



League of Women Voters of Minnesota Records

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LEAGUE OF WOMEN VOTERS OF MINNESOTA

106 COMO AVE. • ST. PAUL, MINNESOTA 55103 • TELEPHONE (612) 224-5445

March 1, 1988

The Honorable Richard Kostohryz
585 State Office Building
St. Paul, Minnesota 55155

Dear Mr. Kostohryz:

The League of Women Voters of Minnesota supports SF 604 which the special House Elections subcommittee passed unanimously to the full General Legislation Committee.

The League believes this bill is timely and significant in its effort to regulate fund raising activities during a regular legislative session. It is increasingly important that SF 604 be heard during the 1988 session. To delay this type of legislation allows for the continuation of the perceived link between money and votes.

Thank you for your attention to this matter.

Sincerely yours,

Joan Higinbotham
Joan Higinbotham
President

Wanda M. Haugland

Wanda M. Haugland
League of Women Voters

H:H:m

Testimony presented to the
Senate Elections and Ethics Committee
Re SF 343
by Judy Duffy, Government Co-Chair
League of Women Voters of Minnesota
March 16, 1983

The League of Women Voters of Minnesota supports action to improve methods of financing political campaigns in order to make our government more accountable, more representative and more responsive to all citizens.

Recent national League action has focused on support for legislation mandating public financing for Congressional elections and placing limits on the size of donations that political action committees can give to candidates. Individual Leagues apply the League position in working for campaign reform measures at the state and local levels.

While SF 343 does not mandate public financing for Congressional candidates, it does address a League concern in setting expenditure limits for those candidates who choose to accept public financing. The League of Women Voters of Minnesota supports efforts to reduce the amount of money spent on political campaigns as a means to allow the maximum citizen participation in the political process and to enable candidates to compete more equitably for public office.

To achieve these goals, the League favors a system that allows a combination of private and public funding and that:

- requires full and timely disclosures of all campaign contributions and expenditures;
- limits the size and type of contributions from all sources;
- encourages broad-based contributions from the general public;
- provides public financing, including income tax check-off and supplemental government appropriations; and
- equalizes the use of government services for challengers and incumbents.

SF 343 addresses these issues and the League of Women Voters of Minnesota urges your support for this legislation.



LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

April 23, 1985

The Honorable Rudy Perpich
Governor of Minnesota
130 State Capitol
St. Paul, MN 55155

Dear Governor Perpich:

HF 450 (Blatz) should be opposed. A child abuse prevention fund which this bill would establish is a worthy goal and one for which state government should be able to find the necessary appropriation. Events over the last year make the need apparent for some government attention to the problem of child abuse and to seek its prevention. However, to attempt to fund this goal by eliminating the political campaign check-off on tax returns and establishing the child abuse prevention check-off is back-handed.

Public financing for political campaigns has worked well in Minnesota since it was established in the post-Watergate era of the mid 1970's. Public financing makes it possible for individuals from all walks of life to run for political office. One does not need benefactors or an established "war chest" in order to begin a campaign. In particular, women have benefited from the availability of public money for campaigns. Public financing can also be an equalizer to the tremendous advantage an incumbent enjoys.

Conceivably, Minnesotans could move to a policy of "government by check-off." How easy it would be for politicians to pass off the hard decisions of what and how to fund certain programs to the tax payer.

A check-off for political contribution is appropriate. A tax payer may or may not participate. If one does participate, s/he has contributed to the process of a strong two-party political system.

Let's keep the check-off, let's keep public financing and let's keep the system open to all who wish to participate by checking off or running for political office.

Sincerely,

Erica Buffington
Erica Buffington
Action Chair

Judy Duffy
Judy Duffy
Government Co-Chair

B:D/rk



LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

April 23, 1985

St. Paul Dispatch and Pioneer Press
55 East 4th Street
St. Paul, MN 55101

To the Editor:

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Sincerely,

Erica Buffington
Erica Buffington
Action Chair

Judy Duffy
Judy Duffy
Government Co-Chair

B:D/rk



LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

April 23, 1985

Minneapolis Star and Tribune
425 Portland Avenue
Minneapolis, MN 55488

To the Editor:

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Sincerely,

Erica Buffington

Erica Buffington
Action Chair

Judy Duffy

Judy Duffy
Government Co-Chair

B:D/rk

SEP 16 1976

409 Birchwood Ave.
White Bear Lake, Mn 55110
September 12, 1976

Jean Brown
Government Chairman, League of Women Voters of New Mexico
2705 Mesa Drive
Farmington, New Mexico 87401

Dear Jean;

Your letter of inquiry about Minnesota's Campaign Financing Law has been referred to me. I had been League's lobbyist on the bill while I was on the LWV State Board. With passage, I was appointed to the Ethical Practices Board, have served on the Board for three years and am now Chairman of the Board. (I have also communicated with you as editor-compiler of LWV Grapevine Indian News.)

The Minnesota law applies only to statewide, legislative and top state officials. We regulate registration and disclosure of all principal campaign committees (the candidate's committee), political parties and political funds; registration and disclosure of lobbyists influencing legislation, rules, rate setting hearings; economic interest disclosures by all of the covered public officials; distribution of the public financing in state elections; provisions for disclosure when a public official is in a conflict of interest situation or is representing a client for a fee in rule making circumstances.

I think you will find the strongest, most nearly model laws in this area of legislation in the states where the legislature was by-passed and the law was passed by referendum - Washington, California. (Michigan had a comprehensive law that is in their state courts being declared unconstitutional.) Missouri has a voter imposed law that I'm not too familiar with. Nebraska was/or is talking about a referendum. Minnesota has no provision for referenda. Our law was a compromise between the political parties who raise their funds in different ways. It was also a compromise between the incumbent Democrats who wanted public funding and the "citizen groups" who were determined that campaign financing reform must accompany public funding.

Minnesota has a very comprehensive law, and I think, a good one. The purpose of the law is disclosure, rather than prohibition. We hope we can assure the public that their officials are honestly disclosing the sources of money that may be influencing decisions. We make no

judgements about sources of money, providing that the limits of the law are followed. We hope to encourage participation by all people in the political process. We are aware that disclosure and limits can become very complex and we have tried to help by making the forms and instructions as simple as possible...but they still end up as some 15 pages, triplicate. We feel that the volunteer citizen can act as treasurer, but the treasurer is the one legally responsible for accurate reporting and we may have scared the volunteer away. And another reality is that the legislature is very concerned with all details of the law, so that it is going to be a constantly changing law with each session adding its modifications. This puts an added burden on the "citizens groups" to hang in there with the housekeeping bills that are going to keep happening. The legislature does not like to be regulated. When they feel they can cut the law or not provide enough funding or in other ways cripple it without a public outcry, they are going to do it.

Stressing disclosure, we have the following provisions:

1. Candidate responsibility - no money can be spent on behalf of the candidate without his approval and without his counting it as part of his expenditures.
2. If someone wishes to spend money independently of the candidate, they may do so, but it must be clearly labeled, "Not Authorized"
3. Candidate committees and all other political funds must register as soon as they raise or spend \$100.
4. Disclosure reports of receipts and expenditures must be filed 10 days before the primary and the general election. The year's final report by January 31 the next year. Treasurers must keep records, by name, of receipts over \$20. They must list them on their filed reports when they exceed \$50 in legislative races or \$100 in statewide races. Expenses of over \$100 are to be listed by name, address. Debts are to be itemized. Loans to be listed.
5. The reports are filed in our central office. They must be available for public view within 48 hours of filing. We must copy the filed report and within 72 hours they are to be available for public view at the county auditor's office, in the candidate's district. Large contributions received before the election but after the filing date for the report must be reported to our office by telegram.
6. Our Board wants very much to have our staff make summary information of the filed reports, but we have not been given enough money for staff to do this.

Our public financing provisions are linked to candidates signing in advance that they will abide by the law's spending limits. (Some 22 of 450 legislative candidates chose not to accept public financing.) For this and several other reasons, we have not modified our enforcement of our law in light of the Supreme Court ruling. Some of the other reasons are that our spending limits are high and adequate at this time to wage a campaign; penalties for violating our law are misdemeanors while in the federal law they are felonies; people ~~and~~ exercise their freedom of speech by spending whatever they wish if they label it "Not Authorized" and report to us as a fund; Minnesota's Attorney General has a policy that only the courts can rule a state law unconstitutional, not an administrative agency.

We have gone to court proceeding against violations of the non-election year contribution and spending limits. In another instance, the one exceeding the limit paid the fine rather than fight the issue in the courts. (We are looked on as being unique, nationally for enforcing our law rather than calling it unconstitutional.) Probably some parts of our law must go - limits on what an individual can contribute to his own campaign, spending limits if public funding isn't accepted, perhaps other limits, but disclosure will remain, and that alone, if enforced is reason enough for the law.

Actually having limits is the cause of all kinds of headaches. It would simplify things greatly to rely on disclosure and public reaction to limit how much is spent on campaigns and how much can come from any one source. "Citizen groups" want limits saying that too much money per se is evil, a la Watergate, and if you're going to have public funding you've got to control total amounts spent. What they say is true, but you can also argue that limits so add to the complexity and paperwork that the average person can no longer feel free to seek office. Limits also contribute to the great advantage incumbency gives.

It is just crucial to any workable law that you have an independent commission to enforce it. Lesser penalties aid enforcement. You don't want to send anyone to jail for botching a reporting job - in fact, instead of misdemeanors our Board would advocate a fining system - for late filing, non-filing when one should (we have court imposed fining for exceeding limits.) To enable a commission to be independent, there must be enough money to do the job. We are denied adequate funds so that we won't be visible - by internal state department procedures - Dept. of Finance, Governor's budget, etc. and by legislative procedures - staff review of our budget, committee veto, etc. We have been specifically denied by the financial end of the legislature - a full time attorney; the ability to microfilm records (we have no duplicates of the originals which are available to the public); the ability to work up computer capability; staff to check, audit, make meaningful summaries of the filed information.

Our Board has worked well. We are 6, appointed by the Governor, confirmed by 60% vote in both the House and Senate. Terms are 4 years, staggered. No more than 3 can be from one political party; two must be former legislators, one from each party; two must not have been active in political parties for the past 3 years. There must be 4 votes to do anything. The Board hires all employees. It is responsible for running the department (although all budget procedures, paying bills, buying supplies, personnel records, etc. must follow state procedures.) We are a citizen board, paid \$35 per diem and now we are pretty much down to two meetings a month although for the first couple of years it was weekly almost. We have found that the Board will stand firm in enforcing the law although it has meant making enemies of legislators. Pressures on a regular state department or on a partisan official would be too great to resist. We have found that legislative pressure has caused the attorney general's office to reverse itself - and by law they must be our counsel and in practice they are refusing to allow us to hire independent counsel. If difficulties persist, the Board may raise the issue publicly - our only recourse.

You stated your questions briefly. I'm afraid that my answers aren't the same. I would urge the League to research various state laws. Check them out and then strongly promote the features that seem to work the best. You must have strong citizen concern to impress the legislators that they have to pass effective legislation. And you have to follow the law, when it is passed - to keep the legislature or bunte departments from crippling it bit by bit and also to make sure the enforcement commission knows that the citizens are its constituents not incumbent legislators and department heads.

Summaries of state-federal laws have just been compiled for the Federal Elections Commission. You might find it of interest. They were made as of January 1976. (We've had some changes in our law since.) There are two volumes:

Analysis of Federal and State Campaign Finance Law - Summaries
PB 252 233

National Technical Information Service,
Springfield, Va. 22161
264 pages, \$9.00

Analysis of Federal and State Campaign Financing Law - Charts
PB 252 239

National Technical Information Service
Springfield, Va. 22161
90 pages
\$5.00

If I can be of any further help, please let me know.

Sincerely yours,

Elizabeth Ebbott
Chairman, Minnesota Ethical
Practices Board

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

February 3, 1972

To - Local League Presidents

From - Barbara Steinkamp, State Campaign Practices Chairman

Re - The Update of State Campaign Practices Position

At State Convention delegates reaffirmed support of our 1961 Campaign Practices position and approved an update of the issue in order to increase member and public understanding and support. Since convention the State Campaign Practices Committee has come to believe that the publication should include a limited new study with brief consensus for the following reasons:

1. Our present campaign financing position is not comprehensive. We have overlooked or neglected some vital questions. Since the update publication is already planned, it would be efficient use of League time and money to consider the new questions at the same time.
2. A few consensus questions would focus the attention of all Minnesota Leaguers on this vital issue.
3. The timeliness of the consensus will enhance our chances of gaining public support and effecting legislative action.

League members and citizens have raised some serious questions. A major concern was that full disclosure could reduce or dry up campaign contributions. Would this effect be tolerable? Could legislation provide more equal opportunity among candidates? Has inadequate funding in many local and state elections been a greater problem than excessive spending? Are many qualified citizens prevented from seeking public office because of the problems associated with campaign funding? Is public funding of campaigns desirable?

The inclusion of several questions will focus the attention of all Minnesota Leaguers on this vital issue. If approved, the study would involve unit discussions in September or October.

Our past experience in lobbying for reform of campaign financing has convinced us that strong public support is vital. We must promote widespread understanding of this issue. A Fall '72 study timed to coincide with the November general election would afford an excellent opportunity to gain public understanding and support for our position.

Because of the extreme importance of problems in campaign finance the state Board proposes that our state program be modified. We are following the emergency procedure as specified in Article 11 (Council) Minn. LWV Bylaws 1971. The bylaws state that local Leagues must be notified 2 months in advance of Council and that a 2/3 majority of members present at Council are required to adopt the modification. Please carefully consider our proposal, discuss it with your membership through your bulletins and at

meetings so that you will be prepared to act at Council. If you have any questions or suggestions please contact me. We welcome your ideas and support.

Barbara Steinkamp
4912 Payton Ct.
Edina, MN 55435
(612) 927-9263

Refer to June 1971 Outlook for Work
Positions for Action
Capitol Letter - May 14, 1971 and November 24, 1971.

League of Women Voters of the U.S.
1730 M Street, N. W.
Washington, D. C. 20036

March/April 1974

Date _____

TO THE CONGRESS OF THE UNITED STATES

State _____

WE CITIZENS OF THE UNITED STATES, BELIEVING THAT THE TAIN OF LARGE CAMPAIGN CONTRIBUTIONS MUST BE REMOVED FROM OUR POLITICAL LIFE, PETITION THE CONGRESS TO ENACT A COMPREHENSIVE CAMPAIGN FINANCING LAW INCLUDING PROVISIONS FOR

☐ COMBINED PRIVATE AND PUBLIC FINANCING OF ALL FEDERAL ELECTIONS

☐ LIMITS ON CONTRIBUTIONS AND EXPENDITURES

☐ FULL DISCLOSURE AND ENFORCEMENT

The undersigned urge their U.S. Senators and Representatives to enact significant improvements in federal campaign financing legislation.

Name	Number and Street Address	City or Town	Zip Code
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
10. _____	_____	_____	_____
11. _____	_____	_____	_____
12. _____	_____	_____	_____
13. _____	_____	_____	_____
14. _____	_____	_____	_____
15. _____	_____	_____	_____

Return to:

LEAGUE OF WOMEN VOTERS OF MINNESOTA
555 WABASHA
ST. PAUL, MN 55102

Person witnessing signatures

Name _____

Address _____

Organization (if any) _____

PETITION TO REFORM CAMPAIGN FINANCING

From April 8-22, the League of Women Voters of the United States will conduct a nationwide petition drive asking Congress to enact legislation to reform our system of financing political campaigns. The drive will end in San Francisco, May 6-10, when the number of signatures will be announced at the League's national convention. The petitions will then be mailed to each state's senior senator.

In announcing the drive, Lucy Wilson Benson, League president, said: "We must break the link between big money and politics if we are to combat corruption, restore confidence in elected officials and ensure broad citizen participation in our political process."

The League's goal is a million and a half signatures -- 10 for each of its members. Other national organizations will join the petition drive to ensure that as many citizens as possible express their views to Congress.

The Federal Elections Campaign Act of 1974, reported almost unanimously from the Senate Committee on Rules and Administration in February, has strong bipartisan support. The bill provides for:

- ☐ a combined system of private and public financing for presidential and congressional primary and general elections. The income tax checkoff (item 8 on your tax form) would be the principal source of public funds. A candidate could choose to use public funds only, private resources only, or a mix of the two.
- ☐ limits . . . on contributions from individuals and from the candidates themselves and on the overall amount of campaign spending.
- ☐ federal matching money for candidates in primaries, once they showed public support by raising a threshold amount in small contributions. Increased tax credits and deductions would provide greater incentives for small contributions.
- ☐ tightening of reporting and disclosure of all financial transactions, with stringent limits on the use of cash.
- ☐ an independent bipartisan Federal Elections Commission to monitor and enforce the law.

Legislation pending in the House also limits campaign contributions and expenditures but may restrict availability of public funds to presidential candidates only. The issues will probably be resolved in a Senate-House conference. Senate party leaders, Mike Mansfield (D MT) and Hugh Scott (R PA) have been in the forefront of the fight for reform and 140 House members have cosponsored legislation similar to the Senate bill. John Gardner, chairman of Common Cause, plus prominent business and labor leaders like Henry Ford and George Meany strongly support this type of legislation.

Your signature on this petition will demonstrate to the Congress that the public wants changes in the campaign finance system NOW in time for the 1974 congressional elections and the 1976 presidential elections.

April, 1973

Pm - P

BACKGROUND FOR ACTION

Memo to: Local League Presidents and Action Chairmen
From: Organization of State Government and Election Laws Committees
April 10, 1973
Re: Selected Issues for Action

Issues Included in this Mailing:

Campaign Financing (Election Laws)
Reducing Size of Legislature (Organization of State Government)

Issues to be Included in Later Mailing:

Legislative Post Audit (Organization of State Government)
Executive Appointment (Organization of State Government)

Purpose of this Information: To advise you of the status of legislation of concern to the League and provide information for action.

The items included here are strong League interests and most are being seriously considered. This information can be used to build League and public understanding and support. Lobbying of legislators by League members and other community groups and individuals is certainly encouraged - using this information plus that from other sources. There will be specific Times for Action when decisive votes can be determined with adequate advance notice and if the effort could make the difference between success or failure.

Local League Action Planning

Public support often plays a significant role in deciding the fate of major legislation. Therefore, informing League members and the community and urging action is essential. Listed below are a few things that can be done. Refer to the new Action pamphlet prepared by the National LWV for more ideas. Explain both the issue and how to take action. Show the need for action and the possibility of success.

- ** Inform members: Through articles in local League bulletins, briefings at unit, annual or general meetings.
- ** Inform community: Through the media, TV and radio programs, letters to the editor, press releases, special columns. Provide information to other community groups and invite them to join in action.
- ** Lobby your legislators: Although specific Times for Action are not indicated here, writing or personal visiting legislators is encouraged. A thoughtful personal letter or visit may be more effective than responses timed prior to crucial votes. Be sure to thank legislators when you are aware of their support for issues of League concern.
- ** Specific Times for Action: Watch for these calls for official League letters and widespread member and public support. These T for A will indicate bill numbers, estimate dates of crucial votes, etc.

The Background Information

Only the essential information is included here and some League references.

Watch the Capitol Letter and other League materials for further information. Should you desire a full accounting of a bill's provisions and its present status, please call or write Barbara Steinkamp - 4912 Payton Court, Minneapolis 55435 - (612) 927-9263.

ELECTION LAWS: CAMPAIGN FINANCING

League Background

The League has supported campaign financing reform since 1961. In a new 1972 study League members reaffirmed their support for comprehensive disclosure of campaign contributions and expenditures. In addition they recommended that measures be taken to reduce the amount of money spent in campaigns and permit the judicious use of public resources to finance campaigns. For a complete statement of our new position refer to the March 1973 Minnesota VOTER.

The Need for Action

Because this issue is so complex and there are many divergent views on solutions it is difficult to get legislation passed. Public support is the key to accomplishing this reform and guaranteeing it the attention it deserves.

Legislative Action to April 2, 1973

The 3 Senate Files introduced to date have companion House Files and comprise 4 different proposals. It is difficult to predict which details will be retained, what amendments will be offered, or which bill, if any, will be favored over another. The best features of each may be incorporated in a single committee bill. Bill numbers, their authors and major features are outlined below:

The chief author is underlined. An X indicates that a bill contains that feature.

	Lobby Regulation & Conflict of Inter.	Ethics or Elections Commiss.	Limits on Expend.	Limits on Contrib.	Discl. of Exp. & Cont.	Public Funding Tax Check-off
S.F. 1005 <u>North, O'Neill</u>	X	X	X		X	X
S. Keefe companion						
H.F. 951 <u>Berg, Savelkoul,</u> <u>H. Sieben, Ferderer</u> <u>& Fudro</u>						
S.F. 1197 <u>S. Keefe,</u> <u>Laufenberger,</u> <u>Conzemius</u> companion		X	X		X	X
H.F. 1125 <u>H. Sieben, Berg,</u> <u>Tomlinson, Fudro,</u> <u>Patton</u>						

	Lobby Regulation & Conflict of Inter.	Ethics or Limits Elections on Commiss. Expend.	Limits on Contrib.	Discl. of Exp. & Cont.	Public Funding Tax Check-off
S.F. 88 <u>Brown</u> Conzemius, Berg companion H.F. 464 <u>Savelkoul, Sherwood,</u> <u>E. Lindstrom,</u> <u>McArthur, Lombardi</u> H.F. 179 <u>J. Johnson,</u> <u>E. Lindstrom, Laidig,</u> <u>Larson & Hook</u> No companion Senate File	X	X		X	
		X	X		

Prospects for Passage of Campaign Financing Legislation this Session

The bills with the exception of H.F. 179 include matters which are the jurisdiction of several committees. In both Houses, the bills must go to governmental Operations, General Legislation - (Elections), Appropriations (House) and Finance (Senate), Taxes, and possibly Judiciary Committees. There is certainly a question as to whether these complex bills can be approved by so many committees before the deadlines. Committee reports on bills must be received on the floor of the House of origin by April 28 and committee reports from the other body by May 12. But the inclusion of many controversial issues in single bills is a problem, too. Several of the issues have strong opposition. Regulation of lobbyists, disclosure of financial interests, the \$1.00 check-off, limits on spending, election or ethics commissions, and strict campaign financing disclosure provisions all have enemies. It has been suggested that separate bills might eliminate some opposition, but there is little likelihood of this happening. On the other hand, some feel that a package of ethical matters as in S.F. 1005 enhances success by attracting greater attention in the legislature and by capturing the fancy of media and public.

League Action

The enclosed testimony has been presented in written form, some portions orally, and been subject to debate and questioning of League lobbyists appearing before Senate and House committees. We enclose it "For Your Information."

Resources for League action by articles, letters, interviews, etc. on Campaign Financing

Review Minnesota VOTERS - September, October, 1972, and March, 1973 issues, Capitol Letters - 1973 and 1971, League testimony, plus news articles, experiences you had gathering data on disclosures under present Minnesota Campaign Financing laws, etc. We are still compiling the data sent by local Leagues on disclosures by political committees and will send the results along as soon as possible. Remember that the essential element in this lobby effort and others is showing that there is a need for change.

Testimony on Campaign Financing
to Committees of the Minnesota Legislature - 1973
by the League of Women Voters of Minnesota

Existing laws and practices regarding campaign financing and reporting in Minnesota are a major concern of the League of Women Voters. Secrecy involving the function of money in politics undermines the public's trust in government. There is little doubt that reform of state campaign financing laws is crucial and long overdue.

The failure of the Minnesota Fair Campaign Practices Act to accomplish, to any large degree, either of its major purposes has been widely criticized. The Act's detailed disclosure requirements and limits on total spending apply only to candidates and their personal campaign committees, and create the illusion of control. In Minnesota, the major campaign expenditures are funneled through voluntary committees to which the law permits unlimited spending and requires minimal disclosure.

Because of the inadequacies of volunteer committee reporting, it is virtually impossible for the League, other groups, or interested citizens to obtain a clear picture of campaign financing. These committees report only total receipts and expenditures within 30 days after any election. Administrative officials agree enforcement is ineffective; election officials receive reports, but there is no mechanism to check reports for accuracy or completeness. Because no registration of volunteer committees is required, election officials have no method available to be informed that such committees are in existence.

The League has supported efforts to pass good disclosure legislation since a study made by its members more than a decade ago. In April of 1972 League members agreed to reassess the area of campaign financing to determine whether disclosure alone is adequate regulation.

League members express concern about the escalating costs of campaigns, inequities in the distribution of political funds and the undue influence of large contributions. Our new study and agreement reaffirms the public's right to comprehensive disclosure of all political contributions and expenditures. In addition, we support the judicious use of public resources to finance campaigns and measures to reduce the amount of money spent in campaigns.

The League supports overall limits on campaign expenditures. We recognize the difficulties in setting realistic, flexible limits but feel they are necessary to curb expenditures. League members believe that in many campaigns expenditures are redundant, neither enhancing the candidate's chances of winning nor providing for a more informed citizenry. It is our hope that qualified candidates lacking in personal wealth or affluent friends may be afforded more equal opportunity in seeking public office. Also we hope that with limits on campaign spending, candidates may budget their expenditures and other campaign activities more wisely.

The League supports the use of minimal subsidy or public funding of campaigns. Among the several plans suggested by our members, these were recommended most frequently: a voluntary one dollar tax checkoff on state income tax, free mailings, voter information on all candidates for the same office, increased tax deductions and tax credits.

