DISTRICT OFFICE 1400 N. HARBOR BLVD., SUITE 601 FULLERTON, CA 92835 (714) 526-7272 FAX (714) 526-7278



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May 1, 2012

Ann Ravel Chair, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814-2329

## Dear Chair Ravel:

I urge you to vote in favor of supporting Assembly Bill 2239, which I authored to increase candidate transparency while substantially reducing the need for independent expenditures. FPPC staff did not taken a position on this bill on AB 2239, which was part of item #17 on your April 5 agenda. It is my understanding that the Commissioners delayed action on the bill in order to seek more information about limit and disclosure rules.

AB 2239 will introduce the nation's toughest campaign finance disclosure laws. No state in the country has 24-hour disclosure for all contributions. Among the toughest requirements:

- Oregon requires all contributions to be reported within 30 days of receipt, except contributions received in the last 6 weeks before an election, in which case the contribution must be reported within 7 days.
- Massachusetts only requires an annual report of contributions during non-election years (California requires semi-annual reports during non-election years), but requires monthly reports in the first six months of an election year and requires reports twice a month thereafter during the election year.

Several states do require 24-hour or 48-hour reporting in very limited circumstances: namely, for large contributions or for contributions that occur a few days/weeks before the election. (California requires 24-hour disclosure only for contributions in excess of \$1,000 in the last sixteen days before the election for paper filers or in the last ninety days for electronic filers.)

Consequently, a 24-hour reporting requirement for all contributions at all times would give California the toughest campaign finance disclosure law in the country, producing more campaign finance transparency than anywhere in the United States. This would allow the public and watchdog organizations to better monitor the flow of political money and hold politicians accountable.

(Additionally, existing requirements for semi-annual and pre-election statements would continue to be in a place in order to provide digestible compilations of campaign finance information.)

Currently, Alabama, Indiana, Iowa, Mississippi, Missouri, Nebraska, North Dakota, Oregon, Pennsylvania, Texas, Utah, and Virginia have no contribution limits.

When examining the most recent edition of the annual list of best-run and worst-run states produced by 24/7 Wall Street, it shows that 3 of the 5 best-run states (Nebraska, North Dakota,

and Iowa) are states without contribution limits while the 10 worst-run states all have contribution limits.

Independent expenditures have increased 6,000% since the passage of Proposition 34's campaign contribution limits. IEs have reduced candidate accountability and reduced campaign finance transparency.

The efforts to limit money in politics via Prop 34 have had the unintended consequences of making money harder to trace and reducing candidate accountability. Ending the Prop 34 limits while adding 24-hour contribution reporting will make candidates responsible for the contributions they raise and the spending they do, which will make unaccountable IEs and enigmatic IE PACs a legal anachronism.

Eliminating Prop 34 limits while requiring 24-hour disclosure of contributions and expenditures is the only way to hold politicians accountable to the people of California and render enigmatic independent expenditures unnecessary, so I respectfully urge you to vote in favor of supporting AB 2239.

Sincerely,

CHRIS NORBY
Member, California State Assembly

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May 16, 2012

Ann Ravel Chair, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814

Dear Chair Ravel:

In support of my bill, AB 2239, I respectfully wish to address several points raised in the staff memo regarding that bill, which is part of Item #14 on your May 17 agenda.

The staff memo quoted the findings and declarations of Proposition 34, including: "Increasing costs of political campaigns have forced many candidates to devote a substantial portion of their time to raising campaign contributions and less time to public policy..." The costs of political campaigns have continued to grow despite Proposition 34's limits, so consequently, candidates must spend even more time trying to raise funds from more donors. For example, to raise \$39,000 for a legislative seat, a candidate must raise it from 10 donors instead of 3 or 4 donors, requiring the candidate to spend more time going to more donors to raise that money.

