, accountable government. We're more than one million powerful, fearless, ordinary Americans – including 25,000 Oregonians – who share a common cause, realizing a democracy that works for all of us.

Voice for All Oregon

Voice for All Oregon is a growing coalition, collectively representing hundreds of thousands of Oregonians – including seniors & students, people of faith & issue activists, business & labor, rural & urban, and others across lines of race and gender. We've already passed Small Donor Elections in Portland (to be launched for the 2020 election), and now seek to pass it for state legislative races.

Organizations supporting Small Donor Elections include: ACLU Oregon, Asian Pacific American Network of Oregon, Alliance for Democracy, AFSCME Local 75, Basic Rights Oregon, Bus Project, Common Cause, Color PAC, Coalition of Communities of Color, CWA Local 7901, Enlace, Every Voice, Latino Network, , Main Street Alliance, Move to Amend Portland, NAACP Portland Branch, OPAL Environmental Justice, Oregon AARP, Oregon Education Association, Oregon League of Conservation Voters, Oregon League of Women Voters, Oregon Sierra Club, Oregon State Public Interest Research Group, Oregon Student Association, Portland Forward, Represent US Portland, St Michael & All Angels Church (Episcopal), UFCW Local 555, Unite Oregon, Urban League of Portland, and Working Families Party Oregon.

CASE FOR SMALL DONOR ELECTIONS

Voters Seek Your Leadership for Reform

Anyone who spends time with voters knows that frustration with government and specifically with money in politics has become a top voter concern, across party lines. Many polls corroborate this, but here are several to consider:

- 84% of Americans believe money has too much influence in politics.
- 72% of Oregonians believe that unless we change the way elections are funded, elected officials will work for their donors.
- 69% of Oregonians support changing how campaigns can raise money; only 17% oppose.

A Proven System that Works

Many local jurisdictions use some form of small-donor-funded elections.

- These include: Albuquerque, NM, Austin TX, Berkeley, CA, Boulder, CO, Chapel Hill, NC, Long Beach, CA, Los Angeles, CA, Miami-Dade County, FL, Montgomery County, MD, New Haven, CT, New York City, Oakland, CA, Portland, OR (starting 2020), Richmond, CA, Sacramento, CA, San Francisco, CA, Santa FE, NM, Seattle, WA, Suffolk County, NY, Tucson, AZ, as well as Arizona, Connecticut, Florida, Hawaii, Maine, Maryland, Michigan, Minnesota, New Jersey, New Mexico, Rhode Island, Vermont, and West Virginia.
- Some of these programs are now under-utilized. But where programs have been adjusted to keep up with rising campaign costs, they remain effective.
- And together, there's now a broad body of evidence showing that small donor elections work.

The Impact of Small Donor Reform

Here's what we've seen in jurisdictions that use small donor elections:

- Candidates are able to spend more time listening to and meeting with their constituents, instead of focusing on raising money from the largest contributors.
- Those who have run under both traditional and small donor election systems report benefitting from more diverse input and perspectives.
- Elected leaders who run as small donor candidates are not indebted to big donors. They draw broad financial support from their constituents, without relying heavily on any single donor.
- A more diverse set of candidates can run for public office; leading to a more diverse governing body, reflective of a broader range of community experience.
- The public develops greater trust in elected representatives, and gets more involved in campaigns, with broader community financial support for candidates.

How it Works

Small Donor Elections is an effective and constitutionally legal way to limit the influence of special interest money in our elections. It allows candidates an optional path to finance their campaigns without large contributions and special interest money, relying instead on small contributions from their own constituents, matched strategically by limited public dollars to ensure that every contribution matters, and that candidates can still run competitive campaigns. Key provisions include:

- Candidates qualify by filing with the Secretary of State, signing an affidavit to abide by program rules, and raising a minimum total dollar amount & number of qualified small donor contributions (\$10,000 from at least 400 donors for Senate candidates; \$6,000 from at least 250 donors for Representatives).
- Candidates agree to accept only small contributions (up to \$250). However, candidates can raise up to \$6,000 from any source for initial seed money.
- Qualifying small contributions are matched 6-to-1. The match enables candidates to raise enough to win without taking large contributions.
- Candidates can accept small contributions (up to \$250) from both individuals & entities, but only contributions from individuals are matched. Those who want to join forces with others to show united support for a candidate can set up a Small Donor PAC. Small Donor PACs are limited to raising small contributions (up to \$250), so they can contribute that combined money, without limit. However, Small Donor PAC money is not matched.
- Public Funds are limited, with maximum amounts updated each cycle, based on the cost of recent elections and whether candidates face opposition or run unopposed. Only public funds are capped. Candidates can continue to raise un-matched small-donor contributions even if they reach the maximum match.

Strategic & Prudent Use of Public Funds

Small Donor Elections provide a bargain.

- The price we pay for letting big special interest money pick up the tab for our elections, is a government that appears bought and paid for by big special interest money.
- That's a democracy that discourages and discounts broad voter participation, and breeds public cynicism and mistrust.
- Small Donor Elections uses limited public funds to strategically incentivize increased small donor contributions, while balancing the influence of private money in elections.

The Public Interest (And Your Interest Too)

In closing, I would argue that this bill is not only in the public interest, but it's in *your* interest as state legislators. It's a safe bet that none of you ran for office to get rich. You've stepped up because you are dedicated to public service. And yet, you serve at a time of deep public cynicism and lack of respect for government. I suspect you too would rather spend more time listening to and representing constituents rather than fundraising from a small political donor class. And I suspect you too would prefer to be part of an Oregon Legislature that is more fully representative of the state's racial, economic, age, and gender diversity. And you would probably rather have people respect rather than mistrust your dedication and service. I hope we can work together on this bill.