Because of the interrelationship of problems and solutions in campaign financing we feel that it is appropriate to consider public funding proposals in conjunction with other controls. We are aware that legislators may be reluctant to enact this type of legislation; there are few state laws to look to for experience and advice; unless provisions for such tax-related subsidies are voluntary, legislators may question the public's response to the use of public funds for political purposes.

We encourage the present legislature to be innovative in the tradition of the legislature in 1955 which enacted the \$100 deduction for campaign contributions on state tax returns still in effect today. We anticipate several benefits if some additional form of public funding is adopted in Minnesota. It could assure minimum funding for all candidates for the same office, allowing them to more fully present their views to all voters. Pressure on candidates to accept large gifts from donors who may seek special favors may be reduced. Citizen tax incentives may broaden the base of political contributions.

The League would like to see enacted campaign financing legislation which includes limits on expenditures, some form of public funding and comprehensive disclosure. But we would not object to separate consideration of these three major issues, particularly if that approach would enhance chances of passing effective and enforceable disclosure. It is possible that given experience under effective disclosure, the need for other controls and the direction they should take, would be better established. The League believes that comprehensive disclosure may result in several benefits, it could help control excessively large contributions that may exert undue influence. It will provide voters with additional information about candidates and their supporters enabling them to cast more informed votes. And, it simply removes the mystery about money in elections.

The League believes:

- * Mandatory, timely, uniform and complete reports of campaign contributions and expenditures should be made to a central authority responsible for disseminating such information to the public.
- * Responsibility for reporting contributions to the candidate's campaign and for reporting expenditures by the candidate and those made on the candidate's behalf rests squarely on the candidate.
- * Penalties should be stringent enough to ensure compliance by candidates.

To provide meaningful, enforceable disclosure, the statutes must be well drafted, the language must be specific, outlining fully the responsibilities of all persons who participate in the disclosure and enforcement process. The League believes that tightly drawn legislation which pinpoints responsibility would make it unnecessary to establish a totally independent agency to administer and enforce disclosure laws.

Because we are aware there is support for an independent agency we have prepared more extensive remarks on that issue. We suggest the following criteria be followed:

- centralized responsibility for achieving uniform election procedures and for training election officials;
- elimination of duplication and overlapping of agencies which result in confusion to citizens, difficulty in coordination of efforts and

fragmentation of functions,

--clear lines of authority and responsibility leading to accountability by state executive officials.

These criteria may be met by centralizing administrative and some enforcement functions in the Secretary of State as chief election officer. We cite these reasons in support of this view:

There is no proven need for a major new governmental agency to administer and enforce disclosure. Our present Secretary of State and his predecessors have faithfully executed their elections duties. Rather, problems in the administration of election laws may be attributed to the ineffective, unenforceable statutes and the diffusion of responsibility for administration and supervision of elections among numerous local election officials.

We see no reason to question the capacity of the Secretary of State and his staff to do a trustworthy and complete job. Presently, the Secretary of State executes numerous responsibilities in sensitive areas of our state's electoral process. To this office is assigned a major role in present federal and state campaign financing laws; the Secretary of State receives and serves as the repository for financial statements by federal candidates and their committees. He is the filing officer and his office serves as the repository for disclosure in many state elections. Other responsibilities include the preparation of reporting forms, election manuals and ballots; gathering data on elections. It seems logical that the Secretary of State be entrusted with additional sensitive election matters including more comprehensive disclosure by candidates, lobbyists and governmental officials.

The League believes that it would be very unwise to further fragment the responsibilities for supervision and control of elections. A superior approach would be to expand present duties of the Secretary of State. In addition to giving him new responsibilities for administration and enforcement of disclosure laws, he should have an increased role in the conduct of elections. The office of Secretary of State should have the power and obligation to:

- * issue rules and regulations to local election officials for carrying out registration and voting procedures
- * develop programs for mandatory uniform training of local election officials
- * provide citizens with information on candidates, on voting rights and have adequate financing to disseminate the information throughout the state
- * develop a uniform system for record-keeping and reporting by local election officials.
- * determine the existence of irregularities in elections and initiate enforcement proceedings
- * determine inequities in costs of conducting local elections throughout the state and provide state financial assistance when necessary.

This broader view of the state's responsibility for election procedures emphasizes our concern for more centralized, effective control of election

matters and the need to coordinate election activities, prevent duplication of effort and focus responsibility to achieve greater accountability. Such an expanded role for the Secretary of State as chief election officer would entail new costs for office space, staff and use of computer technologies.

Although we do not object to increased state spending to protect the integrity of the electoral process, we suggest that incorporating new disclosure duties under an existing department is a better and more economical use of state funds than establishing a totally separate agency.

An issue related to this discussion is the possibility that the Secretary of State's office may become appointed by 1978 or that the office could be abolished and its duties assigned to the Lt. Governor. The League supports the appointment of the Secretary of State. Whether this chief elections officer in Minnesota is elected or appointed has no bearing on his or her ability to administer election laws. In either case, with increased and centralized responsibilities the office would have greater visibility, and be more responsive and accountable to citizens.

In addition to administration, we are concerned that there be strong enforcement. Very often ineffective enforcement provisions have been cited as the fatal flaw in election laws. There is wide divergence of opinion on just what enforcement mechanism will work. We would like to share with you some of our concerns and raise some questions.

One approach to enforcement calls for an independent enforcement agency. Proponents of this mechanism feel that political realities make it impossible for government officials and agencies to regulate themselves. But there is evidence refuting this view - where the enforcement responsibility is clearly delegated to a government agency with specific guidelines, adequate financing, and freedom to act, enforcement has been successful. In both California and Maryland, state officials have initiated independent audits of campaign financing disclosures with encouraging results.

Another approach to the problem would be to appoint a citizen review board responsible to the state election department. This concept is supported by those who feel that citizen involvement in the electoral process is desirable and that the public interest must be represented. Opponents feel that such a review board is little more than an empty gesture to placate the populace.

Our research committee on campaign financing has examined the idea of a citizen elections commission which would be somewhere between the two approaches. Perhaps a 5-7 member commission with quasi-judicial responsibilities could receive reports of major violations identified from the investigations by the Secretary of State and receive complaints directly from candidates and citizens. This could eliminate the possible reluctance of citizens or candidates to bring complaints directly to courts or elected prosecuting officials. The commission could be empowered to issue subpoenas, hold hearings, make determinations, and if there is evidence of wrong-doing, refer the violations to the proper prosecuting authorities. In addition to enforcement of disclosure violations, the commission could advise the Secretary of State in other election matters, initiate independent audits, conduct investigations, research and evaluate present laws and recommend changes to the Secretary of State, Governor and legislature. It could serve at both the call of the Secretary of State and its chairman.

Whether or not a citizen elections commission along these lines is established, the Secretary of State's office should have its own enforcement officer. A member of the Attorney General's staff could be assigned to investigate

violations of any election matter and assist in enforcement.

We raise some additional questions on enforcement:

- * who should enforce minor infraction of the disclosure laws and assess penalties?
- * should there be specific fines spelled out in the statutes for minor violations? What violations should be referred to a commission or a prosecuting authority?
- * what violations should be publicized, by what method and at what times?
- * how can timely enforcement be assured? Judgements issued after elections may be of little value.
- * how can spurious, publicity-seeking complaints be avoided or at least be of little consequence? Would this problem be reduced if commission or court proceedings were held in closed session, making the findings public only if they result in convictions?
- * should enforcement be centralized in the Attorney General? The national Municipal League has supported this. They propose that the office of Attorney General be the focus for proceedings against violators and suggest that the Secretary of State work closely with the Attorney General. They believe that laws which leave such enforcement to county prosecuting attorneys are likely to be inefficient. They submit that the Attorney General should prosecute delinquents with or without waiting for complaints from citizens or candidates.

We raise some questions on the size and composition of a citizen elections commission:

- * Size? Some say there are advantages in smaller committees of five to seven. They are easier to administer, can meet on short notice, and are more deliberative. Perhaps Parkinson's "coefficient of inefficiency" is appropriate here. He states that a positive correlation exists between the efficiency of work performed and the number of committee members assigned to perform it; the value of the former declines as the value of the latter rises.
- * Composition? Is there an established need for a large number of elected government officials on a citizen election commission? Since a major goal is to involve citizens in the electoral process, enhance credibility and provide a fresh and objective viewpoint, a substantial presence of elected officials must be questioned.
- * Title? Is it necessary to use the word "ethics" in the title of the commission? The word may seem to connote wrong-doing. The League sees as major objectives of new disclosure and campaign financing legislation the promotion of a healthy public view of government and guidance to government officials so that they may understand what is expected of them. We do not accept the view that there is widespread corruption in Minnesota elections. Rather, we see new legislation promoting a better relationship between government and the governed.

We urge the adoption of major reforms in campaign financing legislation now, with continuing commitment to evaluation and strengthening of these important laws.

ORGANIZATION OF STATE GOVERNMENT:

Reduction of the Size of the Minnesota Legislature

Although many legislators favor a reduction in size of the legislature, chances for passage of any of the proposals are not bright. The leadership in both Houses opposes any change in size. But a show of solid public support could make a difference. As stated in the March 6, 1973 Capitol Letter, plans which take effect after the 1980 census may have a better chance of passing now than they would in each succeeding session. Thus League attention to this issue is warranted.

Legislative Action This Session

Senate: The Senate Subcommittee on Elections of the Transportation and General Legislation Committee has held several hearings but no agreement was reached on any particular bill.

Senate Files: (The first author listed is the chief author.)

- S.F. 8 Chenoweth, Ashbach, and Hughes - Senate 49, House 98. Change by statute, effective on first reapportionment after Jan. 1, 1973.
- S.F. 139 Purfeerst, Solon, and Laufenberger - Senate 55, House 110. Change by statute, effective after 1980.
- S.F. 300 Brown, Nelson, and Ogdahl - Senate 35, House 105. This includes an apportionment plan effective in 1975 and is the same as the first court plan which was discarded last year.
- S.F. 375 Schaaf, Coleman, and Solon - Senate 50, House 100. Change by constitutional amendment, effective in 1982.
- S.F. 407 J. Keefe, Knutson, and Nelson - Senate 39, House 78. Change by statute and effective 1975.

House: A subcommittee on Size of the Legislature and the Unicameral System of the General Legislation and Veteran Affairs Committee has held several hearings. They seem to favor plans calling for 110 or 112 representatives or 55 or 56 senators respectively. There was interest in establishing legislative districts in line with congressional districts. There was discussion of limiting the size by constitutional amendment because changes by statute could so easily be repealed before an effective date after the 1980 census.

House Files: (The first author listed is the chief author.)

- H.F. 58 J. Johnson, E. Lindstrom, Belisle, Laidig and Clifford. Companion to S.F. 300.
- H.F. 137 Vento, Knickerbocker, H. Sieben, Boland and Salchert. Companion to S.F. 8.
- H.F. 283 Knickerbocker, Growe, Ferderer, Lombardi, Cleary. Senate 39 and House 78. Change is by constitutional amendment and includes other changes - no limit on the length of session, provides staggered terms for senators, etc. Size change effective after 1976.
- H.F. 604 Faricy, Berg, Quirin, Sarna and Fudro. Senate 55, House 110. Change by statute and effective after next apportionment.
- H.F. 687 Ulland, R. Anderson, R.L. Pavlak, Flakne and Wolcott. Senate 45, House 90. Change by statute and effective after 1983.
- H.F. 688 McFarlin, Clifford, Dahl, Cleary, Graw. Limits the number of legislative districts to 40 - each district would be represented by one senator and 3 representatives. Change is by constitutional amendment.

Information for League action by articles, letters, etc. on Size of Legislature

One hundred and thirteen years ago, the Minnesota Senate had 21 members and the House 42. Since then these bodies have grown only one way - larger, with the exception of one less House member in 1972, until today we have the largest state senate in the nation (67) and the 13th largest house (134). Minnesota has the 8th largest legislature. There are states with larger populations that have smaller legislatures. In California with a senate membership of 40 the average population of each senate district is 392,930 compared to Minnesota's senate districts each with a population of 56,870. Each of California's 80 house members represents an average population of 196,456 compared to Minnesota's house districts with a population of 28,404. A common argument for large legislatures is that they are more representative. But the Committee for Economic development, in a 1967 study of state government, saw no merit in considering the number of people each legislator represents. Instead, they stress the significance of size in a legislative body's ability to function effectively and have recommended that legislatures be no larger than 100 members total. Other proponents of smaller legislatures set figures ranging from 100 to 150.

There is growing public support of a smaller legislature as indicated by Minnesota polls. In December of 1970, 52% favored a smaller legislature. In January of 1972 this figure had increased to 67%.

The case for a smaller legislature:

1. The present size makes conduct of state business difficult and efficiency tends to be lost.
2. Large bodies have less time for thoughtful debate and careful decision making.
3. The larger the group, probably the fewer the people who will actually conduct the affairs of the legislature and actually make the decisions. There may be less responsiveness to citizens.
4. With fewer legislators, staff could be expanded, increasing the quality of information and the presentation of all sides of issues. Physical arrangements would be more adequate.
5. Representing larger districts could improve the ability of legislators to serve the best interests of the state. Narrow constituent interests can be balanced by larger voting populations.
6. With flexible sessions and as the time demands on legislators expand, adequate numbers of good people willing to serve could become a problem. Larger districts with increased visibility could mean the legislature would continue to attract highly qualified candidates.

Using these ideas and adding others from your own observations and reading, urge legislators to examine the problem of size. If you see that your legislators have authored a bill now or in past sessions, do commend them for their support.

For further information: Refer to the Legislative Action Committee Guide August 1971, which has several pages on this issue, including some excellent references.

FORM 2 - Campaign Financing Disclosure Data Project

Name of Local League _____

Explanation: Form 2 has been adapted from the "Statement of Receipts and Expenditures" prepared by the Secretary of State for use by candidates and committees required to file such a report under Minnesota Fair Campaign Practices Act.

Please return a separate Form 2 for each candidate and committee in the Legislative Districts assigned (see January 25, 1973, Memo from State Campaign Financing Committee.)

Name of Candidate or Committee _____

Office sought by Candidate _____ District _____

If a Committee, specify type: _____ Personal Campaign Committee
_____ Party Committee
_____ Political Committee

Period of Time Covered by Report: From _____ to _____

SUMMARY STATEMENT TO DATE

	Total for This Report		Total from Previous Report		Total to date
Receipts (Exhibit A)	_____	+	_____	=	_____
Promises or Pledges	_____				_____
Receivable (Exhibit B)	_____			=	_____
Expenditures actually	_____				_____
Made (Exhibit C)	_____	+	_____	=	_____
Obligations incurred	_____				_____
but not paid (Exhibit D)	_____			=	_____

I do swear (or affirm) that I am a candidate for public office or an officer of the _____ committee and that this report is a full and true statement pursuant to Minnesota Statutes 211.20.

(candidate or officer sign here)
Committee office held _____
Address _____

(Customary Notary Public wording here)

EXHIBIT A

Receipts - include all money, property and things of value received during the period of time covered by this report.

Date Received	Name and Address	Money or Thing of Value Received
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TOTAL AMOUNT RECEIVED \$ _____

EXHIBIT B

Promises or Pledges Receivable - include all things of value promised or pledged. Include things listed in previous report which still fall within this category.

<u>Date</u>	<u>Name and Address</u>	<u>Thing Promised and Value</u>
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TOTAL AMOUNT PROMISED OR PLEDGED \$ _____

EXHIBIT C

Expenditures Actually Made - include every disbursement made for a political purpose during period of time covered by report.

<u>Date</u>	<u>Purpose</u>	<u>Name and Address of Person Paid</u>	<u>Amount</u>
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TOTAL EXPENDITURES ACTUALLY MADE \$ _____

EXHIBIT D

Obligations incurred but not paid - include every obligation incurred whether expressed or implied. In

<u>Date</u>	<u>Obligation and Purpose</u>	<u>Name and Address</u>	<u>Amount</u>
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TOTAL OBLIGATIONS INCURRED
BUT NOT PAID \$ _____

SAMPLE PRESS RELEASE

The League of Women Voters of _____ (and Common Cause, if applicable) has found that _____ candidates for the legislature from District _____ have filed reports of contributions and expenditures for the period _____ to _____ with the State Ethics Commission. These reports were made _____ (date of filing) in accordance with the campaign financing provisions of the Ethics in Government Law passed in the 1974 legislative session.

The League has been monitoring the reports, copies of which are available at the County Auditor's office, for compliance with the disclosure requirements of the law. The candidate's principal political committee must register with the Ethics Commission, the enforcement agency for the law, when over \$100 has been received or spent. The law provides for candidates for state legislative office to disclose at periodic intervals sources of contributions over \$50 and expenditures over \$100. Candidates for statewide office must disclose for amounts over \$100. Contributions from any individual, political committee or fund are limited to 10% of the candidate's total expenditure limit (\$600,000 for governor and lieutenant governor, running jointly; \$50,000 for Secretary of State, State Treasurer and State Auditor; \$15,000 for state Senator, and \$7,500 for state representative.) Political parties may contribute up to 50% of the expenditure limit. The Ethics Law also provides for registration of lobbyists, Statements of Economic Interest by public officials and candidates, and establishes a \$1 check-off from income tax funds for a State Elections Campaign fund.

Reports filed showed the following information:

_____, (Name), candidate for the legislative seat in District _____, reported contributions to date of \$ _____ and total expenditures to date of \$ _____. Major contributions were \$ _____ from _____ (name), _____ (address), _____ (place of business); \$ _____ from _____ (name of political committee or fund).

(Similar format may be followed for all candidates filing.)

for state representative). Political parties, all branches combined, can contribute 50% of the limit [\$3,750]).

- (b) Has the candidate registered a political committee? There must be one if there has been activity on his behalf in the district which might exceed \$100 (such as fundraisers, lawn signs, billboards, newspaper ads).
 - (c) Have you observed within your district activity on behalf of the candidate which does not appear to have been reported?
- (3) After you have gotten all your information together, contact each of the candidates letting them know that you plan to provide a summary of the information for the press in order to make it readily available to the public. Some candidates may have already made their reports public. Thank them for their efforts to comply with the "spirit" of the law, which is to make the campaign financing process open and honest and accountable to the public. Encourage them to continue to make public disclosure throughout the campaign.

If there is an appearance of noncompliance with the filing requirements under the law, it is essential that this be double-checked with the candidate personally before any publicity is released. Let him know that you are planning to make the information available to the press, since it is public information, and give him a chance to explain or correct the problem. If you have uncovered violations, follow through --- check to see that they are corrected (reports filed, expenditures and contributions listed, contributions over limit returned or sent to State Ethics Fund). Anyone can also file a complaint with the Ethics Commission alleging that the law has been violated. With the law so new and so "sweeping", it is much more important to seek understanding and compliance rather than trying to catch people in mistakes.

Once the information is gathered and all candidates have been informed of your intent to make it public, send a press release to all local newspapers describing your monitoring activities and giving a summary of each candidate's contributions and expenditures. Also include a summary of the law and let people know that the information is available to them. (See sample press release.)

- (4) The above steps should be followed for each reporting date. After your monitoring activities have been completed after the Dec. 5 reporting date, don't forget to mail the Monitoring Questionnaire to the State League Office, 555 Wabasha, St. Paul 55102. This is a major purpose for this whole monitoring process, so that an evaluation can be made from your reports as to the strengths and weaknesses of the law and the need for any changes during the 1975-76 legislative session.

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LEAGUE OF WOMEN VOTERS OF MINNESOTA

To: Members of the Minnesota Senate MINNESOTA 55102

From: Elizabeth Ebbott, 1st Vice President, League of Women Voters of Minnesota

Re: Campaign Financing Legislation

March 4, 1974

HF 951 establishes campaign practices which can effectively serve candidates, their supporters and the public at large. The League of Women Voters of Minnesota recognizes the hours of careful consideration this measure is receiving. We commend the authors and the committee members who have sought and heard testimony from citizens, elected officials, former candidates and public interest groups. This diligence is reflected in the progress of this bill to your present action.

The League of Women Voters studies and observations for almost two decades have strengthened our support for certain criteria in effective campaign practices. We agree that HF 951 provides for timely disclosure and reasonable limits of contributors and expenditures, fixes the candidate's responsibility for the practices of his campaign committee, and authorizes an ethics commission for enforcement.

We are committed to public funding as well as private funding and we hope it will be possible to reinstate the tax checkoff and keep the tax credit. The League is also committed to realistic limits and effective disclosures of contributions, for example the \$25-50 range for disclosure with enough information so the public can identify the contributor.

We direct your attention to the method of selecting the members of the Ethics Commission. We are aware that the option of having the members selected by the governor, with the approval of the Senate, is a possibility. This method would remove this commission from direct choice by either legislative body while retaining a means of legislative review.

Public confidence and bipartisan support are key factors in sound campaign financing legislation. In the matter of percentage allowed for political party contributions to candidates, we submit that the compromise of 40% that has been suggested may increase bipartisan support for the bill. We commend this to your consideration. This provision would broaden the base of candidate finances by permitting increased participation of political party supporters through their general contribution to their party.

We are looking forward with anticipation to the effect this bill will have on the elections in 1974 and subsequent years, as well as its influence on legislation in other states. We trust that upon discussion and deliberation you will approve of HF 951.



League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
January, 1973

Memo to Local League Campaign Financing Chairmen
From State Campaign Financing Committee, Barbara Steinkamp, Chairman
Re: "Campaign Financing Disclosure Data Project"--A Very Important
Assignment
January 25, 1973

Goal of the Research Project: Little comprehensive data is available on actual reported financial disclosures by candidates for public offices in Minnesota. To be effective in our action efforts we need to be informed about present reporting practices under the Minnesota Fair Campaign Practices Act. We ask your aid in gathering and recording data requested on our project's "Form 1" and "Form 2". Please send your Forms 1 and 2 to the state office as soon as possible. Final deadline: March 12, 1973.

Background: To refresh your memory of disclosure laws in Minnesota, refer to the pamphlet prepared by the Secretary of State, Minnesota Fair Campaign Practices Act Summary and Annotations 1972.

Summary of Filing Requirements:

Candidates, Personal Campaign Committees and Party Committees - Minnesota Statutes 211.20 requires every candidate and the secretary of every personal campaign committee and party committee to file a statement of receipts and expenditures on or before the following dates: 1) Eight days before the primary election. 2) On or before ten days following the primary election. 3) Eight days before the general election. 4) On or before ten days following the general election.

Candidates and personal campaign committees file with the filing officer. State and Congressional District party committees file with the Secretary of State. Party committees for a legislative district file with the filing officer for the district. Every other party committee files with the county auditor in which county the expenditures are made. For municipal elections see Minnesota Statutes 211.20, Subd. 4.

Political (Volunteer) Committees - Minnesota Statutes 211.20 requires every political committee to file a statement of receipts and expenditures within 30 days following any primary, municipal or general election.

When organized to support a candidate for a federal or statewide office, the committee shall file with the filing officer. When organized to support a candidate for a legislative, judicial, district or county office, the committee shall file with the auditor of the county in which such committee has such headquarters. When organized to support or oppose any constitutional amendment, the committee files with the Secretary of State. When organized for a municipal office in municipalities over 20,000 persons, the committee files with the filing officer.

Definitions of Committees - Personal Campaign Committee: Any committee appointed by a candidate for any election. Party Committee: Any committee appointed or elected to represent any political party with a party organization in this state. Political Committee: When two or more persons are elected or appointed by any political party or association for the purpose, wholly or partly, of raising, collecting, or disbursing money, or directing the raising, collecting or disbursing thereof, for nomination or election purposes, or when two or more persons cooperate in the raising, collecting

or disbursing of money used, or to be used for or against the election to public office of any person or any class or number of persons, or for or against the adoption of any law, ordinance, or constitutional amendment.

Data Needed: We have decided to focus our project on disclosure by political (volunteer) committees in 1972 state legislative races--both winners and losers. Reports by such committees are required to be filed with the county auditor in the county where such committees are headquartered and to be filed within 30 days of any election. We are interested, also, in failures of such committees to file; if no reports for committees are filed with the appropriate county auditor, include this information in your report. For example, you may have local knowledge that such committees existed and be unable to locate the required information filed with the county auditor; explain this on a "Form 2" for each candidate so identified.

Research Project Forms (to supply requested data to state League office): When you consult the county auditor about volunteer committee statements that have been filed, you may be allowed to make duplicate copies of such statements; if so, send the duplicate copy to the state League office. If duplicate copies are not available, please copy information from the filed statements on a "Form 2" using a separate Form 2 for each filed report.

Enclosed with this memo are copies of Form 1 and Form 2; additional copies of each form are available from the state League office or you may duplicate these forms from this sample--by photocopy, mimeograph, ditto, etc.

- * Form 1 - Use this form to summarize data on districts and candidates you are covering; also to supply responses from county auditors and from your League about reporting of financial disclosure by candidates.
- * Form 2 - Use copies of this form to report on disclosure statements filed--use a separate copy of Form 2 for each statement filed.

IF YOU SHARE LEGISLATIVE DISTRICTS WITH OTHER LEAGUES: Where there is more than one League in a legislative district, please coordinate the research activities requested; such pre-planning may eliminate duplicate calls on the same county auditors and extend available member power in completing this valuable assignment. If at all feasible, consider gathering data on close-by legislative districts not covered by any League.

Local Use of This Research Data: Please do not attempt to evaluate or publicize data you may gather in this project; our previous research indicates that failures to file statements or errors in such statements are difficult to assess. Our state committee will report to local Leagues on the composite findings of the research; individual candidates will not be named in such overall statistical accounting.