The staff memo also quoted that Proposition 34 was intended to "ensure that individuals and interest groups in our society have a fair and equitable opportunity to participate in the elective and governmental processes..." These limits have had the unintended consequence of enabling fantastically wealthy individuals to easily outspend their non-wealthy opponents. These limits have forced non-wealthy candidates to spend even greater amounts of time fundraising to match wealthy opponents. For example, in the new 74<sup>th</sup> Assembly District, Charles Munger has just donated over \$300,000 to a PAC that has launched a series of independent expenditures on behalf of candidate Leslie Daigle. Candidate Allan Mansoor has no way to respond, as it is illegal to solicit an independent expenditure or to raise more than \$3,900 from a donor.

The study by the Center for Public Integrity referenced in the memo had rather unusual rankings. Indeed, that study gave the State of New Jersey a "B+" grade for its lowest risk of corruption, and the study actually ranked New Jersey as the state with the lowest risk of corruption. Common sense would question any study that rated New Jersey as the lowest risk of corruption.

Sincerely,

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May 16, 2012

Lynn Montgomery Commissioner, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814

Dear Commissioner Montgomery:

In support of my bill, AB 2239, I respectfully wish to address several points raised in the staff memo regarding that bill, which is part of Item #14 on your May 17 agenda.

The staff memo quoted the findings and declarations of Proposition 34, including: "Increasing costs of political campaigns have forced many candidates to devote a substantial portion of their time to raising campaign contributions and less time to public policy..." The costs of political campaigns have continued to grow despite Proposition 34's limits, so consequently, candidates must spend even more time trying to raise funds from more donors. For example, to raise \$39,000 for a legislative seat, a candidate must raise it from 10 donors instead of 3 or 4 donors, requiring the candidate to spend more time going to more donors to raise that money.

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May 16, 2012

Elizabeth Garrett Commissioner, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814

**Dear Commissioner Garrett:** 

In support of my bill, AB 2239, I respectfully wish to address several points raised in the staff memo regarding that bill, which is part of Item #14 on your May 17 agenda.

The staff memo quoted the findings and declarations of Proposition 34, including: "Increasing costs of political campaigns have forced many candidates to devote a substantial portion of their time to raising campaign contributions and less time to public policy..." The costs of political campaigns have continued to grow despite Proposition 34's limits, so consequently, candidates must spend even more time trying to raise funds from more donors. For example, to raise \$39,000 for a legislative seat, a candidate must raise it from 10 donors instead of 3 or 4 donors, requiring the candidate to spend more time going to more donors to raise that money.

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May 16, 2012

Sean Eskovitz Commissioner, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814

Dear Commissioner Eskovitz:

In support of my bill, AB 2239, I respectfully wish to address several points raised in the staff memo regarding that bill, which is part of Item #14 on your May 17 agenda.

The staff memo quoted the findings and declarations of Proposition 34, including: "Increasing costs of political campaigns have forced many candidates to devote a substantial portion of their time to raising campaign contributions and less time to public policy..." The costs of political campaigns have continued to grow despite Proposition 34's limits, so consequently, candidates must spend even more time trying to raise funds from more donors. For example, to raise \$39,000 for a legislative seat, a candidate must raise it from 10 donors instead of 3 or 4 donors, requiring the candidate to spend more time going to more donors to raise that money.

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May 16, 2012

Ronald Rotunda Commissioner, Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, California 95814

Dear Commissioner Rotunda:

In support of my bill, AB 2239, I respectfully wish to address several points raised in the staff memo regarding that bill, which is part of Item #14 on your May 17 agenda.

The staff memo quoted the findings and declarations of Proposition 34, including: "Increasing costs of political campaigns have forced many candidates to devote a substantial portion of their time to raising campaign contributions and less time to public policy..." The costs of political campaigns have continued to grow despite Proposition 34's limits, so consequently, candidates must spend even more time trying to raise funds from more donors. For example, to raise \$39,000 for a legislative seat, a candidate must raise it from 10 donors instead of 3 or 4 donors, requiring the candidate to spend more time going to more donors to raise that money.

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