

Testimony of Senator Alan K. Simpson

Hearing: “The Fair Elections Now Act: A Comprehensive Response to Citizens United”
Senate Committee on the Judiciary, Subcommittee on the Constitution,
Civil Rights and Human Rights - April 12th, 2011

Mr. Chairman, Mr. Ranking Member, and Members of the Committee:

Thank you for this opportunity to testify in support of Senate Bill 750, the Fair Elections Now Act.

I come before you at this time of fiscal crisis as co-chair of Americans for Campaign Reform and as someone deeply committed to addressing the two defining long-term challenges I know: fiscal and campaign finance reform. Together with my friends and fellow co-chairs of Americans for Campaign Reform – Bill Bradley, Bob Kerrey, and Warren Rudman – I have come to the conclusion that a wholesale restructuring of our campaign finance system, and of the dynamics of political power itself, is necessary if we are to right our fiscal ship of state. I see this testimony not as a diversion from, but rather an extension of, my ongoing work with Erskine Bowles and the Committee for a Responsible Federal Budget.

Growing older has a way of focusing the mind on the things we’ll leave behind. When I take stock of the country that my children and grandchildren inherit, I shudder. The causes of concern are many and I won’t pretend that any explanation we offer here today will capture them in full. As is the custom in Washington these days, we tend to hear two quite different stories from the Left and Right about what is wrong with America and how we can set things right. I’ve spent enough time counting votes as Majority and Minority Whip to know what party means, and I find I don’t have much patience for partisan politics these days.

Nevertheless, I believe there is one challenge confronting the country on which both sides can agree: the corrosive effects of private money in politics and the constant fundraising by Senators and Representatives that our system of privately-financed elections demands.

I know the pundits and plenty of Americans like to say that Senators and Congressmen are corrupt. I don’t buy it. I’ve spent enough time in these halls to be pretty confident about the will to public service that lives in all of you. But I also know that perception matters in politics. Our current system of financing congressional campaigns with its ever-increasing cost and the heedless will to spend on the part of wealthy interests, works counter to the good intentions of those who came to Washington to serve the public interest. As you know, every hour spent fundraising – and Lord knows they add up in a campaign – means one hour less spent studying the issues of our day, engaging in dialogue and compromise with one another, or meeting and hearing from constituents.

Consider the conflicting incentives in our electoral system today that drive the public’s perception of corruption. On the demand side, you as Senators require millions of dollars to win and keep your seats – over \$9 million, on average, in 2010. Unless you have a fortune of your own, you must turn to private citizens and groups for campaign contributions. All too often, those with the means and incentive to contribute large amounts do not represent the needs or interests of your constituents back home. In fact, just one quarter of one percent of the American people contributed to political campaigns in 2010, most of them representing organized lobbies with a vested tax and

spending interest before the federal government. Lobbyists and other contributors based in Washington, DC alone provided almost \$300 million of the record campaign spending, more than the total contributions of 32 states combined.

I believe that private campaign contributions facilitate an unholy alliance between those with the means to fund political campaigns and those who depend on their contributions to get elected. The consequences for our nation's finances are severe.

Why is it that a quarter century since the last comprehensive tax reform, Washington has riddled the system with countless tax expenditures, which are simply spending by another name? These tax earmarks, which add up to more than \$1 trillion of tax spending a year, can mean handsome profits for those interests who fought for their inclusion, but they do little to promote economic growth and competitiveness for the nation as a whole.

Why is it that the same Congress that for years has authorized the Department of Veterans Affairs to negotiate discounts on pharmaceuticals for military families has made it illegal for the government to negotiate such discounts for millions more of our elderly and disabled citizens under Medicare Part D?

Why is it that Congress continues to approve multi-billion dollar defense programs the Pentagon never requests, or that public employee pensions often far exceed their private-sector equivalents?

Why is it that all of these issues and more, which together account for hundreds of billions in tax expenditures each year, have not factored more strongly into our current budget debate?

To end these conflicts of interest once and for all, I urge the Senate to enact a system of small donor public funding of Congressional elections. Under the Fair Elections Now Act, serious and hardworking candidates for U.S. Senate and House who agree to limit donations to \$100 apiece would receive matching public funds for every small donation they raise in-state. To qualify for matching funds, candidates would have to show a broad base of constituent support by raising donations of between \$5 and \$100 each. If they can meet the qualifying threshold, they would have enough money to run a competitive campaign. As you know, you do not need to have the most money to win but you need enough for the voters to hear your message and make their choice.

The Fair Elections Now Act isn't your granddad's campaign reform. For decades, campaign reform has meant limits and restrictions on private campaign spending, which this Supreme Court has all but taken off the table as unconstitutional. In its Citizens United decision last year, the Court ruled that corporations and unions are free to spend unlimited money to influence elections, asserting a right of corporate personhood that I have yet to find in the Constitution.

But the Citizens United ruling need not take real reform off the table. To the contrary, it can serve to focus our gaze on the root of the campaign finance problem: changing not so much the amounts, but rather the source of money that funds political campaigns. By providing qualifying candidates with enough public matching funds on small donations to run a viable campaign, we can ensure that money itself does not determine who gets to compete for public office, but rather character, experience, and ideas.

In keeping with my values as a fiscal and constitutional conservative, the Fair Elections Now Act does not limit freedom of speech. Rather, it expands First Amendment rights by allowing those with wealth to continue to fund their own speech while also enabling those with widespread public support in the form of small donations to get in the game. Candidates wishing to raise and spend big money the old-fashioned way would be free to do so.

Stemming the tide of special interest money and restoring fiscal responsibility for the long-term are no easy task, but it's high time we got started. From my years of service in Washington, and in the years since, I have come to the firm belief that campaigns for public office are a public good, plain-and-simple, and therefore must be owned by the people.

In the final report of the President's Commission on Fiscal Responsibility and Reform, Erskine Bowles and I observed that, "In the weeks and months to come, countless advocacy groups and special interests will try mightily through expensive, dramatic, and heart-wrenching media assaults to exempt themselves from shared sacrifice and common purpose. The national interest, not special interests, must prevail."

Our future as a great nation depends on it.

Thank you.