Questions? Please contact the state committee chairman, Barbara Steinkamp, 4912 Payton Court, Edina, 55435, (612)927-9263.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
January, 1973

FORM 1 - Campaign Financing Disclosure Data Project

Name of Local League _____
Name of Person Responsible for this report: _____

Date Information Gathered _____

List County Auditors Consulted:

List State Senatorial Districts included in this report by number and the 1972 candidates (both primary and general election) filing for these districts. Indicate winners in the primary and the winner in the general election.

List State Representatives Districts included in this report by number and the 1972 candidates (both primary and general election) filing for these districts. Indicate winners in the primary and the winner in the general election.

Comments by County Auditors: Indicate responses by the county auditor or other officials in charge of administering financial statements to the following questions:

1. How do they administer the state law?
2. How long do they retain the reports on file?
3. Are they involved in the enforcement of the law? Explain.
4. Are there frequent requests to see the reports? By whom? (groups, individuals, candidates?)
5. What errors are common?
6. Are there problems with the law? Would they recommend changes in the law? Explain.

(You may choose to add other questions--note such questions and their responses on an additional page.)

Your League's Comments:

1. Do the statements seem to reflect actual campaign contributions and expenditures?
2. Do you have other observations on disclosure of candidates financial reports?

FORM 2 - Campaign Financing Disclosure Data Project

Name of Local League _____

Explanation: Form 2 has been adapted from the "Statement of Receipts and Expenditures" prepared by the Secretary of State for use by candidates and committees required to file such a report under Minnesota Fair Campaign Practices Act.

Please return a separate Form 2 for each candidate and committee in the Legislative Districts assigned (see January 25, 1973, Memo from State Campaign Financing Committee.)

Name of Candidate or Committee _____

Office sought by Candidate _____ District _____

If a Committee, specify type: _____ Personal Campaign Committee
_____ Party Committee
_____ Political Committee

Period of Time Covered by Report: From _____ to _____

SUMMARY STATEMENT TO DATE

	Total for This Report		Total from Previous Report		Total to date
Receipts (Exhibit A)	_____	+	_____	=	_____
Promises or Pledges	_____				_____
Receivable (Exhibit B)	_____			=	_____
Expenditures actually Made (Exhibit C)	_____	+	_____	=	_____
Obligations incurred but not paid (Exhibit D)	_____			=	_____

I do swear (or affirm) that I am a candidate for public office or an officer of the _____ committee and that this report is a full and true statement pursuant to Minnesota Statutes 211.20.

(candidate or officer sign here)
Committee office held _____
Address _____

(Customary Notary Public wording here)

EXHIBIT A

Receipts - include all money, property and things of value received during the period of time covered by this report.

<u>Date Received</u>	<u>Name and Address</u>	<u>Money or Thing of Value Received</u>
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TOTAL AMOUNT RECEIVED \$ _____

EXHIBIT B

Promises or Pledges Receivable - include all things of value promised or pledged. Include things listed in previous report which still fall within this category.

<u>Date</u>	<u>Name and Address</u>	<u>Thing Promised and Value</u>
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TOTAL AMOUNT PROMISED OR PLEDGED \$ _____

EXHIBIT C

Expenditures Actually Made - include every disbursement made for a political purpose during period of time covered by report.

<u>Date</u>	<u>Purpose</u>	<u>Name and Address of Person Paid</u>	<u>Amount</u>
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TOTAL EXPENDITURES ACTUALLY MADE \$ _____

EXHIBIT D

Obligations incurred but not paid - include every obligation incurred whether expressed or implied. In

<u>Date</u>	<u>Obligation and Purpose</u>	<u>Name and Address</u>	<u>Amount</u>
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TOTAL OBLIGATIONS INCURRED
BUT NOT PAID \$ _____

1972

To - Campaign Financing Committee
From - Barbara Steinkamp

MEETING NOTICE

The final meeting to evaluate the consensus reports will be Tues. January 2 at 11:30 in the State Office. If you are unable to attend please call Barb S. 927-9263 or the State Office 224-5445. If you wish call me with comments etc. before the meeting. Your suggestions are most welcome. Bring something for lunch.

The December 12 Meeting - Briefly

At this meeting we established a procedure for evaluating the consensus reports, suggested possible research projects, and briefly discussed how disclosure could be accomplished. There is a strong need to continue this discussion and to plan our 1973 lobby effort.

Enclosures

The evaluations of the consensus reports by ⁷ committee members.
Ele Colborn, Elsie Thurow, Shirley Amundson, Pat Davies, JoAnne Alberg, and Barbara S.

Fran Berdie

CAMPAIGN FINANCING
LEAGUE OF WOMEN VOTERS
CONSENSUS 1972
Ele Colborn
General comments

The level of understanding major issues among league members is good; discussion seemed to cover the significant areas. There appeared to be some minor confusion about volunteer committees in a few leagues, equating volunteer time and service with volunteer committee. Again, a few leagues seemed to be talking about federal rather than state questions, but this was rather less than might have been expected during the height of a presidential campaign.

Leagues reiterated the importance of full disclosure. Twenty leagues emphasized the importance of full disclosure in discussing campaign expenditures. An additional thirteen leagues brought up disclosure in discussing contributions. It is perhaps significant that many leagues stated explicitly that disclosure must come before limitations while no league said explicitly that even with disclosure we would need limits.

X Shorter campaigns were advocated in 24 leagues as a way of limiting expenses. This is a significant showing since it is a volunteered comment and our material did not deal with this subject. However, material on the state level would have dealt with the problems of the challenger in getting his name known in a short time if we contemplated shortening the state convention endorsing system. Perhaps this comment reflected a boredom on the national level.

An election commission was the recommendation of twelve leagues. This again is volunteered information, and though 12 leagues does not constitute a consensus we have discussed commissions in connection with reapportionment, ethics, and disclosure so I can see some possibility of advocating a single commission for the whole election field.

Constitutional rights of the individual were discussed by members in connection with limiting individual contributions. Actually the constitutional question may be of more concern and more difficult to handle in terms of over-all limitations on campaign spending. However members did not seem to realize that if a candidate had raised the maximum permissible under a campaign law limiting expenditures he would be unable to accept additional funds and that individuals would therefore be limited in their "rights" to support him with money.

Administrative expense was the concern of some members in talking about public funding of campaigns, but no one seemed upset with the administrative expense of a good disclosure law either to the candidate or to a centralized state agency which would make figures-information available to the public.

Members want more public-information issue oriented TV, and less spot announcements, apparently, though they are somewhat vague

on how this was to be financed. No league mentioned cable TV and the public-service channels that it is supposed to have, but it would seem there are some possibilities for political-information programs there and we should take a look at Cable-TV legislation.

No league discussed the computer-oriented information retrieval services that are now available to candidates that can afford them and would appear to be a significant factor in legislative campaign expenses in the future.

I. Limits on Amounts Spent on Campaigns.

X This was a rather difficult question for me to evaluate. Clearly members are concerned with the present system with its lack of accurate reporting and worried about continuing escalation of campaign costs. Tabulating all Leagues who reported members with interest in limits I arrived at 69% which represents those members who did not say they were against limits. Next I subtracted those leagues who seemed the most vague on financial limits and came up with 58 64%. Finally I subtracted those leagues who seemed to say "limits are OK, but what we really want are good disclosure laws and enforcement procedures" and this gave a per centage member figure of 55%. Finally I fiddled around with trying to decide how many ~~about~~ members wanted overall limits and how many wanted limits on just media-TV spending. On this basis I came up with 49% of our membership favoring over all limits.

I can't see a clear mandate to work for over-all limits for all state campaigns. My guess would be that we would satisfy the largest number of members if we went for limits on overall spending for the more expensive state-wide races where TV spending is a significant factor and left legislative races until there is better information or more study of what the limits should be.

II Limits on Campaign Contributions

Here I came up with a figure of 55% for members who seemed to favor limits. This seems to me to be no consensus.

III Public financing.

On this question I did not do a numerical analysis and simply assumed some sort of a majority since most of the opposition seemed to be in our smaller leagues. As on the previous questions support for public financing had some reservations among those who were in favor of it.

I rather liked the suggestion from St. Paul which would allow for public financing through a voluntary check-off system ~~with/without~~ on income taxes. If choices included major parties (defined as those getting 5% or more votes in last election) or a non partisan public information fund I think most of our members would be happy. The public-information fund would be administered by a bi-partisan commission, would have the power to accept and solicit additional funds, and would have the power to sponsor information TV, publications, or mailings as they saw fit.

Evaluation of Local League Consensus - Campaign Financing
Elsie Thurow

Believe it or not, the figures from my first "going over" are missing, so Barbara asked me to review the consensus reports with an eye for the overall view - trying to spot some of the problems Leagues mentioned, the mention of shorter campaigns and to list the Leagues whose answers were uncertain to me.

This report is not, I am sure, as comprehensive as the rest but here is the general feeling as I see it.

Question I - The consensus favors limits on expenditures. Elections would then not depend on the wealth of the candidate but would allow equal opportunity for all candidates to run for office including women and minorities. There is a strong support for limits on over-all expenditures. Specifics mentioned were the communications media, specifically TV and often radio. Limits will lessen the danger of corruption and undue influence on the candidate.

There is also strong support for full and complete disclosure with enforcement. While it is foolish to set dollars limitation because of inflation cost, make limits realistic by adequate disclosure, make the candidate responsible when filing for office - or make the volunteer committee accountable for financial transactions. The state should publish disclosure data. A state agency or committee to serve as over-all campaign administrator should be responsible for reviewing and compiling disclosure reports - not counties.

Those not in favor of limits on expenditures felt there is no use in placing limits until there is enforceable legislation. That it is difficult and unrealistic to set limits. The best control is full and published disclosures. Some would hold candidates accountable for all funds spent under full disclosure.

Some of the Leagues did indeed refer to reducing spending by shortening the campaigns, that too much money is being spent on campaigns and that money is being wasted. In my opinion, the large majority replied to the question of limits on expenditures.

How are limits to be determined? Suggestions were they should be based on a study of previous elections, limits should be re-evaluated every 2 years, limits should be determined by so many dollars per capita or a base amount + the number of voters in the previous election or a certain % of the number of voting age or a dollar amount per eligible voter in each candidate's voting district, adjusted each election according to the cost of living. A bipartisan committee should review the preceding election expenditures.

Question II - Limits on the size of individual contributions -

It is my feeling that we do not have a consensus on this question. Those favoring state that limits would prevent a contributor from having too much influence over a candidate or legislation. Limits would prevent a candidate from feeling obligated to return the favor.

Those opposed state that limits would take away freedom of choice, that it is an invasion of privacy and against civil liberties. All giving should be individual rather than from organizations. There should be limits on corporations, unions and we should be more concerned about organized groups of special interests.

Firm disclosure would provide adequate control. If adequate public disclosure and limits on total spending were the law, there would be no need for limits on individual contributions.

Non-monetary contributions are too difficult to appraise or enforce. Have a "watch-dog" group make public aware of contributions. Limits on individual contributions are unenforceable.

Question III - Additional public funding?

It appears we have a consensus favoring additional public spending. However, the opposition, though in the minority, appears to be strong.

Main types recommended:

Tax check-off system

Voters Guide printed at government expense

Each candidate receive one free mailing

Against because it may institutionalize political parties, proliferate parties, individuals have no control over where their money would go, danger of candidates' losing contact with electorate if campaigns were at government expense, fragment parties. Citizens should be allowed to contribute to part of their choice.

Some of the Problems

1. How to determine limits, how to define them, how to control them, how to enforce them.
2. The volunteer committee. Some Leagues suggested this committee should be registered and disclose all funds they spend in the campaign. That this committee should be brought under the same regulations as a candidate's campaign committee under Minnesota Fair Campaign Practices Act. To discontinue the volunteer committee. That there should be only one campaign committee - or an "umbrella" committee.
3. Setting monetary limits. Laws which set monetary limits become obsolete. Make these laws flexible, realistic, accountable. Provide for an "Election Commission" designated to meet annually to set ground rules for election spending composed of representatives of all parties with power to enforce these rules.
4. Difficulty in enforcement of spending. The use of "loopholes", the difficulty to determine and control expenditures except those directly involving money, the impossibility of determining relevant

factors such as the advantage of the incumbency, vast differences in geography of constituencies.

5. Limits on certain categories. Different candidates have different needs, therefore it would be difficult to limit spending on certain categories of expenditures.

Limit length of campaigns mentioned by:

Anoka	Stevens County
Hibbing	Wells-Kiester
Duluth	White Bear Lake
Hutchinson	Worthington
Jackson - minority opinion	Alexandria
Owatonna	Buffalo
Red Wing	

Undecided (by me)

- 6 - Battle Lake - Question I
- 7 - Bemidji - no consensus Questions I, II?
- 24 - Falcon Heights - consensus Questions I, II?
- 45 - Red Wing - no consensus Question
- 50 - Roseville - consensus Question I? 21 yes, 18 no.
- 54 - St. Louis Park - Question II
- 56 - St. Peter - Questions I, II - no consensus?
- 60 - Wayzata - Question II
- 67 - Worthington - Question I

Question III

- 3 - Anoka
- 4 - Arden Hills
- 7 - Bemidji
- 12 - Buffalo
- 30 - Hutchinson
- 54 - St. Louis Park - consensus?

CONSENSUS: CAMPAIGN FINANCING

Although aware that any limitation of a candidate's campaign will further favor an incumbent's built-in advantage of incumbency and further aware that limits foster evasion and encroach upon the rights of the individual, as a protective measure against escalating campaign costs and as a protection against discrimination toward any eligible candidate for elective office, the League of Women Voters of Minnesota have reached the consensus that campaigns for political office should be limited. In extending their previous position supporting the public's right to know where campaign money comes from, and how it is spent and that public reports are the best way to get this information, ^{and} that the candidate's responsibility and the accountability of volunteer committees should be increased, agreement was reached for limitations in the following areas:

- Expenditures ~~should~~ ^{could} be limited (according to a formula ~~cost~~ population, registered voters or number of voters as a per capita base tied to a cost-of-living index scale).
- Non-monetary limits should be considered (e.g. length of campaign or longer term of office).
- All political committees must be required to file and to disclose fully all contributions and expenditures over an uninfluential amount with a centralized authority able to disseminate such information.
- No consensus was reached on limiting monetary contributions. It was recognized that full disclosure of monetary contributions might well limit exorbitant contributions and the ever-present possibility of undue influence over the candidate by such a contributor.
- An individual's voluntary contribution of time and personal effort on a candidate's or party's behalf should not be curtailed; however "in kind" services should be disclosed.
- Additional public funding should be limited to a voluntary surcharge for the recognized political party of the donor's choice through an income tax form check-off.

Evaluation of Local League Consensus - Campaign Financing
Pat Davies

Disclosure - theme throughout is that it may work!

One committee for which candidate is responsible!

Limit length of campaigns - Limit length argument not well thought out - we made in last week of campaign over 75% of our expenditures. What they really seem to me to mean is media expense because the TV and radio spots are what are long extended, expensive things - and this only applies to state-wide candidates - do they realize problem of non-incumbent or in November when they did study were they simply tired of Phil Hanson commercials?

Check off - decide how to distribute

I do not have impression the ladies were concentrating on state elections. Suggestions for bi-partisan something to "administer" election laws is baffling - what has ever been problem in Minnesota with Sec. of State's handling of whatever legislature has charged him with. You would have to make case for removing responsibility from him because of incompetence or dishonesty or something and no Democrat or Republican that I know has ever felt that way about the Sec. of States election division. Legislature set up last session court procedure to bring contests to it, to decide which power it is not about to hand over to a non-part or bi-part body. Shorten campaign comes thru somewhat. Think what you would do as a lobbyist -

1 - Pass a bill forbidding Jim Goetz from saying he wants to be governor until 1974. Prevent one of our good campaign workers from making a pitch to our other workers about the state rep. spot two years from now. Of course, it's absurd and contradictory to free speech to prevent people from campaigning whenever they want - so

2 - Shorten the time between filing and the primary or between the primary and the general - does the LWV really want to help the incumbent that much?

These are the choices, the only ones I see - if you are going to lobby on this you better send out another question on #2.

Northfield - beautiful; Burnsville - 13 - good; Falcon Hts.- good!!
Minnetonka - good.

No one specifically mentions Cable TV but LWV position could be more public information by use of Cable TV - built in req. into franchise agreements.

Barb - why not write Oregon LWV st. legis. chm. for frank assessment of their voter info guide. A friend of Jack's told us no one reads it. She might give you an idea of whether or not it is worth state money.

The fact that election expenditures have remained a fairly steady % of the GNP certainly escaped notice!

The questions led to the results obviously - if you'd begun by asking "Should we have disclosure and then talk about limits" you'd be in a much better position now. I wish you had thought "what will I do with it" before you asked questions!!

I think your analysis should say there is strong feeling about campaign expenditure but lack of knowledge and Leaguers feel adequate disclosure law is necessary first. Why not send these ladies out to their county court houses to pick up copy of volunteer committee reports on legislative races all over the state (winners and losers) - you'd have a most newsworthy summary if you got good cooperation! It is a natural follow-up and will make you a better lobbyist - you can't say we need fuller disclosure until you can show that we haven't got it now. Fun project. (Owatonna lady certainly thought so.)

I think the League reflects general public dissatisfaction with campaign expenditures and the feeling that there is not adequate knowledge of where money that candidates spend comes from. I feel this consensus reinforces strongly our position in favor of full disclosure.

X { While politicians and those concerned with elections may feel they are knowledgeable enough to set limits on campaign expenditures, I (1) do not feel this comes through as a consensus in this study or (2) that any one in the state today could lobby for such limits on the basis of reliable information.

I think the LWV has a great opportunity to capitalize on (1) public opinion in favor of opening up this mystery, on (2) DFL promise to open up government, and (3) the state-wide organization of interested ladies that we have to do a bit of follow-up to show how little information there now is and how present laws (inadequate though they are) are not even followed.

There is absolutely no way the League could stand up in front of a questioning legislative committee and lobby for a limit on legislative races without more information and to make the point that we realize this and want only full disclosure will make us seem a reasonable intelligent organization.

But the public does have a right to know and our members seem to want to spearhead the drive to ensure full disclosure.

ALBERT LEA: there is no clear cut statement as to whether they reached a consensus in favor of or opposed to limits on individual contributors or over-all expenditures.

ARDEN HILLS: did they reach a consensus? How do you interpret a 12 to 7 vote?

BEMIDJI: An intelligent reporter claims there was no consensus yet the tone of her phrasing suggests that the League did reach a consensus...that it opposes limits on expenditures and contributions and any compulsory funding. She uses words like "general feeling" and "generally" to characterize attitude.

BLAINE: Is "majority" a consensus? How large a majority.

BLOOMINGTON: I had difficulty with the answers under question 2. I see the two questions as correlative. If one can answer the first part of the general question, then I would think one could answer the second part. Some Leagues apparently see this question differently than I do. I think that it is the same question asked in two different ways. But they see it as two different questions. Hence, the logic -internal logic -comes out as a contradiction --to my mind. Anyway, I think the answers should hang together...and they sometimes don't.

BROOKLYN PARK: Reporter does not qualify size of majority.

BURNVILLE: Same.

CLOQUET: Same

COLUMBIA HEIGHTS. I wondered, in passing, how representative the "majority" view of six persons was. Ten attended the meeting. The entire membership of League is thirty. Incidentally, for lack of time, I did not look at other Leagues from this particular vantage point. It might be interesting to do this.

CRYSTAL: There is a certain ambiguity in this report which, I think, can be understood in terms of the consensus process. In the answers to questions number 1 and 2, you actually see a shift of opinion taking place. In question #1, the strong minority shrinks to a small minority. In question #2, the members, originally dividing on a 50-50 basis, shift and divide into two camps a majority and a small minority.

DULUTH: I think that the attitude of Duluth is quite representative of the entire League, especially on question #3. Duluth is strongly oriented toward the idea of more public responsibility for funding but vague on specifics. I think that we can see this pattern throughout the entire consensus: especially on answers to questions #1 and #3. Leaguers are warmly receptive to these concepts --they respond on a gut level, especially on question #1. They are friendly to these ideas...although they do not yet have enough background to be specific on what will be useful, realistic.

To set legal limits is not necessarily the same thing as curtailing expenses. There are a number of Leagues which clearly see ~~xxx~~ this and used it as a point of departure in discussions of what specific measures could result in curtailing of expenses. Some Leagues are acutely sensitive to the difficulties in setting legal limits and some are not.

HUTCHINSON: This League presented no problem, but it was a league which responded to the idea of curtailing expenses and has attempted to find ~~XXXXX~~ strategies (other than legal limits) to control the problem. I think that we should pursue this idea and take a look at some of the strategies the Leagues are talking about. I believe this is one very important direction we could take in determining aspects of campaign practices we ought to be studying.

JACKSON: On question #1, I find no evidence of a definite consensus.

MAPLEWOOD: How strong a majority?

MID-MESABI: A definite consensus on #1? As to their opposition to public funding --how well do they understand the concept? I often found myself wondering about this as I read the answers to question #3. Perhaps my own bias toward public funding accounts for this, as I found myself surprised at the opposition to one of my own pet ideas!

MINNETONKA: How large a majority on #2.

MINNEAPOLIS: The voting was done on the assumption, according to the reporter, that the League was not going to press for a stronger disclosure law. I was disturbed by this because I wondered how many other League members saw legal limits as an alternative and voted for ~~XXXXX~~ them on that basis. Because of this, I skimmed through the reports to see how well integrated the concept of disclosure may be in the thinking of League members. My report is included....and I would judge that other Leagues -by a large majority - did not see limits as an alternative or substitute for full disclosure...but thought of the elements as part of a larger process. Some were explicit about priorities and steps in the process...but not all, of course.

ST. ANTHONY: A bare majority or a true consensus?

St. CROIX: Under question #1, it appears to me that paragraphs 2 and 3 contradict each other. Do they really or am I just tired?

ST. LOUIS PARK: I could not interpret this because of lack of detailed member votes. The unit votes seemed to me to be too gross.... and I honestly can't say that I really know what this report means. (Represents 102 persons so I think we should try to get a more refined breakdown of what happened).

STEVENS COUNTY: Question#2. Vote was 25-15. I think there is no true consensus here.

WHITE BEAR LAKE: Semantic problem here. I think there is a consensus ~~XX~~ favoring tax checkoff...although reporter did not bring it out. I really don't know...

WOODBURY: A true consensus?

QUESTION #1FOR LIMITS ON OVER-ALL SPENDING

Alexandria, Blaine, Bloomington, Brooklyn Center (both) Brooklyn Park (both) Buffalo, Cass Lake, Cloquet, Columbia Heights (overall and specific) Duluth, Edina (no consensus on type) Fridley, Golden Valley & New Brighton (no consensus on type) New Ulm, Dakota, Owatonna, Robbinsdale (both) Rochester, ~~XX~~ Shoreview (both) St. Cloud, St. Paul, Stevens County (both) Wayzata, Wells-Kiester, White Bear (both) Woodbury, Worthington.

FOR LIMITS ON SPECIFIC CATEGORIES:

Albert Lea (media and parties) Battle Lake (media) Brooklyn Center (media) Brooklyn Park (media) Moorhead & Mounds View (media) Rock County (advertising). St. Anthony (media) St. Croix (media) Stevens (media) White Bear (media).

AGAINST LIMITS ON SPENDING

Anoka, Burnsville, Northfield, St. Peter, Willmar

NO CONSENSUS: Granite Falls, Red Wing, Winona, Minneapolis, Roseville

Several Leagues favor limits but I seem to have a problem determining what type of limits: Arden Hills, Maplewood.

QUESTION #2

FOR LIMITS ON INDIVIDUAL CONTRIBUTIONS: Alexandria, Brooklyn Center, Buffalo, Cass Lake, Cloquet, Columbia Heights, Edina, Fridley, Golden Valley, Maplewood, Moorhead, St. Paul, Shoreview, Welles.

AGAINST LIMITS ON CONTRIBUTIONS: Anoka, Battle Lake, Bloomington, Burnsville, Duluth, Granite Falls, Hibbing, Hutchinson, Crystal, New Brighton, Rochester, Roseville, St. Croix Valley, St. Peter, Wayzata.

NO CONSENSUS: Albert Lea, Arden Hills (I think) Jackson, Mounds View, Robbinsdale, St. Cloud, Stevens County (I think) White Bear, Willmar.

QUESTION # 3FOR PUBLIC FUNDING

Generally favorable orientation: Albert Lea, Anoka, Bloomington, Brooklyn Center, Burnsville "majority", Columbia Heights, Duluth, Edina, Fridley, Maplewood "majority", Minneapolis, Minnetonka-Eden Prairie, New Brighton, Northern Dakota, Red Wing, Robbinsdale, Rochester, Roseville, St. Anthony, St. Cloud, St. Louis Park, St. Paul, Shoreview.

Specifically mention \$1 check-off:

Alexandria, Bemidji, Cass Lake, Cloquet, Wayzata. ~~WBL~~

AGAINST PUBLIC FUNDING

Battle Lake, Brooklyn Park, Hibbing, Jackson, Mid-Mesabi, Northfield, Owatonna, Rock County, St. Peter, Woodbury.

NO CONSENSUS: Arden Hills, Blaine, Buffalo, Crystal, Excelsior, Golden Valley, ~~GXXXX~~ Granite Falls, Hutchinson, Moorhead, Mounds View, New Ulm, St. Croix Valley, Stevens County, Willmar, Winona, Worthington. ~~WBL~~

THE LEAGUES -HOW DO THEY PERCEIVE DISCLOSURE?

The over-all observation of the Minneapolis League on page 4 prompted me to think about this question. The reporter wrote:

"It was often mentioned that we need a better law in the field of disclosure, not limits. Many who voted for limits on both expenditures and the size of contributions did so because they felt that unless disclosure laws were strengthened and enforced, limits presented an alternative. Also frequently mentioned was that the need for a strict, comprehensive, enforceable disclosure law should cover the entire campaign including primaries."

I began to wonder whether other leagues voted for limits on the assumption that we would not press for a stronger disclosure law and thus, might limits provide an alternative?

Lack of time has not permitted me to read the consensus sheets as slowly and as thoroughly as I would wish, but I did make an attempt to determine whether or not disclosure is a meaningful concept to which the Leagues are committed. As I read the statements, I was looking for evidence that the concept of disclosure was discussed as the Leagues were attempting to reach a consensus on limits. How sensitive, how aware are the Leagues that disclosure and limits are part of a total process?

THESE LEAGUES, IN MY JUDGEMENT, DID NOT ACKNOWLEDGE DISCLOSURE --EVEN IMPLICITLY --IN THEIR ANSWERS. My review had to be quickly done, but tentatively, at least, these Leagues do not appear to see limits within the framework of disclosure law. I may be wrong, of course!

Alexandria

Buffalo

Columbia Heights

Hutchinson

Northern Dakota County

Wells

Woodbury

Worthington

Stra Cloud

Stevens County

Edina - I cannot be certain about the Edina League as a whole, but one unit favors complete disclosure on spending, rather than limits.

+++++

THE PRINCIPLES OF DISCLOSURE WERE MENTIONED EITHER EXPLICITLY OR IMPLICITLY IN THE REPORTS OF ALL OTHER LEAGUES. Sometimes in reference to a majority view, sometimes a minority view, sometimes a unanimous view.

ALBERT LEA - This league emphasized disclosure (while endorsing limits on media and party expenses) to an unusual degree. It appears the league was educating itself on the principles of disclosure.

ANOKA - "Most effective would be strict disclosure laws" to deal with the size of individual contributions.

BATTLE LAKE - Though this league does not use the word "disclosure" a consideration of the concept seems to be implicit...
"We agree that the public has a right to know..." this is the starting point of their report.

BEMIDJI - League sees Disclosure as "desireable and enforceable".

BLAINE - Calls for "full disclosure"

BLOOMINGTON - The majority felt that public disclosure was more important than the limits on contributions..."

- BOOKLYN CENTER -Appears to assume disclosure as primary....
- BROOKLYN PARK - Casuall statement gives a hint.."We felt disclosure should include....."
- BURNSVILLE-- "full and published disclosure would control spending.."
- CLOQUET "public disclosure should be required and enforced"
- CRYSTAL-NEW HOPEX "strong minority favors better disclosure as superior to limits".....
- DULUTH- disclosure well integrated into thinking
- FALCON HEIGHTS - Call for complete disclosure -not limits. Very strong position.
- FRIDLEY minroity thinks that full disclosure must precede other goals...
- GOLDEN VALLEY --more than half see disclosure as a healthy inhibitor of influence buying.
- GRANITE FALLS (Seven out of seventeen persons say disclosure, not limits, should be the strategy.
- JACKSON --suggest disclosure as a possible solution
- MRAKE MAPLEWOOD "there is a feeling that disclosure law is not as it should be"
- MID-MESABI. Calls for realistic limits. One unit vigorously calls for complete disclosure.
- MINNEAPOLIS. In summary, it requests the strengthening, clarifcation and expansion of the LWV position on disclosure.
- MINNETONKA-EDEN PRAIRIE -Even those who favor limits also set priority on getting disclosure.
- MOORHEAD--Implicit in their desire for auditing.
- MOUNDS VIEW--Both proponents and opponents of limits want disclosure.
- NEW BRIGHTON --Disclosure is a controlling factor in limiting contributions.
- NEW ULM "All members agree that disclosure is a must".....
- NORTHFIELD --Calls for "strong well-enforced disclosure laws"
- OWATONNA --Concept inherent in thinking, I believe. They see it as a step in the process"
- RED WING "public disclosure would control contributions"
- RICHFIELD --See it as ~~an~~ a part of the process. Implicit in their activities.
- ROBBINSDALE --a strong disclosure law would be "most effective"
- ROCHESTER --"Full disclosure must precede limits"

- ROCK COUNTY --discusses disclosure practices without explicitly labeling them as such.
- ROSEVILLE --A strict disclosure law is felt necessary.
- ST ANTHONY --Persons on both sides of the limits question agree that disclosure is necessary.
- ST. CROIX -- call for strong workable realistic disclosure law.
- ST. LOUIS PARK --At least part of this league does relateX disclosure to theX limits issue.
- ST. PAUL - Sees disclosure as part of total process, I believe
- ST. PETER --Unanimous agreement ~~XXXXXX~~ that full disclosure is more effective than limits
- SHOREVIEW -- definite part of process
- WAYZATA --at least one unit see disclosure as part of a total process
- WHITE BEAR LAKE --Definitely discussed. For minority, disclosure was kmore important than limits.
- WILLMAR -- Emphasis should be on disclosure
- WINONA -- Sees it as part of process.

Evaluation of Local League Consensus Campaign Financing
B. Steinkamp

Disclaimer - of sorts

As this report was being created, two children threw up and husband came down with a temperature of 104 1/2. These seem like good excuses to explain the fact that my figures do not always add up correctly and the observations are perhaps a little redundant. Even though this report is wordy, I left a few things unsaid. But the above notwithstanding, certain things seem clear to me.

Question I - Leagues do favor limits on expenditures but we can not lobby for them without more accurate, complete data on campaign costs. Strict disclosure is our emphasis.

A. There was no clear consensus regarding overall limits, categories, or both.

B. We are unable to set realistic limits.

Question II - We are neither for or against limits on the size of individual contributions.

Question III - We are reasonably receptive to additional public funding. The most favored approach was a state income tax check-off plan (not involving state funds). Leagues did favor some direct government subsidies such as 1 or 2 free mailings, voter pamphlets, increasing the tax deduction and/or enacting a tax credit. Leagues did desire controls in addition to disclosure, but there was no strong mandate for any of the three studied. There were sharp contrasts in the reports. The very strong minority reports should influence our final decision. In general, the reports showed a fairly good understanding of the issues with these major exceptions with respect to disclosure and limitations:

- * our present position was not fully understood
- * the relationship of disclosure to limitation (Question 1 and 2) was often overlooked
- * the relationship between limits on expenditures and limits on contributions was not understood.

Completeness of my report -

I would, with ease, find it possible to continue to refine my thoughts on Question 1 and 2. I believe it would be possible to find further evidence to support the above problems. The public funding section is incomplete - reasons for and list of methods need work.

Question I - Limits on Expenditures (Part A)

In evaluating this question it is necessary to examine carefully the reasons supplied for or against, parts B and C of question 1,

explanation of stand on question 2 and occasionally information given under question III.

Some problems, question, opinions on Question 1.

1. Did Leagues fully understand Question 1 and its parts?

Although most Leagues appeared to interpret the question correctly there were some notable points of confusion -

A. Some Leagues responded with specifics of accomplishing disclosure.

B. Among some Leagues favoring limits was their real intent a greater emphasis on disclosure?

In my opinion if we had specifically asked if a strict disclosure should be enacted first, Leagues would have responded affirmatively. Some Leagues did state desirability of disclosure first, others probably overlooked - there is ample evidence of this thruout the reports. In my opinion the failure to fully comprehend the relationship between disclosure or simply failing to directly report it is a major flaw.

C. Numerous Leagues failed to supply reasons for supporting limits - see later data. At the same time many Leagues supplied strong arguments against limits. Doesn't a strong consensus for or against warrant explanation?

D. In some cases, League may have been citing excessive spending as a problem rather than responding to the question regarding the control.

I have not fully explored this.

E. Is there adequate data to conclude that excessive spending is a significant problem? Leagues did not supply much evidence to support the view that too much money is spent. In my view this problem has been overemphasized at the expense of other more crucial problems. Although to be fair, due to inadequate disclosure laws, the full extent of any campaign financing problems is unknown.

How does incomplete data on the problems affect the League consensus?

F. Some Leagues were confused by the word overall - some thought overall referred to disclosure or limits on spending by candidates and by their committees - our present state law probably caused this. I don't recall any problem with categories.

G. Some Leagues that said yes to limits did not respond to parts B and C. In my opinion the validity of their consensus is doubtful. Replies to those questions were necessary to indicate comprehension of the stand for limits.

We need clear proof that Leagues favoring limits believed that adequate data was now available - some Leagues clearly felt limits could be set, but many responses indicated a lack of understanding.

Very few Leagues discussed the election to be covered by limits - perhaps an oversight!

H. Was there some confusion regarding federal elections? State laws can not impose limits on federal elections but they can require stricter disclosure.

B. Steinkamp - page 3

- I. The reasons supporting limits on expenditures need to be compared to the reason given for or against limits on size of campaign contributions. Why wasn't the 1st Amendment problem cited as often under question 1 and the difficulties of enforcing limits on expenditure.

Some data - Question I - Part A

7 38 Leagues appear to favor limits expend.

Of these 38 Leagues

23 or 24 indicated a minority of varying strength against
14 (approx.) did not report minority

6 Leagues appear to be against limits expend.

Battle Lake, Burnsville, Flacon Hts., Northfield, St. Peter, Willmar

Of these 6 Leagues - 3 reported minority for, 3 reported no minority

2 Leagues had no consensus (fairly evenly divided for or against)
Minnetonka and Roseville

11 Leagues were questionable -

Anoka, Bemidji, Buffalo, Columbia Hts., Hutchinson, Hibbing, Red Wing, St. Croix, Wayzata, Wells, Worthington

Most of these seem to favor limiting length of campaigns.

Bemidji is probably against limits

Data on Reasons Given For Limits -

Of the 38 Leagues for limits -

15 gave no reasons

11 stated excessive spending either alone or in combination with 2 other categories - undue influence and equal opportunity

8 stated undue influence alone or in combination with other 2 categories

14 stated equality of opportunity alone or in combination with other 2 categories

Of the 38 Leagues For limits

17 gave a variety of reasons against limits. I did not break these down into categories as above. Often Leagues mentioned several of the following list:

- Inadequate data to determine limits - need disclosure first
- Limits are not workable, can't enforce, too easily circumvented
- Infringes on free speech (3 times)
- Would prevent good disclosure, cause dishonesty
- Emphasis should be on disclosure - disclosure is adequate control
- Incumbent advantage
- Hurts wealthy (one report)
- No correlation between amounts spend and winning.

Data on Reasons Given Against Limits

I did not break this down - the same reasons as listed above were given by Leagues Against limits or in my other categories - i.e. no consensus or questionable.

Disclosure

Disclosure was mentioned in one way or another under different questions thruout the reports. I did not chart this data.

Question I - Part B - Overall Limits, Categories or Both

Of the 38 League for limits -

33 (approx.) responded to part B

27 favored overall limits

of the 27

20 favored only overall limit (but includes those with minority for categories)

7 favored both overall limits and categories

3 reported no consensus

Of the 38 for limits

2 were against overall limits (min. favored)

11 favored categories

of the 11

5 categories only

7 both categories and limits

of the 38 for

10 reported minority favor categories

4 against categories

Of those favoring categories, limits on radio and TV were mentioned a significant number of times.

Leagues that did not have majority for limits supplied answers, but I did not include this data.

Question I - Part C - Determining Limits

Of the 38 Leagues for limits

24 wrote some kind of response

of the 24

2 or 3 No agreement

The remainder gave a wide variety of suggestions for determining limits. I did not think it necessary to assign numbers to these responses. The following list is quite complete:

- dollars per capita or population
- dollars per voting age
- dollars per potential or eligible voter
- emulate new federal law (categories)
- study previous election costs
- dollars per vote cast previous election
- 10¢ per voter
- like present state law
- base amount plus amount per voter
- limits should be flexible - reflect cost of living increases
- reevaluate every 2 years

B. Steinkamp - page 5

- different limit for primary and general elections
- consider geographic factor, office sought, salary of office, recognize incumbent advantage and give challenger more
- let state committee decide
- set realistic limits

My Conclusions Question I (A,B,C)

This question is definitely the most difficult to evaluate. Continued charting of data might provide further minor insights, but would probably not alter my conclusion.

A majority favor limits on expenditures, viewing this control as a means to reducing excessive spending, preventing undue influence and providing equality of opportunity between candidates. The apparent strength of this consensus (38 Leagues) is reduced for a number of reasons. -- inadequate understanding of the question, failure to explain reasons for stand, failure to answer parts B and C or to provide meaningful responses in B and C, failure to see the relationship between limits on expenditures and disclosure or limits on expenditures and limits on contributions, the strength of the minority report as indicated by the strong reasons given against limits. Although a majority wanted limits on expenditures, they did not feel strongly that realistic limits could be determined given present data on campaign costs. There is no definite mandate to pursue this control in the 1973 session.

I strongly recommend that we continue our emphasis on strict disclosure. We should state a desire for limits after good disclosure has been in effect long enough to provide adequate data on costs.

We should state a willingness to forego limits on expenditures in the event disclosure provides adequate control in reducing or eliminating the several abuses indicated by the Leagues.

We do not need to recommend overall limits or categories or both, or specify how limits should be determined. Given the mixed responses by Leagues to these questions a state League committee could determine these specifics at a later date when more adequate data is available and the need for limits is clearly indicated.

A strong reason for my conclusions is the feasibility of League action. I very strongly feel that action now on limits would be detrimental to League. We would appear foolish seeking a control without facts.

We should consider our stance in the rather likely event limits are proposed along with strict disclosure this session. Do we speak for or against or remain neutral as in past session?

Shorter Campaigns

Although no question was asked on limiting the length of campaigns, many Leagues made this suggestion in a variety of forms, often under question I, sometimes under the other 2.

I gathered data on this question:

28 of 57 Leagues mentioned it

of the 28

19 were Leagues for spending limits

of the 19

0 stated a majority favored

1 Alexandria said they would like to consider further

- 1 Winona gave shorter campaigns as a benefit of limits on expenditures
- 7 Leagues stated that a minority favored - one of these, New Brighton, was sizable
- 10 Leagues said shorter campaigns were desirable - but did not indicate strength: Albert Lea, Battle Lake, Blaine, Bloomington, Crystal, Mid-Mesabi, Mpls., St. Paul, Stevens County, White Bear Lake

The remaining 9 Leagues did not report a majority in favor of spending limits. These 9 Leagues were all among the questionables under Question I of the 9

- 3 mentioned but did not indicate strength: Bemidji, Buffalo, Hutchinson
- 6 mentioned this as a method to limit spending - probably in lieu of expenditure limits: Anoka, Hibbing, Red Wing, St. Croix, Wells, Worthington

My Conclusions - Shorter Campaigns

We should not adopt a position favoring shorter campaigns for the following reasons:

- approximately 30 League did not specify
- although some Leagues may have fully discussed the issue, we have no way of determining this. It may simply sound like a good idea. Perhaps the British system was mentioned
- there is no clear idea of strength in the reports.

Perhaps we could report League interest - suggest that they consider this for future study. However, prospect of that study doesn't thrill me.

Question II - Limits on Size of Individual Contributions

- 26 League for
- 19 Leagues against
- 7 No consensus
- 5 Leagues - questionable (or failed to figure in)

My Conclusions

This question was easy to evaluate. There is adequate support either for or against this control. Those favoring these limits saw it as a means of curbing excessively large contributions which could result in undue influence. There was substantial recognition of the difficulties in enforcing this control. Leagues often noted Amendment I problems.

No Consensus

Question III - Additional Public Funding

- 32 for
- of the 32 for
- 22 report minority against

B. Steinkamp = page 7

15 against

of the 15 against

9 report minority for

4 no consensus

5 questionable : Battle Lake, Buffalo, Hutchinson, Moorhead
Shoreview

1 undecided: Granite Falls

This question presented few problems. In most instances, comments were responsive, indicating a good understanding of the question and the issue. Since this control (if you please to call it a control) is less influenced by the existence or non-existence of good disclosure law, the consensus was easier to determine. It was not necessary to scrutinize it as closely as Questions 1 and 2.

My Conclusions

I feel there is a reasonable (but not overwhelming) consensus for additional public funding. There were no reasons to question the validity of the favoring Leagues as in question 1. Members most frequently suggested a tax check-off plan -- one that would be voluntary and in addition to state income taxes owed rather than one which would drain state funds.

But some direct expenditure from state funds was desired - perhaps 1 or 2 mailings or a voters' pamphlet (like Oregon's). It was less clear if Leagues approved state spending for time on TV or radio or in other media. Some Leagues felt the present \$100 state deduction could be raised (maybe \$200) and perhaps a tax credit, recognizing that many citizens do not itemize deductions.

This list is incomplete - other plans should be included. Also need to compile reasons for.

EVALUATION OF LOCAL LEAGUE CONSENSUS - Campaign Financing

Fran Berdie

Question I: -- A strong majority of Leagues favored a limit on the amount spent on campaigns. The limit should preferably cover all expenses, but there should definitely be a limit to the amount spent on media, with the elimination of spot announcements on radio and TV which appeal only to the emotions. Reasons given for setting limits were 1) to shorten the campaign, 2) to allow a person of average means to run for office and 3) to reduce the cost of campaigns.

A vocal minority felt that the emphasis should be on full disclosure instead of limits, as disclosure laws are more easily enforced and less apt to be evaded. Limits also put a new office seeker at a disadvantage. Limits inhibit the freedom of the individual to spend as he wishes and may violate constitutional rights.

Most Leagues favored including volunteer committees in either the limit or under disclosure laws.

The method of setting limits in general took into account the number of registered voters in the district (or the number who voted at the last election) and the area. Many Leagues thought that the setting of limits should also take into account the office being sought and the salary for it.

Question II -- A very small majority favored limits on individual spending as they believed limits would broaden the base of support for a candidate and would eliminate the undo influence of large wealthy contributors who would expect favors in return.

The large minority believed limits on individuals would infringe on the rights and freedom of an individual to participate in the political process. They also believed the limits could be easily evaded and would be difficult to enforce.

Both those who favored limits and those who didn't believed that full disclosure was a must.

Many Leagues believed that everything of monetary value, including plane tickets, "free" halls, free printing, etc. as well as cash should be considered contributions. A few Leagues felt that even the time spent by volunteers should be included, but most felt that volunteer time was too difficult to assess to include it.

I believe the consensus could justifiably go either way, i.e. favor limits on individual contributions or not favor them. But the consensus should reflect the desire for complete disclosure of campaign contributions and expenditures.

Question III -- The majority of Leagues indicated that they favored additional public funding, but their comments frequently were not clear whether they did indeed want additional funding or merely a continuation of the present funding. Types of funding suggested were free mailings, information on candidates disseminated through the mail (Oregon system), TV or radio forums (Florida plan), \$1.00 voluntary tax program, free media time. Many suggested that public funds be spent on general elections only, not primaries.

Those Leagues opposed to more public funding pointed out that it might discourage new parties and institutionalize present political parties; be costly to administer, and might result in a loss of contact with the public if campaigns were strictly government financed.

Additional comments on Campaign Financing Consensus

F. Berdie

The following Leagues specifically mentioned that limiting (shortening, that is) the length of campaigns would indirectly limit expenditures:

Alexandria	Owatonna
Anoka	?Red Wing
Blaine	Jackson
Bloomington	St. Croix Valley
Buffalo	St. Peter
Duluth	Stevens Co.
Hibbing	Wells
Hutchinson	White Bear Lake
New Brighton	Worthington
No. Dakota Co.	

One League suggested filing campaign expenditures at a central state office with copies going to the counties involved. I thought this a good idea as it would make it ^{more} possible to monitor the expenses.

I	Elle Colborn	yes on limits		over-all with		specific		disclosure & main focus	
		LOCAL LEAGUES						Short campaign	
Albert Lea	52	*10		media			X		
Alexandria	45	*25		probably		TV	(X)II		X
Aneka	42	(20)	perhaps				(X)II		X
Arden Hills	34	(13)	qualified	13		7	(X)II		
Austin	107								
Battle Lake	16	(12)				TV 12	X		X
Bemidji	56					7*	(X)II		X
Blaine	28	*10		10			min (X)II		
Bloomington	80	46		35*		TV 11			X
Brooklyn Center	42	27	21			TV 6	X		X
Brooklyn Park	40	32	32	exp TV					
Buffalo	31	23	wary about challenger						X
Burnsville Area	72	min 12*		12			X		
Cass Lake	18	9	9						
Chaska	(64)								
Cloquet	35	8*	8						
Columbia Heights	30	6	6	6					
Crookston	38						—		X min
Crystal - New Hope	66	16*		13		3			
Deephaven	(36)								
Duluth	134	61		40		20 TV	(X)II		
Edina	185	112*		92		20			
Excelsior Area	48						—		
Falcon Heights	47					perhaps media 23	X		
Faribault									
Fridley	60	11	prefer	OK			X		
Golden Valley	117	37	24						
Granite Falls	27	10					min X		
Greater Mankato Area	79								
Hibbing	67	25	25	25			II(X)		X
Hutchinson	26	(14)	perhaps	14 TV					X
Jackson	41	30	30				X		X
Mahtomedi Area	38								
Maplewood	23	12					X		
		587							

* arbitrary

		limit	overall	specific	disclosure main focus	length of line
*Marshall	61	14				
Mid-Mesabi	60	28	28	40 TV only	X	
Minneapolis	743	222	100	122	(X)	many
Minnetonka - Eden Prairie Area	44	43	30*	30*	X	
Moorhead	44	24	24	24		
*Mounds View	37	18		TV up	X	
New Brighton	60	27	9	18 p.m.	(X) II	
New Ulm	32	15	15		(X) II	X
Northern Dakota County Area	52	30	30		(X)	X
Northfield	68				X	
Owatonna	45	35			(X) II	
Red Wing	45			5 TV	(X) II	X
Richfield	76	30*	20	10	X	
Robbinsdale	35	16	16	TV up	(X) II	
Rochester	63	25	25		X	
Rock County	30	12				X
Roseville	69	25	25		(X) II on-	
St. Anthony	46	27				
St. Cloud Area	60	48	48	20 TV		
St. Croix Valley	63	(31) 70	31 →		X	X
St. Louis Park	160	70*	30			
St. Paul	354	109	41	68	(X) on II	X
St. Peter	34	(24)	8	16.	X	
Shoreview	45	25	25		(X)	
Silver Bay	37					
Stevens County	68	30	30.			X
Wayzata Area	38	15				X
Wells	51		26			X
Westonka	75					
White Bear Lake	99	42	42 →			X
Willmar	41	6				X
Winona	87	28	2%	19.		X
Woodbury	50	18	18			
Worthington	44	25				X
* Provisional		1048 5812 1538 65%				

II

9/

LOCAL LEAGUES

Albert Lea	7	no groups
Alexandria	20	
Aneka		
Arden Hills	12	
Austin		
Battle Lake		
Bemidji	17	
Blaine	10	
Bloomington	35	
Brooklyn Center	24	
Brooklyn Park	25	
Buffalo	23	
Burnsville Area		just exp unions
Cass Lake	9	
Chaska		
Cloquet	11	
Columbia Heights	8	
Crookston		
Crystal - New Hope	15	
Deephaven		
Duluth	28	
Edina	122	
Excelsior Area		
Falcon Heights		
Faribault		
Fridley	11	
Golden Valley	38	
Granite Falls		
Greater Mankato Area		
Hibbing	8	
Hutchinson		
Jackson	15	
Mahtomedi Area		
Maplewood	9	

447

Unit cont.

104
44.7
44
24
29
768
123

*Marshall		
Mid-Mesabi	30	20
Minneapolis	208	
Minnetonka - Eden Prairie Area	52	
Moorhead	24	
*Mounds View	10	
New Brighton	4	more on candidates personal funds
New Ulm	7	
Northern Dakota County Area	42	
Northfield	20	90
Owatonna		
Red Wing		
Richfield	35	
Robbinsdale	6	
Rochester	10	
Rock County	16	min. no group or corp.
Roseville		
St. Anthony	18	flans, union + corp bank
St. Cloud Area	24	
St. Croix Valley	17	
St. Louis Park	70	
St. Paul	(80)	candidate, corp. disclose rest.
St. Peter	8	
Shoreview	17	13 family of cand's no corp gifts
Silver Bay		
Stevens County	30	
Wayzata Area	(15)	interest groups.
Wells	(26)	
Westonka		
White Bear Lake	34	
Willmar	11	concern groups: corp + union same.
Winona	20	
Woodbury		
Worthington	25	

90
→

11
1216

81
30

1316
916

* Provisional

Election Commission

shorten campaign

LOCAL LEAGUES

Albert Lea		free TV (14)	mailing (7)
Alexandria		check off -	
Anoka	X	mailing	check off maybe
Arden Hills		mailing - maybe TV	
Austin			
Battle Lake			
Bemidji	X	public TV	
Blaine		1/2 check off	
Bloomington		free TV	check off
Brooklyn Center	(auditing)	AG Free TV	min free mailing 19 check off
Brooklyn Park	watch does (min)	min funding from pool	
Buffalo	bi-partisan	mailing - TV	
Burnsville Area		min free TV + mailing	
Cass Lake		appropriation or check off	
Chaska			
Cloquet		check off	
Columbia Heights		TV - funding	
Crookston		mailing or direct funding	
Crystal - New Hope			
Deephaven			
Duluth		free TV, mailing, check off	
Edina	ind agency	free TV, mailing	
Excelsior Area			
Falcon Heights		yes	
Faribault			
Fridley		check off - tax credit deduction	
Golden Valley	committee	free mailing	
Granite Falls			
Greater Mankato Area			
Hibbing			
Hutchinson		free mailing, TV	
Jackson			
Mahtomedi Area			
Maplewood		check off	

	election com.	
*Marshall		
Mid-Mesabi		min check-off, publication
Minneapolis	may	raise limits, check-off, mailing TV
Minnetonka - Eden Prairie Area		pool-
Moorhead	audit	check-off
*Mounds View		check-off
New Brighton		min check-off, TV
New Ulm		from taxes
Northern Dakota County Area		check-off-
Northfield		
Owatonna	central filing	
Red Wing		check-off
Richfield		few check-off { media subsidy }
Robbinsdale		min raise w/ no deduction
Rochester		media, mailing, check-off
Rock County		min check-off
Roseville		check off TV
St. Anthony		free mailing
St. Cloud Area		check off
St. Croix Valley		÷ check off
St. Louis Park		1/2 check off - TV
St. Paul		tax credit, check off, TV mailing
St. Peter	committee	check off, TV, mailing
Shoreview		check off (public info only)
Silver Bay		
Stevens County		split
Wayzata Area	committee	check-off
Wells		
Westonka		
White Bear Lake		check off (min) may TV mailing
Willmar		min check off
Winona		check-off
Woodbury		
Worthington		yes 1/2

* Provisional

To: Members of the Minnesota Legislature
From: Erica Buffington, Government Co-chair; Pam Berkwitz, President
Date: February 18, 1980

League of Women Voters of Minnesota's Statement
regarding
SF 1787: Campaign Financing Bill

The League of Women Voters (LWV) has had a position on campaign financing since 1974. The League position states:

The League of Women Voters believes that changes must be made in the method of financing political campaigns in order to make our government more accountable, more representative and more responsive to all of our citizens.

The goals of a campaign finance system should be:

- to ensure the public's right to know;
- to combat corruption and undue influence;
- to enable candidates to compete more equitably for public office.

To achieve these goals, the LWV favors a system of combined private and public funding and supports the following campaign financing measures:

DISCLOSURES

- Require full and timely disclosure of all campaign contributions and expenditures.
- Require each candidate to designate one central committee to coordinate, control and report all financial transactions.

LIMITATIONS

- Limit the size and type of contributions from all sources; including stringent limits on the use of cash.
- Limit total expenditures consistent with full discussion of the issues and adequate exposure of the candidates.

ENFORCEMENT

- Establish an independent body to monitor and enforce the campaign finance laws.

BASE OF FUNDING

- Encourage broad-based contributions from the general public and the use of tax credits and deductions.
- Provide public financing including income tax check-off and supplemental government appropriations.

The League of Women Voters of Minnesota's (LWVMN) position on campaign financing reflects our continuing concern for open and honest elections and for maximum citizen participation in the political process. We therefore support broad-based citizen involvement in campaigns, including volunteer efforts and limited financial contributions. Recognizing, however, that limited private contributions alone cannot provide adequate funding, LWVMN favors the use of public funds to finance political campaigns. We favor a mixed system of private and public funding of campaigns that encourages small individual contributions; increases the use of tax credits and deductions and the income tax check-off; and makes additional government funds available to bona fide candidates who have demonstrated substantial public support.

We believe that limits on contributions and expenditures should be realistic and reasonable; high enough to be enforceable and to allow for discussion of the issues and visibility of the candidates. Limits should not be so low as to affect challengers adversely.

After a review of S.F. 1787, Campaign Finance Bill (Keefe, S., DFL-Minneapolis; Ashbach, R., IR-St. Paul; Gearty, E., DFL-Minneapolis; and Coleman, N., DFL-St. Paul) and based upon the League position, the League of Women Voters of Minnesota supports S.F. 1787. We believe that, as far as it goes, it is a fair and equitable bill. We would, however, like to see an amendment added that would impose limits on total expenditures, similar to those found in S.F. 550, as passed by the House General Legislation and Veterans Affairs Committee on February 7, 1980. An escalator clause should also be included to take into account rising inflation and the apparent high cost of running for political office.

The League believes that the best form of public financing is to combine the concepts of limiting campaign expenditures, yet setting the limits high enough to create incentive for candidates to participate and also limit campaign contributions as stated in S.F. 1787.

The League hopes that the Legislature will amend S.F. 1787 by adding expenditure limits as found in S.F. 550. With that addition, the League would strongly support S.F. 1787 without any reservations.

Testimony
House General Legislation and Veterans Affairs Committee
House of Representatives
by
Joyce Lake, Lobbyist
April 19, 1979

Since the 1960's the League of Women Voters of Minnesota has been concerned with campaign spending. We have supported spending limits in the past and continue to do so. However, the limits must be realistic or candidates in increasing numbers will refuse to accept public financing in order to spend what they feel is necessary on their campaigns. It has been four years since the current limits were adopted, and it is now appropriate for the Legislature to increase those limits to recognize the effects of inflation during that time. The League of Women Voters of Minnesota urges your support of H.F. 762.

Testimony before Senate Elections Committee
RE: S.F. 1787, Campaign Financing
by Erica Buffington, Government Co-chair
League of Women Voters of Minnesota
March 6, 1980

The League of Women Voters has had a position on campaign financing since 1974. The League position states: The League of Women Voters believes that changes must be made in the method of financing political campaigns in order to make our government more accountable, more representative and more responsive to all of our citizens. The League favors a system of combined private and public funding and supports the following campaign financing measures to:

- require full and timely disclosure of all campaign contributions and expenditures;
- require each candidate to designate one central committee to coordinate, control, and report all financial transactions;
- limit the size and type of contributions from all sources, including stringent limits on the use of cash;
- limit total expenditures consistent with full discussion of the issues and adequate exposure of the candidates;
- encourage broad-based contributions from the general public and the use of tax credits and deductions;
- provide public financing including income tax check-off and supplemental government appropriations.

This position reflects our concern for open and honest elections and for maximum citizen participation in the political process. We therefore support broad-based citizen involvement in campaigns, including volunteer efforts and limited financial contributions. Recognizing however that limited private contributions alone cannot provide adequate funding, LWVMN favors the use of public funds to finance political campaigns. We encourage small individual contributions; increased use of tax credits and deductions and the income tax check-off; and making additional government funds available to bona fide candidates who have demonstrated substantial public support.

We believe that limits on contributions and expenditures should be realistic and reasonable; high enough to be enforceable and to allow for discussion of the issues and visibility of the candidates. Limits should not be so low as to affect challengers adversely.

After a review of S.F. 1787 and based upon League position, the League of Women Voters of Minnesota supports S.F. 1787. We believe that as far as it goes, it is a fair and equitable bill. We would, however, like to see an amendment added that would impose limits on total expenditures similar to those found in S.F. 550 as passed by the full House and Senate. An escalator clause should also be included to take into account rising inflation and the apparent high cost of running for political office.

Testimony re: S.F. 1787
League of Women Voters of Minnesota
page 2

The League believes that the best form of public financing is to combine the concepts of limiting campaign expenditures, yet setting the limits high enough to create incentive for candidates to participate and also limiting campaign contributions as stated in S.F. 1787.

The League hopes that this committee will amend S.F. 1787 by adding expenditure limits as found in S.F. 550. With that addition, the League would strongly support S.F. 1787 without any reservations.

Thank you

6. Council: motion: approve the proposed agenda for State Council as attached (canary).

Background Information

This is very similar to last Council. We could schedule a speaker if you can think of someone free and interesting??? Notice that it is proposed we have an informal reception in the upper pool area and that Board members bring snacks and goodies to have with punch/lemonade.* (This was easy to do and very well received at the last Council.)

*If Nancy Grimsby returns from Texas in time, there will be 3 huge sheet cakes.

7. Budget: motion: approve the 1978-79 state budget as attached (green).

Background Information

We've been over this twice before. It gets mailed to local LWV presidents on February 16, so this is your last chance. As you will note on page 7, Income, #1, the Local Per Member payments must be \$14 and \$10 in order to raise \$57012. On Monday H.H. will have all current membership figures available, and if she has time will do an analysis of current (77-78) support, P.M.P. costs/LWV, and revised formula support. Hall would like a discussion re the P.M.P. ramifications. Calls to the office have been very negative - \$24/member for both MN and U.S. P.M.P.s is adversely per- and re-ceived.

8. Campaign: motion: not support S.F. 1006 as currently proposed.

Background Information

See attached white, both sides: Erica's memo as prepared for the Action Committee meeting and the letter from Vern Nepl to Helene.

9. Workshops: motion: authorize Mary Waldo to attend an Action Research Workshop, "Evaluation Research: A Utilization-Focused Approach," with the cost (\$45 for the day) being charged to Board Tools - and allow Herb to attend, at her own expense, any or all 6 without having to use vacation time for same.

Background Information

The Action Research Workshops are designed to bring together experts in evaluation research with program people who need and want basic evaluation skills. They are offered to community people as a way to gain skills in program evaluation and basic social research methods. This series of workshops assumes no expertise on the part of the participants. "The workshop (Waldo wants to attend) is aimed at practical aspects of implementing a program evaluation project, or serving as a consultant to an evaluation. It will cover the basic steps in conducting a useful evaluation." This would be very helpful when preparing workshop/focus evaluations. Other topics in the series: Qualitative Methodology: The Alternative Evaluation Paradigm in Practice; Understanding Data and Applying Evaluation Findings; Needs Assessment and Planning; Using Cost Effectiveness Analysis; Qualitative Analysis in Practice: A Case Study of Communication Behavior.

DISCUSSION

1. State level ERA fundraiser - is it necessary? If so, what should it be? So far \$27,500 has been received from local Leagues; \$12,500 more is needed by April, 1978.
2. Energy. Margaret (or Marge) Post will present an oral report. She's had two very successful workshops, January 28 and February 4. She's addressed the American Legion (from whom she received a very complimentary letter) and the St. Paul Hadassah. Marge was also successful in securing a grant from the Minnesota Energy Agency to prepare an energy resource directory.
3. Leadership: Preliminary plans for Leadership Workshop - Report from Service to LL Committee Meeting. Please look over ideas for mini courses (on attached pink) and add any you can think of. Also mark those you think should be discarded. To what extent should we use "outside" experts?
4. Bylaws: Are there conditions under which you would approve disregarding (or at least bending) the local League bylaws? The Fridley president called with a question: they are sure their quorum is too high a number for the size of their present membership and

are recommending a bylaw change in their local bylaws, but WHAT IF they don't have a quorum at the annual meeting? Mary had talked to HH and then called me. I told her various things but also agreed to discuss it with the state Board so she could have some sort of authoritative backup. She will be happy with the "sense of Congress," so we don't need a motion unless you so desire.

Here's what I said:

- o/s age
1. Work hard to get a quorum. (Roseville once re-scheduled the annual meeting when we didn't have a quorum.)
 2. Call absent members for a phone vote -- if it's all right for consensus, it should be all right for a bylaw. Mary said Harriett noted Robert's Rules forbids proxy votes unless provided by bylaw, but I think this is different. Mary disagreed, however.
 3. Don't worry about it; just do what the members want. A bylaw change is pretty far down on the list of what inactive members are going to concern themselves with. (Mary thought someone might question it in the future if any other dispute arose. She probably knows her League.)
 - ✓ 4. Notify members in advance of contingency plans. Publish in the VOTER what the Board has decided to do if there isn't a quorum. Then they can object in advance - or come to the meeting.
 - ✓ 5. Do not have a quorum count. Delete the part of the annual meeting agenda that asks for determination of a quorum. Robert's says a quorum exists if no one questions it.

That's what I came up with, in that order. What would you say? Brilliant ideas, anyone?

And another goodie. How can a LWV go about raising its dues before annual meeting when their bylaws say dues will be voted on at annual meeting, but you have to pay your dues in order to be able to vote? Two-check it? Or let 'em pay as they leave and vote without paying? Or assume it'll pass and hit 'em as they go in for the new amount?

- print used estimated new dues
5. Goals. At (Waldo's) retreat last April, we adopted the following goals:
 1. Inform and educate the public toward active participation in government.
 2. League action on selected governmental issues.
 3. Voter information and registration.
 4. Educate its own members.
 5. Service to local LWVs.

At our June Board meeting we decided on the plans as shown on the second side of the pink sheet. "In February we will also do an evaluation of where we are - as the LWVMN. Think ahead and also think back to what we planned/proposed/hoped/dreamed. Consider Board/staff relationships and organization, organization, development, action, publications, LWVs' image, accomplishments, goals, priorities. And let's not overlook previous ideas - talent files, luncheon speakers at Board meetings, identifying local LWV leaders for committee service, etc.," was what was said on Information item #4, page 4, of last month's agenda.

INFORMATION

- ✓ 1. Action. This may be an oral report - or if the minutes of the meeting of 2/7 are done, they will be attached.
2. CI/VS. Waldo and Head met with Wheelock Whitney at 10:00 a.m. Friday to discuss the March Focus on Health Care Cost\$. On Saturday Waldo(s) did precinct training for the Minnesota Association of Private College Students.

Borg and Waldo met with Tom Cousins, Public Affairs Programming, at WCCO on Wednesday. They'd be delighted to broadcast 3 debates (1 Governor and 2 Senate) in October. Their studio holds 75-100, cost \$600/hour; if outside, \$3000 production cost. Borg would moderate. Panelists would be WCCO radio and TV legislative reporters, STAR/TRIB and PRESS/DISPATCH reporters. Simul-casts could be arranged via TV stations throughout the state and with radio too. A proposal is to be in to them soon spelling out the details.

CAMPAIGN FINANCING - Bills, bills, bills. Will the current SF 1006 come forward??

On January 20th I asked the Office of the Secretary of the Senate to send a copy of SF 1006, Registration and Ethical Disclosure Act (Keefe, Staples, Benedict, Strand and Brataas) as it passed out of the Senate Committee on Election on January 19th. I assumed I would receive the most current, amended version of the bill.

Unfortunately this was not what I received. I discovered just after the Capitol Letter was mailed that I had the interim version of SF 1006!

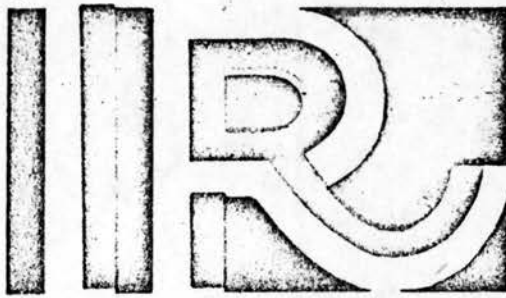
Changes in the bill that LWVMN was unaware of can change the LWV's position on a bill. Sections were added to this bill that go against our position and the LWVUS principles. Problem areas are Sections 55, 60, 73, 75 77 and 78.

Tax credits would be withheld from individuals contributing to candidates who do not accept public financing. The absolute effect of this is unknown, it could well influence a person's decision to contribute to a candidates campaign. In order to receive individual contributions then, a candidate would be forced to decide whether or not he wished to receive public financing right from the beginning. Based on the court decision, this would violate the candidates First Amendment freedoms.

Sections 75 and 77 are discriminatory. If the receipt of public tax check-off money and the provision of tax credits are considered to be forms of public financing, then it is discriminatory to permit candidates to rescind an agreement filed as a prerequisite for the receipt of tax money, but on the other hand, prohibit them from rescinding an agreement filed as a prerequisite for the receipt of tax credit vouchers.

Sections 73 and 77 are also of concern because as presently written, the incumbent is favored. It would be assumed that non campaign expenditures are constituent services and since only an incumbent would have constituents, this would be a way of influencing the electorate. A non campaign expenditure could also mean a transfer of funds from one principle campaign committee to another principle campaign committee.

The LWVMN cannot support SF 1006 as it is presently written. If the sections mentioned here are not changed, there is the possibility that this bill, if passed, could be declared unconstitutional by the three judge panel and if the Legislature has adjourned by that time, we would be without a campaign financing bill just months prior to statewide elections.



INDEPENDENT REPUBLICANS OF MINNESOTA

FEB 1 1978

January 31, 1978

Ms. Helene Borg, President
League of Women Voters of Minnesota
555 Wabasha
St. Paul, Minnesota 55102

Dear Ms. Borg:

On Saturday, January 28, 1978, our State Executive Committee passed the following resolution:

"Resolved: that we, the Executive Committee of the Independent-Republicans of Minnesota, urge Minnesotans of all political persuasions to immediately contact their state legislators and urge them to defeat Senate File 1006 (Steve Keefe's bill) which provides for inequitable distribution of existing public campaign financing monies. This bill, generated in response to the Bang v. Chase court decision, does not reflect the intent of the court decision which is equal access to public monies for all candidates for state legislative office."

Knowing your group's keen interest in the Ethics in Government Act, I urge you, at your February Board meeting, to take similar action. We are giving this message to all of our party leaders around the state and asking them to contact their DFL legislators on this issue. Do let me know as soon as possible what action Common Cause/Minnesota will take on this issue.

Sincerely,

Vern Neppel
Chairman
Independent-Republicans of Minnesota. (IRM)

VN/am



555 Wabasha, Room 6-E • St. Paul, MN 55102 • (612) 291-1286

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JAN 19 1978

409 Birchwood Ave.
White Bear Lake, Mn 55110
January 18, 1978

The Honorable Steve Kaefe
Minnesota Senate
State Capitol
Saint Paul, Mn

Dear Steve;

With SF 1006 in good condition and passage moving right along, I'd like to share with you a few personal thoughts about some of the issues in the law that still trouble me.

First of all, the bill is very good. You've done a ^{fine} ~~very~~ job dealing with the constitutional issues. Your knowledge of this area of law and your commitment to the spirit and purpose of the law are greatly appreciated. There are just a few problems:

Expenditure limits

There is a very strong commitment in the bill to keeping expenditure limits. Increasingly the political science godfathers of this kind of legislation are questioning limits. They vastly increase governmental interference in elections, restrict fundraising options, and probably can influence election outcomes as in New Jersey where ~~their~~ ethics commission was telling the candidates how much they could spend.

In Minnesota, until we have our own horror stories, there will probably not be a serious challenge against limits. They are still high, but as more races get to the limits, more problems will arise. Although it is argued that limits help challengers because incumbents have easier access to money from large contributors, I believe that spending limits contribute to incumbent advantage. In the Minnesota Senate races in 1976, five of six incumbents who were beaten were outspent. Incumbents don't really have limits because they can spend unlimited amounts on "constituent services" in the year before the election and SF 1006 proposes that funds for constituent service expenses in the election year not be included in the 105% limit on contributions. They will now be able to take in the easy money in unlimited total and use it for frequent newsletters, hiring staff to have a visible presence in the district, etc. Incumbents can also legally spend money for campaigning in the year before the election and they have all the free advantages of incumbency - media exposure, name identity, etc.

The Senate's proposal to link tax credit for political contributions to public funding and therefore spending limits is perhaps philosophically accurate, but it raises a whole host of problems. Buckley-Valeo, in my view, correctly puts top value on the purpose of campaigning as communicating with the electorate and it therefore removed spending limits as hindering this purpose. True the court did footnote that Congress may condition acceptance of public funds on an agreement by the candidate to abide by expenditure limits. "Just as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forego private fund raising and accept public funding." Under SF 1006 a candidate cannot "decide to forego private fund raising" because as soon as one contributor, of even a dollar, takes a tax credit six months later, the candidate would have been deemed to have accepted public funding. In intent SF 1006 is seeking to mandate spending limits for all candidates. I believe Buckley-Valeo was written to allow candidates the option, and I believe that giving candidates the option is proper. The bill's voucher system proposal sounds like an admin-

administrative nightmare. It would also pose severe auditing and enforcement problems. Unless the same voucher system is used for all political contributions to political parties, city council candidates, school elections, etc. there is no way of knowing if a credit was taken for a race with limits or not.

Contribution limits

I am concerned about grouping a candidate's contribution to his own election and immediate family contributions along with all other individual contributors. I believe they should be allowed a higher limit. In the 1976 elections one of the most glaring differences between independent/primary race losers and incumbents is the former's great reliance on family and self contributions. It benefits us all when these people run and are heard. They ought to be encouraged. Buckley-Valeo in removing family/candidate limits called them expenditures not contributions and said that limiting them did not serve a public purpose since they did not constitute undue influence. Federally, if public funding is accepted and family participation is then limited, the limit is much higher than that allowed other individuals.

Since SF 1006 insures that all campaigns are considered public financed and therefore subject to limits, the family and candidates cannot spend more. Exceeding these limits has been the major category of violation of the Minnesota law. It has caused the Ethics Board a great deal of concern. If the limits are enforced, then the independent, primary and general election race loser who has already relied heavily on his own funds cannot pay off his debts himself, or if he does he is subject to a fine. At some point these losers should be allowed to use their own money in excess of limits.

Insuring that contributions are used only for campaign expenditures

Under the present law there is no definition of non-campaign expenditures and no restrictions on what can be done with principal campaign committee funds. The public cannot trust that the money they give candidates will be used for elections. It may now also be used as a way of receiving income for personal expenses without being accountable for state and federal taxes. This gap in the law needs to be faced. With SF 1006 calling all political contributions potentially tax funded because of the assumption that they could be taken as income tax credit, it is more crucial than ever that principal campaign committee funds all be accounted for and be used for only authorized purposes. If they are tax money, the public must know what happens to them, they are not candidates' personal funds, they must be accounted for.

One solution would be to allow the money to be spent only for campaign expenditures. For this to work:

1. There should be a definition of what campaign expenditures are (Chapt. 210 has some definitions)
2. Transfers must be forbidden.
3. Constituent service need to be excluded. They should either be acknowledged as campaign expenditures because everything a politician does is concerned with re-election, or they should be acknowledged a proper public service to be funded out of taxes. If they are dealt with on the latter basis, they can be regulated and limited as to number of mailings, time, content, etc. The question of paid staff, office in the home district, etc. could be treated uniformly.

A more realistic approach to the problem of what happens to the money collected by principal campaign committees is to limit and define that it can be used only for:

1. Campaign expenditures - defined.
2. Constituent services - providing information on public issues to constituents, allowed up to six months before the election in which the individual is a candidate. (Pictures taken with federal officials are not considered to be providing information on public issues.)

3. Fund transfers

4. Legal fees, interest expense on loans, fines, other miscellaneous ~~items~~ ^{items}.
5. Specifically prohibit non-campaign expenditures - personal use of funds, fund raising costs, costs of seeking information on legislative issues (trips), parties for campaign workers, Christmas cards, accounting-bookkeeping help, etc.

I believe this is the intent of the law now, although it doesn't say so. But this still poses questions if these are proper uses of tax money. Should constituent services be unregulated and unlimited? Is it proper to take tax money designated for one candidate and give it to another? Bang v Chase seems to argue that tax payer wishes are most important in public financing schemes. Just as you can't take state-wide choice on the dollar check-off and apply it to legislative races, can you take the individual's choice as represented by the tax credit and give it to another candidate?

It is vital that all expenditures, no matter what category, be itemized on the reports if they are over \$100 and that a total by each category be reported. SF 1006 provides that only the sum of non-campaign expenditures be reported. It might be worth considering having two expenditure limits, one for campaign expenditures and one for the other ~~authorized~~ ^{authorized} expenditures. During an election year challengers could be allowed the combined limits for campaign expenditures.

Any effort to tighten up what happens to the money contributed for political campaigns has to deal with excess funds. There is a great deal of money that was not spent in 1976. It could be argued that the money collected is only for the one election race. Expenditure and contribution totals are limited for each race. There is no basis for carrying the money on to the next year since that year has its own limits. Then each January all balances should be disposed of. Incumbents probably want to keep their bank balances, but a time limit should be written in for those out of office. At some point in time the fund should end. The law should define suitable ways of disposing of balances in line with the publicly accountable tax nature of the funds.

Limiting public funding

It has been suggested that public funding be limited to 40% of the money actually spent on campaign expenditures. This would insure that there was a determined effort made by the candidate on his own behalf. It would also allow a cushion for other public money coming from the tax credit. Otherwise some amount needs to be added to the cash received from the tax checkoff to become the amount that must have campaign expenditures or be returned to the state. Some factor will also need to be added to the 105% public funding figure.

Public financing

I am impressed with the impact of public financing in assisting independent parties and challengers. It has played a major role in funding their campaigns and that is a public good. I hope that however legislative public funding gets resolved, it still will allow the serious independent parties an opportunity to consolidate public funding to have an impact in a few limited races.

10A22 Subd. 6

This section is designed to require disclosure from out-of-state, federal committees that contribute over \$100. The law says the treasurer must receive a written statement with the same information as required to be disclosed by all other funds at the same time he accepts the money. Presumably the intent is to make this information public and make it a part of the filed report. It would help if the language of the law said this with a penalty for non-compliance.

Thank you for your attention.

Very truly yours,

Elizabeth Ebbott

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

August 9, 1976

Mr. Alan B. Clutter, Executive Director
Ethical Practices Board
480 State Office Building
St. Paul, MN 55155

Dear Alan:

I looked through all the materials in our files but found nothing really definitive about campaign costs. I'm including copies of three things that do mention costs: The Sept-Oct 1972 Minnesota VOTER, August 1972 Committee Guide on Campaign Financing, and minutes from a March 8, 1972, LWVMN Campaign Practices committee meeting.

We did suggest that local LWVs monitor costs of legislative races in their districts in '72, but there was no request that that information be sent to our office. I don't know how many Leagues actually did the monitoring, and I'd doubt that many would still have that information if they did do it.

I'm sorry there's nothing more; I hope what we do have will be of some help.

Sincerely,

Harriett Herb
Office Manager

cc Mary Ann McCoy



League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102 - January 1975

Memo to: Local League Presidents
From: Shirley Westmoreland, Election Laws Chairman
Re: Income Tax Check-Off
January 24, 1975

It's Income Tax Time!

The 1974 Minnesota State Income Tax forms provide space (see Part I, Minnesota State Elections Campaign Fund) for designating \$1.00 (\$2.00 if filing a joint return) for the State Elections Campaign Fund. A similar tax check-off is available on federal tax forms for the Presidential Elections Fund to meet campaign expenses of the 1976 Presidential election (see Line 8 on Form 1040).

The LWV supported the laws which created these public campaign funds; we must act now to call public attention to the check-off.

The taxpayer may designate that the \$1.00 for the State Elections Campaign Fund be paid into the account of a political party or into the general account to finance the election campaigns of statewide and legislative candidates. The money will then be disbursed in an equal amount to each candidate who receives at least 5% of the vote cast for the statewide office for which he was a candidate in the general election (10% minimum for legislative races).

The Federal Presidential Election Fund provides for full financing of Presidential general elections up to a maximum of \$20 million for a candidate of a major political party. Other parties may qualify depending on the number of votes received. Matching public financing for primaries of 50% for the first \$250 of any contribution is provided after a candidate achieves a threshold of \$5,000 of such contributions in 20 states. National party conventions will be financed up to \$2 million. That figure is also the limit that a convention may spend. No congressional public financing is included.

If the taxpayer checks the "yes" box(es), it will not increase his tax or reduce his refund.

What your League can do:

1. Remind your members through your bulletins.
2. Public service spot announcements reminding the taxpayers of the check-off will be sent by the state PR chairman to radio stations throughout the state. Listen for them - call your local station and ask them to use the announcements.
3. Write a letter to the editor of your local paper. Be sure to include some of the arguments for supporting the public funding and making it work.
4. Have your units make posters for local libraries and shopping centers.
5. Run off mimeographed flyers for local distribution.
6. Ask for public service time on your local TV station or cable TV network.

References:

1. Documents: Background for National League Program 1974-76; LWVUS Pub. #521
2. August-September VOTER; LWVUS

Date: January 24, 1975

To: Public Service Director

From: Rosemary Rockenbach
Public Relations Chairman
(h) 488-1810 (o) 224-5445

RE: Promotion of the \$1.00 check-off on the Minnesota
state income tax return for campaign funds.

Note: Please schedule now through April 15, 1975.

ANNOUNCER: 45 seconds

MINNESOTA TAXPAYERS ARE REMINDED THAT THEY HAVE THE RIGHT
TO DESIGNATE \$1.00 OF THEIR TAXES....IF THEY ARE AN
INDIVIDUAL TAXPAYER..OR \$2.00 IF HUSBAND AND WIFE FILE
JOINTLY...TO THE MINNESOTA STATE ELECTIONS CAMPAIGN FUND.
YOU CAN CONTRIBUTE TO THE PARTY OF YOUR CHOICE OR TO THE
GENERAL STATE CAMPAIGN FUND...WHICH WILL DISTRIBUTE THE MONEY
TO STATE-WIDE AND LEGISLATIVE CANDIDATES. THE BOX IS
LOCATED IN PART ONE..ON THE FIRST PAGE OF THE RETURN. THIS
WILL NOT INCREASE YOUR TAXES NOR LOWER YOUR REFUND. THIS
REMINDER IS BROUGHT TO YOU BY COMMON CAUSE, JOINT RELIGIOUS
LEGISLATIVE COMMITTEE AND THE LEAGUE OF WOMEN VOTERS.

Office

M TO: Elna Ponto, ^{Freeborn}~~Freeborn~~ Cty. League

LEAGUE OF WOMEN VOTERS OF MINNESOTA

E FROM: Shirley Westmoreland

555 WABASHA

M

ST. PAUL, MINNESOTA 55102

O

SUBJECT Campaign Financing Monitoring

DATE 10-23-74

PHONE: 224-5445

Enclosed is a copy of the Minnesota Fair Campaign Practices Act which includes the Ethics in Government Act. I have noted on the attached sheet those provisions which appear to pertain to the possible violations you noted. Check these provisions (and the rest of the law) to be sure they cover your circumstances. Then be sure of your facts on the discrepancies.

Your next step seems to be confronting the candidate with the information that you have gathered. Make him aware of the laws covering his alleged violations and urge him to comply voluntarily. It seems he has not complied with the spirit of the law (openness, etc.), at the very least.

At that point you will need to decide whether or not the violations are valid enough to proceed with the filing of a complaint. You mention that the County Attorney has talked to him. What was the result of that interview? Also, what was the reaction of the local Common Cause representative? I shall talk with the state Common Cause office today and find out what their involvement is and might be. It might be that the State League and/or Common Cause should file the complaint if your local League is hesitant. One other area to explore -- is there an individual who might want to file?

Please keep in close contact with us on the developments in this area. I will let you know if I come up with anything from Common Cause.

p.S. Does the ALEA plan to carry the "False Claim of Support" any further than confronting him with it?

Minnesota Fair Campaign Practices Act, Summary and Annotations

Re: Disclaimers

Pg. 9 & 10 - M.S. 211.03, M.S. 211.08

Pg. 32 - 211.03

33 - 211.05

34 - 211.08

Re: False Claim of Support

Pg. 35 - 211.081

Re: Timing of Disbursements

Pg. 39 - 211.19

Re: Investigations of Violations

Pg. 12 - IX. A.

Pag. 45 - 211.33

Ethics in Government Act - Chapter 10A

Page 61 - 10A.10 - Penalty for False Statement

Page 62-63 - 10A.13 - Subd. 1 through 2

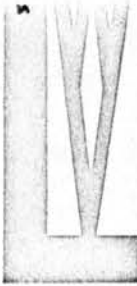
Page 64-65 - 10A.15 - Contributions

Pg. 65 - 10A.17 - Expenditures

Pg. 66 - 10A.18 - Bills When Rendered and Paid

Pg. 68 - 10A.20 Campaign Reports, Subd. 3 (l), (m), (n), Subd. 4

Pg. 70 - 10A.22



Box 235, Contel
 Albert Lea, Minn 56007
 Phone 507-373-7920

Send the
 what are the
 omissions? Campaign Prac.
 explain law Act
 get voluntary compliance

The League of Women Voters of ~~Albert Lea~~ Freeborn County, Minnesota

October 21, 1974

Dear Shirley:

I am writing to you regarding the role and responsibility of the LWV when there are violations of the Campaign Practices Law (Old and New).

When the monitoring material arrived, I asked an off board member to be responsible. At our Sept. unit meeting, she had the zeroxed copies of the Sept. filings of both legislative candidates for 31A. One had been filled out by the ~~chr.~~ ^{law} of the campaign committee listing all contributions and expenditures to date. The other showed a transfer of funds and \$40.00 expenditure for postage, signed by the candidate as treasurer. She was apprehensive about preparing a news release revealing these differences. Unfortunatley we had both misinterpreted the material and referred to the filing dates listed on the first page. We thought all candidates filed again on Oct loth and by that date there would be some contributions and expenditures, reported by both candidates. I approved waiting until then.

Shortly after this, I received a call from a member of the American Federation of Teachers who said a group of people were concerned about the lack of public understanding of the law regulating special interest groups, not only the limitations as to amount but also the procedures they had to comply with. They were looking for ways to inform the public so that the public could better evaluate the disclosures and also the references made to special interest contributions during the campaign.

It was the Leagues decision to prepare a news article to be released a few days before our article regarding the filings on Oct. 10, only to find we had been in error and there would be no filing until 5 days before the election. It seemed to me this was an injustice to the candidate who had filed considerable amount of his contributions and expenditures. ~~right or wrong~~, I asked the other candidate if he would voluntarily give us the information up to Oct. 10 so that we could have a more up to date report than going back to the Sept. filing date. He agreed. The candidate who had reported contributions and expenditures was reluctant but cooperative. Both releases have been sent to the paper, (special interest regulations & report on expenditures & contributions)

While working on this I have heard of the following discrepancies on the part of one legislative candidate. 1) Bill board signs do not carry disclaimers. 2) The Sept. report was identical to the July report and yet there is reason to believe there were expenditures during this time and paid for prior to Sept. 5. 3) Plastic litter bags are being used as gifts and to hang campaign materials on doors ~~with~~ ^{candidate} claims of special permission from the attorney generals office. 4) While speaking to the Mrs. Jaycees, the candidate claims to have had endorsement of the Albert Lea Education Association. ALEA had not endorsed him and have confronted him, ~~with~~ ^{candidate} this. If these are true and he wins the election, I believe these violations are serious enough to keep him from being seated, if the election is challenged.

These have been reported to Common Cause and to the County Attorney. The Co. Att. has talked to him but to take action needs someone to file a complaint. I would want to do my own research if League were to get involved, however I have no reason to doubt the authenticity of these facts. Time is short but perhaps several groups or individuals should work together, none of us seem to want the burden.

Please advise as to our responsibility if any. Call me if specific suggestions.

Shirley Port
 President

FILE COPY

between big money
and politics



break the

YOU CAN HELP
break the



between big money
and politics

THE TIME IS NOW

- ✓ Call or write your U.S. senators and representative in Washington, D.C.
- ✓ Sign a petition to let Congress know you want reform of campaign financing now.

What's wrong with campaign financing

Heavy contributors have more influence than ordinary citizens, in elections—and afterward, too.

Election races aren't fair:

Candidates who don't get—or won't take—big money can't get their message across to the voter.

Incumbents play with a deck that's stacked against challengers.

True, we have a new law for federal election campaigns, but—

It allows sky's-the-limit contributions.

It allows unlimited spending, except for the media.

It leaves loopholes for concealed giving.

Its enforcement has been toothless.

Who wants these reforms

1350 Leagues of the LWVUS
House members of both parties
A clear majority of the Senate,
including leaders of both parties
The Democratic National
Committee

Labor and business, including
UMW, Henry Ford, Leonard
Woodcock and the UAW
Common Cause . . . AAUW . . .
ADA . . . Friends Committee
on Nat'l Legislation . . . NSA . . .
NCEC . . . United Methodist
Church, Board of Church and
Society . . . UAHC . . . NWPC

Here are the changes we need, to break the link

© 1974 League of Women Voters of the United States

big money politics

Private and public financing

Small private contributions, to preserve the citizen role
But small private gifts alone can't fund a modern campaign, so we need . . .

Fair—and optional—access to **public funds** (based on tax check-off revenues).

Together, they can free federal candidates from the strings attached to big gifts—secret or not—and equalize candidates' access to citizens.

Strict limits

Limits on individual giving, to stop forever the corruption of the electoral process that is implicit in big contributions.

No more loopholes for evading those limits, via cash, phony committees, or any other way.

Reasonable ceilings on spending, to stop the competitive escalation of costs without impairing the citizen's right to know.

Full disclosure

A central campaign committee for each candidate.

Disclosure of money in, money out, on a no-nonsense schedule.

Independent enforcement

Unified enforcement, free of incumbent pressures, free of party bias.

Enforcement with punishments that fit the crime.

FILE COPY

May 14, 1974

Dell Smieja
144 Broadway
Wells, Minnesota 56097

Dear Dell:

Congratulations to the Wells League on your fine campaign finance petition drive. According to the figures turned into the state office, your League had the largest number of signatures per member (15.33) of any League in the state.

Replying to your comments, the petition was in very general terms and is primarily intended to get the U.S. House Administration Committee to pass out some kind of a bill. Full disclosure and good enforcement should not be controversial. Limits do have opposition, especially if they are so restrictive that they might limit freedom of speech, but on the whole League members felt that election costs and the huge contributions should be limited. League does favor some public financing and this does have opposition. (It is already the law that there is the dollar tax check-off on the federal tax return and a \$12.50 maximum tax credit on federal tax returns. At the state level there is a \$100 tax deduction, \$12.50 tax credit and the dollar tax check-off for political contributions.) League has not specifically supported any one of the several funding proposals at the federal level.

The new Minnesota law on campaign financing would allow the Communist Party (or the Tax-payers Party or the John Birch Society Party), if it ran candidates in statewide races, to get public funding if:

1 - By June 1 it filed a petition of 2,000 signatures saying it was a political party and wanted to be listed on the tax return.

2 - That those filing their tax returns checked the box saying that a dollar (\$2 on a joint return) should be designated for that party. (This money would be distributed to the party's candidates after the primary election.)

Dell Smieja
May 14, 1974
page 2

3 - Whether or not the party filed as a party, if any candidate for statewide office or the state Legislature gets more than 5% of the vote in the general election, he/she will share in the funds that have been checked for general election fund on the tax returns. (An individual filing a tax return can only check off one of three options; a major political party, a minor party that has filed a petition, or the general fund.)

In writing the Minnesota law, it was felt that constitutionally minor parties had to be allowed some way of participating in public funding, if the major parties were given this privilege.

The petition did not, and really could not, get into all of the funding options that are being talked about in Congress. All that was really being said was that there was support of "combined private and public financing of all federal elections."

I hope this clarifies things a little. If you have any questions, please let me know.

Sincerely,

Elizabeth Ebbott
Vice President
League of Women Voters of Minnesota

EE:jm

cc: Ebbott, McCoy, Borg, office

FILE COPY

April 9, 1974

Memo to: American Association of University Women, Minnesota Civil Liberties Union, Common Cause, Minnesota Women's Political Caucus, Joint Religious Legislative Council, Minnesota Public Interest Research Group

From: Mary Ann McCoy, State President, League of Women Voters of Minnesota
Re: Federal Campaign Financing Reform in 1974

The League of Women Voters of Minnesota, during the month of April, is participating in a national petition drive in support of comprehensive federal campaign financing reform in 1974.

S. 3044, now before the Senate, includes provisions for:
combined private and public financing of all federal elections;
limits on contributions and expenditures;
and full disclosure and enforcement.

A genuine outpouring of grassroots opinion is needed to counter strategies already underway in Congress.

We are enclosing petitions for your use and your organization may reproduce any additional forms you may need. Completed petitions, including those with one or two signatures, should be returned to the
League of Women Voters of Minnesota
555 Wabasha, Room 210
St. Paul, MN 55102

by April 26, 1974. They will then be sent to Washington along with the petitions from the other 49 states.

Citizens must speak now, and this petition drive gives them a way to do it. We realize the time is short, but we urge your cooperation.

MM/HB/hh

news release

FILE COPY

The League of Women Voters of the United States

Contact:
Phil Argento
Public Relations
296-1770

FOR RELEASE MONDAY, MARCH 18, 1974

Washington, D.C.--The League of Women Voters of the United States today launched a national petition drive in support of comprehensive campaign financing reform in 1974. The goal of the drive, announced today, is a minimum of one and one-half million signatures.

"The people want reform--tough and far reaching legislation such as S.3044 which is now before the Senate. But they may not get it unless there is a genuine outpouring of grassroots opinion to counter stalling tactics and strategies already underway in Congress. Citizens must speak now, and this petition drive gives them a way to do it," said Lucy Wilson Benson, president of the 155,000 member organization.

The petition calls for a comprehensive campaign financing law including provisions for:

- combined private and public financing of all federal elections;
- limits on contributions and expenditures;
- full disclosure and enforcement.

More than 1300 local and state Leagues are leading the drive which will involve other national organizations seeking campaign financing reform. Signatures will be gathered between April 8 and 22. On May 6 the signatures from each state will be announced and totaled at the League's national convention in San Francisco. The petitions will be sent to each state's senior Senator. Letters tallying the number of signatures gathered among their constituents will also go to junior Senators and House members.

"We must break the link between big money and politics if we are to combat corruption, restore confidence in elected officials and have broad citizen participation in our political process," Mrs. Benson said.

MORE

S.3044, the Federal Election Campaign Act of 1974, was reported almost unanimously by the Senate Committee on Rules and Administration. The legislation has strong support in both parties.

"The bill, S.3044, embraces the League's key recommendations on political campaign financing. That's why we are going all out in this petition drive," Mrs. Benson said.

Among the bill's provisions which are consistent with the League's position are:

- a combined system of private and public financing for presidential and congressional primary and general elections.
- limits on contributions from individuals and from the candidates themselves and on the overall amount of campaign spending.
- tightening of reporting and disclosure of all financial transactions.
- an independent Federal Elections Commission.

"We hope this drive will dramatize to Congress that people turned off by the present system will tune in and participate in the political and governmental process when there's a reasonable opportunity to play a constructive role," Mrs. Benson said.

#

FILE COPY

Rec'd 3/22/74 To Helene

memorandum

The League of Women Voters of the United States

March 1974

CAMPAIGN FINANCING PETITION DRIVE KIT

WHAT is the Campaign Financing Petition Drive?

A nationwide drive aimed at getting .. a million and a half signatures on a petition which calls on Congress to enact legislation to reform our system of financing political campaigns. Because it will be short, simple, and fun for the petition circulators, the petition drive is an excellent project to involve both League members and the public in the League's top priority action issue for 1974.

WHY are we undertaking this drive?

Nearly everyone recognizes that we must break the link between big money and politics if we are to combat corruption, restore confidence in elected officials and ensure broad citizen participation in our political process. It is also clear in view of Watergate and related scandals that the time for action is NOW. The public--in polls, studies, and recent elections--has made known both its disillusionment with the present system of financing campaigns and its desire for reform. Legislation that would go far to break the insidious links between money and politics while preserving and promoting needed political competition is now before the Congress. But Congress may not act at all, or may produce only a superficial law, unless there is a real and substantial outpouring of citizen opinion.

Even as you read this, strategies and tactics are underway to stall legislation such as S.3044, which includes provisions for a) a combined system of private and public financing for presidential and congressional primary and general elections, b) limits on contributions from individuals and from the candidates themselves and on the overall amount of campaign spending, c) tightening of reporting and disclosure of all financial transactions, and d) an independent Federal Elections Commission. As you know, all these provisions are consistent with the League's position. May is expected to be the month of decision. That's why April is the crucial month when we must demonstrate our concern for legislation that can greatly improve our system of campaign financing. We believe this drive will dramatize to the Congress that people turned off by the present system will tune in and participate in the political and governmental process where there's a reasonable opportunity to play a constructive role. This petition drive, we think, presents that reasonable opportunity and we urge you to join in and get those signatures.

WHEN will the drive take place?

The signature gathering is scheduled for the week of April 8-22. Preparations should begin immediately. Below is a suggested schedule.

March 18-31

Mrs. Benson announces the drive on March 18.

National Board mails 2 copies of kit to all local League Presidents March 18.

Local Board discusses drive, appoints chairman if one has not already been appointed.

OVER

March 18-31 (continued)

Petition chairman recruits committee which in turn: recruits workers, plans unit discussion, starts contacting other organizations and lining up sites, makes plans for briefing session and petition days.

Public Relations begins contacting media.

National Office mails editorial material to news media March 25.

National Office mails flyers to local League Presidents.

April

Briefing sessions for local workers April 1-7

Local publicity April 1-7

Drive: April 8-22

Inclusion of a petition form in March/April National VOTER received by every member.

Collect petitions and count signatures: April 22-26.

BE CERTAIN THAT OTHER LOCAL GROUPS WORKING ON THE PETITION DRIVE KNOW WHERE AND WHEN TO TURN IN THEIR PETITIONS. PUBLICIZE THIS INFORMATION.

Turn in petitions to STATE LEAGUE on or before April 26.

State Leagues communicate number of signatures collected to National Office on or before April 30.

May

Total signatures collected will be announced in San Francisco on May 6. State Presidents will give totals during the roll-call of states during opening session of the Convention.

Petitions mailed on May 6 to senior Senator from each state with letter to junior Senators and Representatives telling them how many signatures were collected in their district. (See Step 10 on Successful Petition Drives)

HOW can Leagues participate most effectively?

Continue planning your local petition drive using this kit as a guide.

The kit includes:

1. Ten steps to a successful petition campaign--the basic guide for planning.
2. Suggested schedule for the drive (in this memo, page 2).
3. Camera-ready copy of petition form. REMEMBER YOU WILL NOT RECEIVE ENOUGH PETITIONS FOR EVERY MEMBER SO BE SURE TO ALERT MEMBERS TO TEAR OUT SAMPLE PETITIONS IN THE MARCH/APRIL VOTER.
4. Public relations materials.
 - Working with the media
 - Questions and Answers on Campaign Financing
 - Sample speech material
 - Sample press release
 - Sample radio spot
 - Camera ready copy* of petitions
 - Flyers (will arrive later).

*Though our camera ready copy was printed in a union shop, it has no "bug." It is essential that you use a union printer for any reproduction you do and his bug must appear on reproduced copies of the petition.

MORE

5. Questions and answers on campaign financing problems and legislation.
6. Order blanks for: petition forms, flyers (from the LWVUS)

Free flyers and petition forms will be sent to each local League under separate cover:

50	--	to Leagues with membership less than 100
100	--	" " " " " " 200
150	--	" " " " " " 300
250	--	" " " " " greater than 300

(The above distribution is based on membership figures as of April 1, 1973)

Order additional flyers and/or petition forms on the enclosed blank.

Below is a list of national organizations supporting campaign financing reforms. You may wish to contact local branches of these organizations in your area: American Association of University Women, American Civil Liberties Union (ACLU), Americans for Democratic Action, Amalgamated Clothing Workers of America (ACWA), American Federation of State, County and Municipal Employees (AFSCME), Common Cause, Communication Workers of America (CWA), The Friends Committee on National Legislation (Quakers), International Association of Machinists (IAM), League of Conservation Voters, United Methodist Church, National Association for Advancement of Colored People (NAACP), National Farmers Union (NFU), National Council of Churches (NCC), Ralph Nader affiliate groups, National Rural Electric Cooperatives (NRECA), National Women's Political Caucus (NWPC), Service Employees Union (SEU), Southern Baptist Convention-Christian Life Commission, United Steelworkers, United Auto Workers (UAW), Union of American Hebrew Congregations, United Mine Workers, United Presbyterian Church-Committee on Integrity in Government.

* * * * *

A SUCCESSFUL PETITION DRIVE can be a most rewarding experience for everyone involved--and can also be a big step toward attaining a system of financing political campaigns that will end abuses and restore confidence in the federal government. The more signatures we get, the more dramatic will be the impact on the Congress. Who knows--maybe we can even make it two million signatures! So start planning now, get those signatures.

#

League of Women Voters of the U.S.
1730 M Street, N. W.
Washington, D. C. 20036

Date _____

State _____

TO THE CONGRESS OF THE UNITED STATES

WE CITIZENS OF THE UNITED STATES, BELIEVING THAT THE TAIN OF LARGE CAMPAIGN CONTRIBUTIONS MUST BE REMOVED FROM OUR POLITICAL LIFE, PETITION THE CONGRESS TO ENACT A COMPREHENSIVE CAMPAIGN FINANCING LAW INCLUDING PROVISIONS FOR

- ☐ COMBINED PRIVATE AND PUBLIC FINANCING OF ALL FEDERAL ELECTIONS
- ☐ LIMITS ON CONTRIBUTIONS AND EXPENDITURES
- ☐ FULL DISCLOSURE AND ENFORCEMENT

The undersigned urge their U.S. Senators and Representatives to enact significant improvements in federal campaign financing legislation.

Name	Number and Street Address	City or Town	Zip Code
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
10. _____	_____	_____	_____
11. _____	_____	_____	_____
12. _____	_____	_____	_____
13. _____	_____	_____	_____
14. _____	_____	_____	_____
15. _____	_____	_____	_____

Return to:

LEAGUE OF WOMEN VOTERS OF MINNESOTA
555 WABASHA
ST. PAUL, MN 55102

Person witnessing signatures

Name _____

Address _____

Organization (if any) _____

PETITION TO REFORM CAMPAIGN FINANCING

From April 8-22, the League of Women Voters of the United States will conduct a nationwide petition drive asking Congress to enact legislation to reform our system of financing political campaigns. The drive will end in San Francisco, May 6-10, when the number of signatures will be announced at the League's national convention. The petitions will then be mailed to each state's senior senator.

In announcing the drive, Lucy Wilson Benson, League president, said: "We must break the link between big money and politics if we are to combat corruption, restore confidence in elected officials and ensure broad citizen participation in our political process."

The League's goal is a million and a half signatures -- 10 for each of its members. Other national organizations will join the petition drive to ensure that as many citizens as possible express their views to Congress.

The Federal Elections Campaign Act of 1974, reported almost unanimously from the Senate Committee on Rules and Administration in February, has strong bipartisan support. The bill provides for:

- ☐ a combined system of private and public financing for presidential and congressional primary and general elections. The income tax checkoff (item 8 on your tax form) would be the principal source of public funds. A candidate could choose to use public funds only, private resources only, or a mix of the two.
- ☐ limits . . . on contributions from individuals and from the candidates themselves and on the overall amount of campaign spending.
- ☐ federal matching money for candidates in primaries, once they showed public support by raising a threshold amount in small contributions. Increased tax credits and deductions would provide greater incentives for small contributions.
- ☐ tightening of reporting and disclosure of all financial transactions, with stringent limits on the use of cash.
- ☐ an independent bipartisan Federal Elections Commission to monitor and enforce the law.

Legislation pending in the House also limits campaign contributions and expenditures but may restrict availability of public funds to presidential candidates only. The issues will probably be resolved in a Senate-House conference. Senate party leaders, Mike Mansfield (D MT) and Hugh Scott (R PA) have been in the forefront of the fight for reform and 140 House members have cosponsored legislation similar to the Senate bill. John Gardner, chairman of Common Cause, plus prominent business and labor leaders like Henry Ford and George Meany strongly support this type of legislation.

Your signature on this petition will demonstrate to the Congress that the public wants changes in the campaign finance system NOW in time for the 1974 congressional elections and the 1976 presidential elections.

FILE COPY

To - Campaign Financing Committee
From - Barbara Steinkamp

MEETING NOTICE

The final meeting to evaluate the consensus reports will be Tues. January 2 at 11:30 in the State Office. If you are unable to attend please call Barb S. 927-9263 or the State Office 224-5445. If you wish call me with comments etc. before the meeting. Your suggestions are most welcome. Bring something for lunch.

The December 12 Meeting - Briefly

At this meeting we established a procedure for evaluating the consensus reports, suggested possible research projects, and briefly discussed how disclosure could be accomplished. There is a strong need to continue this discussion and to plan our 1973 lobby effort.

Enclosures

The evaluations of the consensus reports by 6 committee members.
Ele Colborn, Elsie Thurow, Shirley Amundson, Pat Davies, JoAnne Alberg, and Barbara S.

To: Members of the Campaign Practices Committee

From: Barbara Steinberg

Re: Committee Meeting, May 3, 1972. Tentative Plans for Campaign Practices Study

FILE COPY

Present: JoAnne Alberg, Ele Colborn, Shirley Amundson, Pat Davies, Joan Helmberger, Gerry Hoag, Marlene Roth, Jane Stenson, Jerry Jenkins
Absent: Jon Schroeder, Maxine Steinberg, Linda Wallace.

At this meeting, we discussed goals for the study and the publication, determined the type of publication, set a time schedule, discussed consensus questions, outlined the publication, divided the workload, discussed further research and activities other than the publication.

1. Goals for the Study: Review disclosure in order to increase member and public understanding and support. Study the other major methods of controlling campaign financing to determine if our position is comprehensive. We agreed that emphasis should be on the citizens' responsibility in making campaigns what they want them to be. An excellent suggestion was that we take a positive approach rather than the usual negative approach to controlling campaign financing.

2. Type of Publication: It was strongly recommended that our material be used in the Sept. 1 Minnesota Voter. Every member would receive this timely publication. We would limit material for the VOTER to campaign financing unless space was available for some discussion of other campaign practices. Extra information, discussion guidelines and questions, etc., would be provided to local League resource people at an earlier date.

3. Time Schedule: Tentative

May 24 - June 30: Committee research papers returned to the chairman who will put them together. Shortly after the 1st draft is mailed to committee members for comment, etc., we will meet to see where we are. (Possibly June 2). The 2nd draft then goes to on-board readers. The 3rd to several experts to be approved by state board. We suggested the speakers at our several committee meeting. We should find a reader with expertise on constitutional questions. Hopefully the publication will be complete by the end of June. We can take the summer off.

June or July: Guidelines, Discussion Questions, etc., to League resource people.
Sept. 1: Minnesota VOTER mailed
Sept or Oct: Unit Meetings (could be Nov.)
Nov. 30: Consensus due in state office

4. Consensus Questions:

a. How do you make disclosure work? We discussed the desirability of zeroing in on some specifics - especially the mechanics of disclosure and enforcement. We will need further discussion.

b. Will disclosure alone provide adequate control of campaign financing? If not, what other controls would you add?

We did not have time to discuss a third consensus question. The time limits in units may prohibit a third question. I had in mind a question concerning reducing campaign costs. We could study various ways of reducing costs that would be outside of campaign financing controls discussed in the above question.

5. Outline for Publication: Keep in mind that this division is not sacred and committee members may make contributions outside their assignment. Please let me know if I have erred on you topic.

a. Introduction: Citizen responsibility, broadening base, reducing costs, identify problems in Minn., importance of the issue, League position, purpose of study, Etc. Pat Davies

Other committee members were asked to make contributions to this section, too: good quotes, etc.

We discussed the importance of using information about Minn. state and local elections, rather than federal examples. This may be difficult!

b. Campaigning in Minn.: This section will need further research. We could compare campaigning in the 1970's to the 1960's. Some of the information needed: total costs of campaigns, how money is spent, how it is raised, how campaigns are organized, how campaigns are won, new techniques and strategies, costs of various campaigns, why costs vary, etc. Intention is to give members a picture of campaigns in Minn (if possible) and at the same time provide evidence of problems in campaign finance in Minn. We could indicate how Minn. differs from other states.

c. Minn. Law: What we have, how it works, is it enforced. We will need to visit some filing offices and interview a few people. Sections b and c could be combined. Marlene suggested a mini-survey to be sent to elected officials.

Please call me with your thoughts on this.

Jane Stenson, Barbara Steinkamp, and Gerry Hoag will work on sections b and c. We welcome everyone's ideas.

d. Federal Law: Include information on the 3 Federal Laws, explain their effect on Minn. Law. Joan Helmberger.

e. Problems in Campaign Financing in Minn: Everyone should think about this. Pat Davies has the assignment.

f. Controls: Two or three sentences listing the controls; limits on total spending and limits on certain expenditures; limits on individual contributions and limits on corporations, unions, special interests, etc; public funding; disclosure. Explain that states, Federal government, other countries use one or more of these controls. Barbara Steinkamp

g. Limits on total spending and limits on certain expenditures: Pros and cons, who supports, other states' experiences and evaluations. Ele Colborn

h. Limits on Contributions: of individuals and limits on corporations, unions, etc. Pros and cons; other states' experiences, situation in Minn. Maxine Steinberg

i. Public Funding: Pros and cons, possible ways of accomplishing, evaluation of Minnesota and other states' laws, other countries. Information on Federal law could fit here perhaps. Jon Schroeder.

j. Disclosure: Discuss pros and cons of specific elements of disclosure. Evaluate disclosure laws in other states. Stress that we have a position. JoAnne Alberg and Barbara Steinkamp.

Constitutional problems could be discussed with each control.

k. Recent Proposals for Reform: optional

l. Why Reform Difficult: Optional

m. Other Campaign Practices: Reducing costs, etc. Unfair practices. Computer letter, etc. Pat Davies. Ties in with introductions - perhaps.

6. References : Please use the Legislative Reference Library at State Capitol. Mr.

Lindquist or Mrs. Dewitt will assist you. Ask for materials on the bottom shelf and others not on that shelf. Also exchange materials with other committee members. Do call me with questions and suggestions any time. There is abundant information in the Congressional Record on all of the controls. I have the Congressional Record and stacks of newspaper articles.

Read the New Yorker of August 7, if possible.

To: State Board
From: Barbara Steinkamp
Subject: Campaign Practices Study

FILE COPY

The Campaign Practices committee met on May 3, 1972. Present: JoAnne Alberg, Ele Colborn, Shirley Amundson, Pat Davies, Joan Helmberger, Gerry Hoag, Marlene Roth, Jane Stenson, Jerry Jenkins. Absent: Jon Schroeder, Maxine Steinberg, Linda Wallace.

Board members: Please read, see what you think and make recommendations.

1. Purpose of the Meeting: Set goals for study and publication, determine type of publication, set time schedule for publication and study, determine areas needing consensus, divide workload, outline and discuss some details of publication, determine areas needing further research, discuss activities which compliment the study, etc.

2. Goals for study: Increase member and public understanding and support for our present position favoring disclosure. We will review disclosure and study the other major methods of controlling finance in order to determine if our position is comprehensive. We felt there should be an emphasis on the citizen's responsibility in making campaigns what they want them to be. A positive approach rather than the usual negative approach to controlling campaign financing was desired. A really good idea, I think!

3. The Publication: The committee strongly favored using the Minnesota VOTER due Sept. 1st. Every member would receive it and it would be ideal for member promotions and some public distribution - very timely. The material would be limited to campaign financing. If more space were available, we could discuss other campaign practices.

Guidelines, bibliographies, consensus questions, etc. would be provided to local League resource people earlier.

4. Time Schedule: Tentative

May 24 Committee research returned to chairman. Chairman will put together, office type and send out to committee before May 31.

June 2 or later Committee meeting to discuss first efforts and determine where information needed, etc. Retype and send to on-board readers, when gaps in information closed. Our problem may be in obtaining adequate information about campaign financing in Minnesota.

2

June ? Retype and send to non-League readers. We suggested that the speakers at our 3 meetings be readers: R. Moe, Lu Stocker, Sens. Overgaard and Tennessee, A. Erdahl, G. Skovholt, John Ellefson. Also we would like someone interested in constitutional questions and other suggestions from state Board.

June ? Guideline, etc., to local Leagues

Sept 1 Mailed to Leaguers

Sept or Oct Unit Meetings (Share with Constitutional Amendment Promotion.)

Nov. 30, 1972 Consensus due

5. Consensus Questions - tentative

a. How do you make disclosure work? (We will very likely need to zero in on some specifics here.)

b. Will disclosure alone provide adequate control of campaign financing? If not, what other controls would you add?

These 2 questions will nicely cover the control of campaign financing. My committee did not have time to discuss the merits of a 3rd question. We will or may discuss later the possibility of a question relating to reducing the costs of elections. This would be aimed at campaign practices other than those covered by campaign financing laws - length of elections, free TV time, lower media rates, etc. Very likely we won't be able to do more than touch on this, making a consensus unlikely.

Outline for Publication

- a. Introduction: Citizen responsibility, importance of the issue, League position, purpose of study, etc.
- b. Campaigning in Minnesota 1960-1972: We hope to show what campaigns are like in Minnesota and how they are changing. This area need further research - we hope to do some interviews, examine financial statements, etc. Explain new techniques and strategies, etc.

We welcome your suggestions for research!!

- c. Minn. Law: What we have, how it works, enforcement, penalties.
- d. Federal Law: Briefly the 3 new Federal Laws and how they affect Minn.
- e. Problem in Campaign Financing in Minn: spell out here; some evidence of in the first 3 sections.
- f. Controls: Briefly state that a variety of controls used in other countries, nationally and in states. List the controls: limits on spending or limits on certain expenditures, limits on amount of contributions and prohibition on contributions, public spending and disclosure.
- g.-i; We will discuss the pros and cons, give examples, etc. on the above controls. We will not discuss the cons of disclosures, but we will discuss the pros and cons of the specifics of disclosure. We will attempt to discuss the various constitutional problems.
- j. Recent proposal for campaign finance laws in Minn: efforts to change present law (if space available)
- k. Why reform is difficult and how we can make it happen (if space available)
- l. Other campaign practices: reducing cost of campaigns, etc. (if space available)

7. Other Activities - F.Y.I.

Ele Colburn, Jon Schroeder and I are working on a J.R.L.C. Legislative Reform Task Force. Jon and I are to make a proposal on campaign spending by May 19. Ele is interested in reapportionment.

Interim Committee Meeting on Campaign Spending - May 19, Room 15, Capitol.
We will testify on disclosure.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

April 1972

Office

To: Campaign Practices Committee members

From: Barbara Steinkamp

Re: Campaign Practices Study, etc.

FILE COPY

State Council -

Norman Sherman of Valentine Sherman Associates will be a guest speaker at League's State Council meeting, April 19 at the Sheraton Motor Inn, Bloomington. We expect him to speak after lunch. It was suggested that he talk on new techniques in campaigning. Please attend during his presentation if you are able.

Also at State Council, I am to present our sommittee's case for a brief new study and consensus which could result in an expansion of our present position in campaign practices. To enable the new study, 2/3 of the delegates must approve our recommendation. I would appreciate any suggestions you would like to make regarding my State Council talk, additional meetings, people to interview or references to obtain. We should meet soon after State Council to complete plans for our June publication.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
April 1972

Campaign Practices Committee Meeting
Minutes - Wednesday, March 22, 1972

304

Topic - Control of Campaign Financing by Disclosure and Enforcement

Speakers - Secretary of State Arlen Erdahl, Assistant Secretary of State Glen Skovholt, John Elefson of Senate Counsel.

Before beginning the discussion of disclosure of campaign financing, Mr. Erdahl mentioned some of his concerns - the concept of statewide voter registration, a national presidential primary, school district election laws and the question of 18-20 year olds holding elective office.

Mr. Skovholt discussed the first question which asked if the control of campaign financing by public disclosure was effective in other states. He said there was very little information on other states - most organizations were concerned with Federal reform. He mentioned that the Florida law is generally acknowledged as one of the best. It is a very tight law and is the law on which Senator Overgaard's proposal is based which requires complete disclosure of all contributions and that all funds be channeled through one bank or depository and through one person appointed as treasurer.

Mr. Erdahl said that there is a general feeling that the law in Minnesota is not as good as it could be. Some limitations are needed, or only wealthy people are going to be able to run for public office. Full disclosure, even if there are no limits, is a limiting factor in itself, because anyone running for office is very conscious of public opinion. The failure in the Minnesota law is with the volunteer committee, which is not included in the spending limits. The limitation of \$600 plus 5¢ per voter in House races can easily be circumvented if a wealthy wife, for example, were to deposit \$100,00 to the account of the volunteer committee. The candidate can always disclaim knowledge of this and of what the volunteer committee is doing. There is a difference between a personal campaign committee, organized by the candidate, and a volunteer committee which organizes itself in his behalf. The personal campaign committee is under the same spending limits as the candidate, but volunteer committees are not. There is no way to determine if volunteer committees have filed financial reports.

Mr. Skovholt said that the present law provides that four groups have to file reports: (1) Political parties; (2) Candidates; (3) Personal campaign committees; and (4) Political (the volunteer) committees. All candidates have to file reports on a form prepared by the Secretary of State's office. At present, this form is very inadequate and difficult to read. Mr. Skovholt said that all candidates and personal campaign committees must file four reports each with the Secretary of State's office. The law requires that the candidate notify the filing office if he creates a personal campaign committee. Lt. Governor Perpich was the only candidate they were aware of that had a personal campaign committee in 1970. Mr. Erdahl was asked who files with the Secretary of State. He said political parties, candidates for statewide office, candidates for the legislature whose district contains more than one county, Congress, etc. If a congressional or a state legislative district lies totally within one county, the candidate files with the county auditor. Candidates file with the filing officer but this is not true of volunteer committees for state legislators - they file with county auditors in the county where the volunteer committee is located. Thus by law no volunteer committee

for state legislative candidates files with the Secretary of State. Mr. Erdahl said he is considering advocating that all legislative candidates file with Secretary of State. The way things are now his office has no idea if the volunteer committees have filed the required reports.

Mr. Skovholt was asked if political parties, lobbying groups, or labor unions were required to report contributions to candidates? Mr. Skovholt replied that labor unions did not and he thought that political parties in effect do not. He thought the party contributions went through a special committee which doesn't report and the State Central Committees have very bland reports.

Mr. Skovholt said that reports they get from volunteer committees have basically 2 items - a total figure for contributions and a total figure for expenditures. Most reports are not itemized with the exception of those of some legislative candidates in 1970.

Mr. Erdahl was asked if it was his responsibility to see that financial reports are published so that public knows about them. Mr. Erdahl said that the reports are there, and if somebody wants to dig through them, they are public information.

Mr. Erdahl was asked if he would recommend that his office have the responsibility to see that reports are published in various legal papers around the state. He wasn't sure if he could require reports to be published but felt they could make them available to the news media. He felt there should be a tabulation of the reports as they come in for the convenience of the press and public. One committee member commented that it is necessary to spoon feed such information to the public because people are poorly motivated. If it is important for the voters to know, then perhaps the information should at least be sent to the newspapers or maybe a law should say reports have to be printed. Mr. Skovholt felt that it was more important that the information they receive be complete than getting the information to legal newspapers. He felt the press generally did a good job of reporting what information was compiled.

Mr. Erdahl was asked about sanctions under the present law. He cited the one election his office has been involved in - the special election for the legislature in Wabasha County. One candidate failed to report and was advised by his office that if a report was not forthcoming they had the legal sanction of the county attorney. The report came in the return mail.

Mr. Skovholt remarked that there was little value in these reports that generally say only that the candidate spent \$20.00 to file. He said most of the money is channeled through the volunteer committees and they can't go to the county attorneys on those.

There was further discussion of the need to make the financial reports available to the public before elections. Mr. Skovholt felt the problem would be to get the information to all the statewide media in a meaningful form and in a way that doesn't require 5 people working full time.

A committee member asked if the financial statements were really meaningless. Mr. Skovholt replied that the reports of the volunteer committees could be meaningful, but in our present system the candidate disclaims any knowledge of these committees. Possibly the volunteer committee could be held liable for false figures but not the candidate. A committee member remarked that in all three of our meetings the issue of candidate responsibility

had been a prime issue - that ultimately the candidate must be responsible.

Mr. Erdahl remarked that his office is revising the report form. He stressed the importance of reporting all receipts and expenditures through a central depository. In this way we could get away from the sham of the volunteer committee.

A committee member mentioned that a significant problem in enforcement is who actually does the enforcing. The Federal Corrupt Practices Act, on the books since 1925, has never been enforced perhaps because the responsibility lies with political appointees. A question was asked about the desirability of appointing a bipartisan commission to handle enforcement. There was doubt that this approach would work.

A committee member mentioned the problem of enforcing punitive measures against legislators whose seating is ultimately determined by the body he has been elected to. Mr. Erdahl agreed that that was a problem and said that even before that what sanction do you have against the poor guy who got beaten?

Mr. Erdahl mentioned the legislature's concern with this issue. He noted that an ethics committee had been established and that they are looking into the question of sanctions and that they are very concerned with the public image of elected officials which really isn't too high now.

Mr. Skovholt stated that there are provisions in the present law which enable the county attorney to prosecute if candidate fails to report. The penalty is a gross misdemeanor.

Mr. Erdahl remarked that they probably don't have as big a club as they should have to enforce, yet in a strict interpretation of the law there are provisions. He said that it might be possible to go beyond what he is required to do and still be legal.

There was some discussion of the Overgaard bill - would its provision for virtually full disclosure be difficult to administer? Would reporting all contributions above \$5 or \$10 be impractical? Mr. Skovholt felt that the \$10 provision could create some real headaches (particularly in statewide races) for the candidate not necessarily for his office. Political campaigns are short staffed.

There was some discussion about the need to identify all contributions above \$10. Should the cutoff point be \$25, \$50, even \$100? Mr. Skovholt noted that everyone in our group would probably choose a different figure. Bills, he said, get killed because of this kind of disagreement. He said the basic thrust of the Overgaard bill was good. Mr. Elefson said that in a number of states which have required disclosure of over \$50, or over \$100 or over \$1000, their experience has been that virtually no one contributes those amounts or more - all of a sudden you get a lot of \$99.00 contributions. He felt that to be effective all contributions would need to be reported - that even \$10 could be used as a loophole. Mr. Skovholt felt that the \$10 would ease the mechanics problem and noted that most contributors of less than \$10 probably prefer to remain anonymous.

A question was asked about contributions by groups such as A.M.A. Was the identity of the group of greater significance than the identity of the individual members? John Elefson noted that the Overgaard bill had a section that provided that if a committee contributes it must report the name of the

committee plus the names of the people contributing to the fund. The basic purpose was to prevent a group calling itself the Good Government Committee and then soliciting large donations from the liquor lobby.

A committee member remarked that financing campaigns was really an industry in this country. Mr. Erdahl agreed that it was a multi-million dollar one.

There was some discussion of the influence of campaign contributions on elected officials. Mr. Erdahl then brought up the concept of public financing of candidates as used in England. He said he had some reservations about it because of the loopholes that candidates, politicians and parties discover. It would be difficult to limit candidates getting extra money if they could.

Mr. Erdahl felt that the increasing size of legislative districts added to the argument for party designation. He said that we had better tie them to a political party rather than some special interest group because they are going to be looking to somebody for help.

Mr. Skovholt suggested that the Overgaard bill would strengthen the political parties - special interest groups would dry up. Candidates would identify the parties as sources of funds rather than good government groups.

The fact that unions would be treated the same as political parties was discussed. John Elefson noted that where there is a recognizable interest of an interest group it is not necessary to list individual contributors to that group, but it's sufficient to list the interest group. Mr. Skovholt asked if this meant that John Elefson had prepared an amendment to the Overgaard bill which would attempt to treat unions separately - not the same as special interest or good government groups.

Someone observed that the committee seemed discouraged at the prospects of doing anything. Mr. Skovholt noted that Florida officials when contacted were very pleased with their law which they felt was effective and treated both parties equally.

Mr. Erdahl asked the group to give him opinions on the question of spending limits. One committee member suggested that limits favor incumbents, another stated that she preferred limits because the people ought to have control. She suggested that too much money is being spent and limits will have to be set.

A lengthy discussion of the purpose of controlling campaign financing followed. One committee member suggested that one purpose of limits is to ensure more equal opportunity between candidates. He suggested that a floor be set - the money provided from public funds and then allow candidates to raise whatever they could in addition.

Mr. Erdahl was asked if it would be legally possible for a state to require the broadcast media to carry a certain amount of public information time, free on each candidate, eliminating other campaign commercials. He replied that the media like to make profits. They are now required to give a certain amount of free time but most of it goes to groups like Red Cross, LWV, etc. There would have to be a change in Federal regulations.

Mr. Erdahl was asked about limiting expenditures in certain areas. He

felt it would be discriminatory to limit spending whether it be outdoor advertising, radio, TV, etc.

Mr. Skovholt was asked how the Overgaard bill dealt with volunteer labor. He didn't know if it was possible to put a pricetag on volunteer help or if it was possible to differentiate between a true volunteer and one who isn't a true volunteer.

A question was asked about what carrot was needed to get a change in the law. Mr. Erdahl said public interest, maybe some limits, maybe some minimum subsidy. Several committee members suggested that public opinion and the growing distrust people have in the political process should be an overwhelming influence on the legislature. Mr. Erdahl said this idea was timely that legislators are questioning the belief that there is certain percentage value in being an incumbent.

There was a discussion of the value of requiring separate reports by banks and by certain media as provided in the Overgaard proposal. Mr. Erdahl said the basic responsibility must lie with the candidate who should make a sworn statement that the report is true. John Elefson mentioned that really the bank report provides no additional information - it would be possible that the candidate might not give all the information to the bank.

Mr. Erdahl was asked if the disclosure law should apply to all elections. A brief discussion of school elections followed - he wondered if they should be a part of the general election law. Mr. Skovholt felt the law should deal with local level offices but perhaps those candidates need not file with the Secretary of State.

A question was asked about how firmly committed Senator Overgaard was to his present bill. Mr. Skovholt said that Senator Overgaard wants a tough bill, and wouldn't be interested in a "watered down" version. But he has made some significant changes already.

Respectfully submitted,

Dorothy Screeden
Barbara Steinkamp

Thank you for attending our committee meeting. -
Barbara

The third Campaign Practices Committee meeting will be held Wednesday, March 22, 1972 at the LWV State Office, 555 Wabasha, St. Paul. If you can not attend, please call Barbara Steinkamp, 927-9263.

Minutes of the 2nd Campaign Practices Committee Meeting, March 15, 1972.

Topic: Limits on Total Spending, Limits on Contributions, Limits on Certain Contributions.

Speakers: Senator Robert Tennesen and Senator Paul Overgaard. Also present John Ellefson of the Senate Council.

Senator Tennesen remarked that there is a certain malaise about where this country is going and what it is doing right now. There is a general dissatisfaction with government and public officials. He felt that people in public office are interested in removing the sense of doubt people might have about elections and any relationship between campaign expenditures, contributions and voting records. He has a high opinion of our legislature, feeling that most are conscientious about voting for what they believe to be best for the state. But he felt some of the suspicions of the people could be allayed by making things more open.

The first question asked if spending limits were desirable and what limits are realistic for the several offices. Sen. Tennesen felt limits were desirable for statewide and local races. He said there was always pressure in every campaign to spend more and more money partly because candidates and parties lacked knowledge of effective ways to carry their messages to the people. There is a lot of redundancy and you don't know if newspaper advertising is more effective than some other way. If a candidate can get money, the pressure will always cause him to go the extra mile. The easiest way to regulate is to set some number of dollars per population. In Minnesota, with a population of 3.8 million, 10¢ per capita would be \$380,000 for a statewide race. Both gubernatorial candidates spent \$400,000 or more last time, which Senator Tennesen felt was redundant. He said if there were limits, it would become worse. Candidates must seek additional funds which creates more suspicion - so it is kind of a revolving door. He suggested that Marshall McLuhan might have a better idea of the actual costs of informing citizens via the media. The largest expenditures are for media. He said we must find some way to limit the overkill - perhaps a way to do that is accept what has occurred in the past as the norm and say that is where it is going to stop. He suggested for gubernatorial races limits of 15-20¢ per capita. For other statewide races - attorney general, secretary of state, etc. - the spending last time was approximately \$40-50,000, about all those candidates could raise. He felt the voters weren't any less informed by that practical limitation of 1-2¢ per person. He said legislators had certain fixed costs - literature costs about the same for small or large districts; additional copies cost little, but initial costs are significant. Mailings are a big expense. But in the new senate districts, ordained by court order, with populations of 108,000, the 15¢ per voter amounts to \$16,000, a fairly realistic figure. If the Overgaard bill had passed, spending in Minneapolis-aldermanic races would have been substantially reduced.

Senator Tennesen said that in discussing limitations there are some practical problems. Whose advantage is served by having limitations? Certain people will have an advantage regardless of limitation. For example, People who have their own companies - H. Greenwood, Rudy Boschwitz. If they would decide to seek public office, they would get considerable mileage from statewide advertising. Name recognition is a big factor. Unless their opponents were similarly situated, they would have some inherent name identification problems to overcome and be disadvantaged by spending limits. He mentioned that advantage that George Pillsbury and Skip Humphrey

have in name recognition. He felt there is no way to overcome it. He stressed the desirability of spending limits because expenditures would get more and more out of hand - the tendency is to keep expanding as long as there is money. The problems are more significant in neck and neck races; then it's harder to turn down money, though this has been done.

Senator Overgaard agreed that spending limits were desirable. During most of the regular session and the special session, there were no limits in his bill. He felt that just requiring publication of expenditures would be a great incentive to modify spending amounts. Publishing the names of contributors would be a natural restriction.

Senator Overgaard remarked on his amazement at passage of the new Federal Act. It demonstrated to him that the government can be or is over-sensitive. He emphasized that a few people caused passage of the bill which had significant limits in terms of what had been in existence. He also mentioned the presidential candidates' rush to disclose, and said he would like to be a witness to the back room "scrubbing" of the original lists. He said the most opportune time to ask sensitive questions is prior to elections.

Senator Overgaard said he would like to foster the idea that his proposal was already law. It might become fashionable to disclose. He suggested that citizens and editors could begin raising the point.

Senator Overgaard was asked what would happen to the candidate who disclosed amounts in excess of the present spending limits. He said a senator would be limited to \$2800 in the new districts. Senator Tennesen said that would not even pay for literature. Senator Overgaard noted the practical hazards and stated the need for getting volunteers - people to go door-to-door. He said that if you did commit yourself to a personal campaign committee and did overspend, the law may prohibit your being seated. He said that Senator Purfurst was the only one he knew who used a personal campaign committee. He did overspend, although not excessively in comparison to other campaigns and if he had been challenged, he might not have been seated.

Senator Tennesen explained the volunteer committee and Senator Overgaard questioned how it had evolved. Neither knew how the large loophole occurred. Senator Overgaard said we must watch out for that broad loophole in any new law we draft.

Senator Overgaard discussed the ability of some candidates to do a lot of image projecting without projecting one ounce of political philosophy in 20 or 30 second TV spots. He didn't know if these brief spots could be prohibited by law. He favored requiring at least 5 minute spots. He objected to candid shots of candidates doing something funny. Senator Overgaard was asked if Federal regulation, rather than state regulation, of TV and radio was necessary. He felt regulation would be under the FCC - perhaps some could be branded as bad or deceptive advertising.

Senator Tennesen discussed the next question, Can limits be enforced? He felt they could but the real question was could they be enforced in a reasonable manner. He mentioned a problem he had with the Overgaard bill. He wondered if banks would accept the lists of political contributors which would be required to be filed with the bank. The bill also required newspapers and TV stations to file amounts expended. He felt there was another way to get at it and we do it in our internal revenue laws. Candidates could be subject to an audit. They would need to show all sources of income, and provide receipts for all expenditures. He felt people wouldn't be fraudulent and that it would be a lot simpler. Candidates could be put on a tax is someone "screwed" up while typing lists - the more busy work, the more errors - honest errors.

Senator Tennesen suggested another problem in enforcing spending limits. Political

parties must also disclose. Parties assist candidates - teaching them how to use the media, etc. These aids are of value but how do you value them? Parties have computers with lists of Republicans and Democrats. Senator Tennesen thought these might be ways of reporting these costs. There are standard accounting procedures by which you could apportion those costs but you might have to set up another bureaucracy to be sure it is properly supervised.

Senator Tennesen suggested that companies may allow their advertising people to assist candidates and felt that couldn't be controlled. He noted that people are ingenious and will always find ways to help their friends. Senator Tennesen was asked if companies directly help candidates. He felt they probably do, but suggested that more obvious assistance took place outstate where small newspapers may be particularly friendly to one candidate. That candidate may see all his press releases published; the opponent may see his ignored or abbreviated. It's a question of news and freedom of press and probably can't be regulated. A committee member suggested that candidates frequently receive valuable assistance from individuals outside of business.

Senator Tennesen again remarked on the difficulty banks, who use computers, would have in accepting lists. The banks would be fearful of making error or violating laws. Senator Overgaard disagreed with the idea that banks should be let off because they use computers. He felt this was a public service and suggested that if banks refused, let savings and loans handle it. The secretary of state could develop forms. The purpose of banks and newspapers and TV stations reporting was to provide a crosscheck on campaign spending. He said the media would not now expose their records. He claimed that newspapers editorialize on the problem of corruption and should be willing to lend some bit to its control. He said the media does, at this time, have very accurate records which they will not disclose.

Senator Overgaard discussed disclosure of donations by unions. He felt the candidate would weigh the relative hazard of identification with a special interest group. He felt the names of union members would not be needed.

Senator Overgaard said that the average candidate for senate or house reported \$20-\$90.00 in expenditures.

Senator Tennesen suggested that candidates get receipts when they pay bills to radio and TV, etc. to have available for audit. The crosscheck in the Overgaard bill is too cumbersome in Senator Tennesen's opinion. A committee member asked about the reporting of expenditures other than media. Sen. Tennesen felt the receipts for these expenditures too would be an adequate safeguard. We do the same for income tax and how much cheating goes on there?

Sen. Overgaard said we permit the media to charge the maximum rate. There is no reason why they can't do this reporting. He offered to substitute in his bill the provision that all political advertising be purchased at the lowest rate available to any volume advertiser. Then the media preferred the reporting - so you know it's possible. They really are afraid that publicity will be tough on their profits.

Sen. Overgaard was asked about Geno Pallucci type advertising where the candidate truly can say he wasn't responsible. He answered that he would be willing to see it tested in court - possibly an individual has the right to insert himself independently in a campaign. The new Federal law doesn't allow this - any expenditure is presumed to have been made by the candidate. Sen. Overgaard was asked if other campaign service organizations (printers) shouldn't be requested to report. He agreed that printing costs are very big but felt receipts were adequate. Both Senators agreed that media costs account for the greatest campaign expenditures.

They were asked if some sort of tax write-off could be provided to allay some of the

reporting costs. Sen. Overgaard said we ask every business man to be a tax collector for the state and without relief; 3 or 4 reports is not too much to ask.

Sen. Tennesen discussed problems with the so-called fairness doctrine. He said everyone has the right to free speech but that doesn't mean he should be provided with an audience at public expense.

Sen. Overgaard was asked about very costly but non-obvious expenditures such as computer letters. He replied that in the near term, he'd like to see them regulated, as he expects them to be a big factor in the up-coming campaigns. He criticized the over-simplification of some campaign techniques - 20 second spots of candidates with goo looking kids. He mentioned piggy-back advertising and noted that the Federal law dealt with this by presuming the costs to be those of the candidate involved. A piggy-back is, for example, a picture of a legislative candidate with H. Humphrey. The Federal law would assess each in the photo $\frac{1}{2}$ the cost.

Sen. Overgaard pointed to the difficulty in passing legislation that required reporting by even more campaign suppliers. If you added printers to the crosscheck requirement, you'd lose Ken Wolfe's vote.

Sen. Tennesen remarked that very insidious campaigns could be conducted with computer letters and the opponent could be unaware of it. He felt opponents should be sent copies of these letters before they are sent to voters. Computer letters are a very effective, highly personalized campaign technique. He cited as an example a letter that could be addressed to senior citizens explaining that the candidate's opponent had ensured the reduction of their social security payments. The candidate may either be totally unaware of the letter or discover it too late. In his last campaign, a letter was sent to every member of the Basilica Parish in behalf of his opponent which claimed that he favored abortion on demand. With computers this technique is more devastating because it is possible on such a large scale. Sen. Overgaard agreed that disclosure of the computer letter is a good idea. Sen. Tennesen suggested the possibility of a moratorium on it in the last week.

Sen. Tennesen was asked about the value of a moratorium on campaigning in the final week. Sen. Tennesen liked the idea, feeling that spending large amounts in the last week was foolish. He noted that his campaign consists of a lot of door knocking and that it isn't very effective to give people a lot of literature to read in the last week. Door knocking should be completed at least a week before the election and on election eve slip a piece of literature under the door. But he thought last minute appeals might be more essential in larger campaigns where media is used or where polls have soured.

A committee member suggested that the final week should be a time for disclosure to enable voters to make judgments. Sen. Tennesen suggested that the disclosure be more than a week prior to election. Sen. Overgaard pointed out that his bill called for periodic disclosure up to the election on a weekly basis. He was interested in exploring the possibility of a moratorium. He also pondered the idea of wiping out all visible evidence - like lawn signs and car top signs located close to polls. He said anything you can get away with is OK - even poll watchers who help voters discover their preferences. He hoped public attitudes were moving in a direction that would not tolerate these things. It was suggested by a committee member that these campaign practices invite voters to make instant judgments and are fairly meaningless. Sen. Overgaard replied that they were not meaningless in terms of winning elections.

Sen. Tennesen stated that people just aren't interested in issues - people weren't interested in his position papers. Many voters don't get beyond the lawn sign.

Sen. Tennesen was asked at what point in a campaign were most media commitments made. He replied that in the Metro Area he couldn't use the media as it was too expensive and not selective. He stated that he always got lots of invitations to advertise in specialized newspapers - Catholic Bulletin, The Jewish World, etc. But he only spent about \$100.00 in newspapers - the bulk of his money went for literature.

Sen. Overgaard said that campaigns differ greatly in different parts of the state. Outstate campaigns after redistricting may be more expensive than urban campaigns. He mentioned that he may use 5 or 6 newspapers in his district - using this media is vital in a district 110 miles from one end to the other.

Sen. Tennesen answered the next question: Can spending by special interest groups, either for or against an issue, be controlled? The answer was a definite no - it's not constitutional. But you might be able to if it appears to be for a candidate on an issue. As a matter of policy, he felt it would be unwise to limit people who challenge candidates on issues.

Sen. Overgaard stated that probably somewhere along that continuum, there must be an identifiable division between kinds of special interests. He suggested that any special interest group fighting an issue during a campaign be required to report the sources of its finances. He thought that Good Roads, Inc. might be a group representing black-top asphalt contractors. He felt this was a deception and disclosure would help people judge. In connection with this, he mentioned a provision in his bill for an Ethics Commission. This commission would have investigative powers and receive complaints.

Sen. Tennesen read the next question: Are controls on contributions and expenditures likely to infringe on the constitutional rights of individuals? He said there were 2 things: 1. Do limitations affect the candidate and his committee? No. 2. Can individuals be prevented from spending for candidates on their own (like the Geno Pallucci case)? It probably wouldn't be a violation to require the individual to funnel the money through a campaign treasury or make the cost known to the candidate so he can include it in his budget. John Ellefson mentioned that in Florida, similar restrictions were held constitutional. Sen. Tennesen said you can't say he can't do it, but you can say he has to do it this way.

The question of equal time was again raised. Sen. Overgaard said the Federal government thought they had a great idea until they got into the thicket of determining who was a legitimate candidate and who was not.

Sen. Tennesen suggested that we provide a box on the Minnesota income tax return - allowing people to add extra money and designate the party they wished to assist. Perhaps parties, to qualify, should have received at least 5% of the popular vote. Parties could then purchase TV time; in this way people are not paying for something they don't want. This cleans up the money and isn't a raid on the treasury either.

Sen. Overgaard was asked if this would be a way to get party designation. He felt it wasn't, feeling the PD would come faster with active party organizations. He saw problems with the tax check off - feeling that it was a great way for those in power to perpetuate themselves.

Sen. Overgaard suggested that controls are going to establish constitutional rights. He mentioned the difficulty in competing with wealthy candidates - the rights of poor candidates are violated. Controlling money from unknown sources will give campaigns back to the people.

Sen. Tennesen stated that the more shoe leather the better. Then he read the next question: What about the political activities of corporations, unions and other organ-

izations? The word campaign should be substituted for activities as all are involved in activities, all lobby. Sen. Overgaard stated that business is involved extensively on both sides of political isle. Unions tend to be more one-sided. He felt that most money raised at political fund raisers came from business in Minnesota. He felt business was opposed to full disclosure. He mentioned the united front of unions and businesses on the final night of the legislative session against his bill. He said they caused the 2 caucuses held in the House that night. He said no one had a corner on opposing his bill - it was opposed by every special interest.

Sen. Tennesen was asked about money that caucuses redistribute to worthwhile candidates. He felt caucuses were a part of the political parties and would report as he had stated earlier. Whether or not caucuses were simply arms of the political parties was disputed by some committee members. It was agreed that caucuses were not now controlled but they should be treated the same as parties and report their sources of income. There was a brief discussion of anonymous contributions. Is it really necessary to report \$1.00 contributions?

Sen. Tennesen discussed the problem of disclosing lists of union members. Unions don't wish to publish lists of members so companies don't know who members are and also to prevent other unions from identifying their members.

Sen. Overgaard wasn't so worried about candidates reporting large anonymous sums - a candidate should be reluctant to report \$5000 from passing the hat and only \$500 from individuals. That wouldn't fly in most campaigns!

A committee member asked why the law prohibiting campaign contributions by corporations was not enforced? Sen. Tennesen said that the problem was discovering it. Sen. Overgaard felt his bill would solve the problem. He said businessmen always argue that tightening up would leave it wide open for unions. He felt union funds to candidates would dry up if there was publicity. It is not uncommon now for large sums of union money to go into outstate areas where there might only be 100 union members.

Sen. Overgaard was asked if he was interested in preventing union contributions. He said he did not wish to take on that cause yet. He felt union members would speak out once they were assured that companies really pour money into campaigns. He said he would be in no position to prohibit union contributions until he could say with conviction that there is not a lot of corporate money slipping in. Sen. Tennesen said that without union contributions in Minnesota, the financial relationship between the 2 parties would be so totally unbalanced that the Democrats would be out of existence.

Respectively submitted,

Barbara Steinkamp

FILE COPY

1st Meeting

2nd Meeting - Campaign Practices Committee - Wednesday, March 15,
12:30 - League State Office - 555 Wabasha, St. Paul.
If you cannot attend, please notify Barbara Steinkamp,
927-9263.

Minutes - Campaign Practices Committee Meeting
March 8, 1972

Topic: Campaign Costs

Speakers: Lu Stocker, Rep., and Dick Moe, DFL

Following introductory remarks by the Chairman, Barbara Steinkamp, Mrs. Stocker opened the meeting with a discussion of how the trend in campaigning has changed over the past ten years. The greater use of TV is primarily the reason for the change. 97% of homes have TV, and surveys show that 78% of the people get all of their news from this source. Televising the Nixon-Kennedy debates changed the direction of campaigning and has made TV the most important medium, and the obtaining of regular slots, especially on news programs, very important to the candidate. Surveys have also pointed out that the majority of people get their views from TV, and that 5 hours and 15 min. is now the average of TV viewing time. Increased campaign costs are directly the result of the increased use of TV. The big demand is for "prime time", which is usually considered to be late afternoon or evening time and, of course, this is the most expensive time to buy. However, the shine now seems to be wearing off TV a bit, especially toward the final days of a campaign, when the viewer has a choice of stations and can "tune it out" easily.

The use of computers is becoming increasingly important especially in obtaining lists of names of individuals. Nearly everyone's name appears on one or two of these lists, and it means that the candidate can address his mail directly to the individual rather than to the occupant or resident, and with the list in his hand, can knock on the door, call the person by name, and address himself to the problems directly concerning them. In other words, it allows campaigning on a more personal basis. Candidates really rely on the "door-to door" approach, either by themselves or someone from their committee.

Mrs. Stocker pointed out the advantage of having a well-known name. In the 1960 Gubernatorial campaign, Orville Freeman, who was a three-term governor, was challenged by Elmer Anderson, who possessed the well-known name of a former Governor, and won. In 1970, Douglas Head was well known as the Attorney General of the State, but Wendell Anderson, again with the name, ran against him and won. So, it helps a candidate to be easily recognized by name.

The cost of campaigning is a very individual thing and difficult to determine. The area and type of constituency, whether or not the race is against a successful incumbent, how experienced and well-known the candidate is - all these things have a bearing on how much money is needed and how it should be spent. A decision must be made on the best way to reach the people - what media would best accomplish this? Does the candidate live in the area? How many volunteers is

is he able to get to work for him, and how dedicated are they? In the past few years, the cost of TV has risen 25 to 30%; newspaper advertising 4 to 5%; printing costs 20 to 25%; and mailing costs 30 to 33%. Mr. Head spent \$450,000 on his campaign; \$180,000 of it on TV. In mounting a campaign in the 8th district, the costs may vary from \$5,000 to \$35,000. Geography has an effect on the cost. Out-state candidates are likely to concentrate on the use of TV, while metropolitan area candidates may question the dollar value they would get from TV, and rely more on newspapers and radio. When Elmer Anderson campaigned, he had a regular column in the newspaper called "The Elmer Anderson Story", which differed from a regular political ad. Years ago in Carleton County, candidates relied on the local radio station and the newspaper. In 1972, they will be campaigning in the suburban areas around Duluth so must go to the main TV studio and newspapers in Duluth, and this will increase the cost of campaigning there.

Mrs. Stocker remarked that many service clubs and organizations have candidates meetings, and that this is a very valuable practice. She pointed out, however, that many times there are so many candidates on the platform that they cannot give much more than their "name, rank and serial number". She indicated that she wished these meetings could be arranged so that the candidates would have a little more time to express their ideas and discuss the issues.

The first thing a candidate should do is organize a Finance Committee, so that this worry about raising money is taken off his shoulders, and he can concentrate on meeting the people and making his views known. Most of the media requires payment in advance when the time is scheduled. The number of people who are willing to contribute to a candidate's campaign often determines the outcome of the election. Corporations are now allowed to contribute. One of the best means of soliciting funds are on TV spots where the individual is invited to send a contribution and is advised where to send it. The political parties assist the candidates by lending advice and expertise in the ways in which money can be raised. The Republican party likes to obtain contributions from as many individuals as possible, feeling that if a person makes a contribution, he is more likely to follow the candidates and become more involved.

There is no equitable way to distribute the money which the party raises among the candidates because the needs vary. Mrs. Stocker gave as examples, the fact that the cost of a 5" ad in the Golden Valley "SUN" is \$42.00. The same ad in Duluth would cost \$67.00, and in Hibbing, \$17.00. In Golden Valley, the candidate can meet his constituents easily; around Hibbing, it would cost him more for traveling. The cost of printing brochures is fairly standard, but the method of distribution is important. In Golden Valley, there are lots of shopping centers. Up north, there are many miles to cover.

Mrs. Stocker expressed her own opinion that women should be given greater consideration in campaign financing. She pointed out that

when a man is asked to contribute, he may give \$5; but a woman may only have \$1 left out of her grocery money to give. She thinks perhaps there should be a special fund for awhile to help women over the first hurdle of campaigning, and then this situation may probably change in future years.

Mrs. Stocker said that she questions the desirability of the new law which provides an opportunity for \$1 of a person's ^{Federal} income tax to be used to finance Presidential elections. She felt that she personally would not want any money to be given to a person such as George Wallace to conduct a campaign. She would like to see the law require full disclosure of information about contributions over \$100. She said that the Republican party would like to see more money coming from small contributors. Their fund-raising dinner produced \$17,000, which was \$42.00 per person; their "Neighbor to Neighbor" campaign raised \$66,664, making a total of about \$83,000, or about \$14.47 per person. The law requires that all contributions over \$101 have to be recorded. Below that amount, the party keeps a record but it doesn't have to be sent in. Organized committees, such as unions, doctors' groups, hairdressers, or farmers, who operate as lobby groups, should not contribute. The money should come from individuals. She said that two congressmen told her they never want to know where the money comes from, so that they will not feel committed to anyone or any group when it comes time to vote on particular legislation.

Two things would make it easier to finance campaigns; more people contributing as individuals, and free time offered for the use of candidates by TV and radio. She mentioned that radio station WGN in Chicago is now refusing to sell any campaign time less than 5 minutes. Mrs. Stocker also feels that the public should be educated to question a candidate's code of ethics and find out who, if anyone, he is committed to.

Mr. Moe congratulated the League for studying this particular topic. He said that he feels strongly that the public has lost confidence in government and that this loss of confidence is related to the fact that they have serious questions about the connection between the people financing the campaigns and the legislators directing the government. He felt that three things would contribute to changing this attitude of mistrust: 1. full disclosure of all contributions of any significant amount; 2. some kind of effective spending limits, which are escalating now at an alarming rate. He pointed out that TV is the main culprit, but other costs are also important. He contended that it is necessary to solicit money in large amounts. In Minnesota, the cost of a state-wide campaign runs from one-half to three-fourths of a million dollars. You can't raise money like that from nickel and dime contributions. The cost of a particular campaign is largely determined by the incumbent - how much will it cost to be really effective? He supported the idea of finding an answer through public financing of campaigns, and liked the idea of the \$1 check-off on Federal income tax forms. He

said that he was sorry that when this idea was proposed, it became entangled in a partisan context, which colored it in a way and, he felt, hardened the lines against it; 3. require TV and radio stations to give up a certain amount of free time for campaigns and candidates. He feels that they are distinguishable from newspapers because they are publicly regulated. Our State Legislature would find it difficult to get public subsidy of campaigns. He mentioned that the state of Florida returns the filing fees of candidates to the political parties for use in campaigns, and this results in the parties getting about \$200,000 down there.

Reapportionment has raised the cost of campaigning for many candidates. The cost is up to \$20,000 for the Senate. This raises a serious question for candidates as to where they are going to get that kind of money. He felt that you cannot get it in small contributions, tho he conceded that the Republicans had been more successful in this approach than the Democrats.

Mr. Moe was asked about the money that is apparently wasted in the final weeks and days of a campaign, when a candidate is making the "final rush", and he said there is no doubt that there is a tremendous amount of money wasted then, but there is no way to handle it. Mrs. Stocker suggested that maybe there could be a cut-off date on contributions and that way the money wouldn't be available to spend in the last few days or weeks.

There should be public disclosure of contributors and contributions in advance of the election so the voters would be aware. The question was raised about the possibility of writing a law forbidding campaigning within a certain time before the election. Mrs. Stocker said that a survey showed that many people make up their minds only about three days before the election. One committee member said she felt that our system of electing encourages this. The candidates make their final "push" just before the end.

The question was asked about how the two parties differ in limiting amounts spent on campaigns. Mr. Moe answered that there really is no equitable way to set limits. The cost of campaigning is always higher for the challenger. He commented on the British system of elections, where the Prime Minister calls for an election in six weeks time. You cannot buy time on TV. Each party is given a block of time to use as they see fit. It is divided 3-3-1 between the labor, conservative, and liberal parties, based on the number of voters. The programs are educational and informative. They do not allow 50-60 minutes spots as we do here. A study in Michigan showed that these are not very effective anyway. News broadcasts are. One committee member commented about a scheme in Oregon tried in 1950, where the state put out a free newspaper in which every candidate was given space to present his views and given exposure all over the state, but it wasn't successful because so few people bothered to read it.

Mr. Moe feels that some way of public subsidy for campaigns is coming. He pointed out that it is not difficult to raise money for campaigns from people who want something from the candidate, and with the increasing rise in costs, candidates become more vulnerable.

Mr. Moe commented on the Unicameral system in Nebraska, and said that having just the one House cuts their campaign costs in half. One member of the committee responded that Nebraska has lots of problems and that, perhaps, it is more glamorous to look at the Unicameral system than to live with it. Mr. Moe replied that Nebraska's problems have other causes, too.

Florida sets some campaign practices rules. For example, disclosure of scandalous behavior is prohibited just before election, etc. The question was asked about what happens when some piece of news breaks just before an election about a particular candidate and he doesn't have much time to refute it. It sometimes requires spending a lot of money to try to lessen the impact of the news, for example, the "Highway 35" disclosure a few years ago. Mr. Moe said this falls more in the area of corrupt practices. The only way is to budget some money in case the opponent comes up with something at the last minute, and if it isn't needed, maybe return it to the party.

Mrs. Stocker said that disclosure of funds two or three weeks in advance of election is desirable, especially of amounts received from particular groups or individuals. One member commented that she did not feel that people are really very interested in looking at lists of contributors. Mr. Moe replied that reporters from the newspapers do and they are very interested to see that it gets into the papers. He pointed out that Mr. Frenzel had received a \$5,000 contribution from the A.M.A. and this information should certainly be of interest. The comment was made that people should not have to go to the Attorney General's office in order to obtain information about contributors - the information should be available through sources closer to the voters throughout the state. Mr. Moe said that he felt that newsmen keep close tabs on this and that anything of general interest is widely reported.

One member commented that it would be necessary to have some penalty provided in case these disclosures are not made. Mr. Moe said that candidates are held responsible and failure to disclose such information is now a misdemeanor and they can be prosecuted. One member suggested that perhaps the newspapers could be induced to print such lists free of charge. The question was asked about the cost to the parties of printing lists of contributors and an accounting of how the contributions were spent, and Mr. Moe said that it would be expensive but he feels that it is an acceptable price to pay.

Mrs. Stocker said that some way would have to be found to relieve the cost to candidates if disclosure of contribution sources results in people not being willing to contribute. This will force candidates

to look somewhere else for money. There will have to be some kind of a subsidy, equalized somehow. The Federal law proposed the contribution of \$1, but that is not applicable in 1972, and is to be used only in Presidential races.

The question was asked - who is responsible for disclosure, the candidate or the party? Mr. Moe said that the candidate should be responsible, but he can delegate the job to the treasurer or someone else. What about other people who spend money for the candidate, and the example of Jeno Palucci was mentioned. Mr. Moe said that the money can be spent, but it must be reported. What about volunteer committees? Mr. Moe commented that there are no such things. The Overgard Bill eliminated these. However, you can't prevent people from deciding to get together and work for a particular candidate. Should a candidate be held completely responsible for everything anyone says or does for him? This gets into the area of freedom of speech. Mr. Moe felt that the candidate should be responsible, and said that this is a potential loophole in the disclosure procedure, but that such committees would probably not be raising or spending money in large volume anyway.

The question was raised as to how free a candidate is who relies on party endorsement for money. For example, it was said that a candidate who is independently wealthy and only relied on the party for services might feel more free to express his own views. Mr. Moe said that he would certainly prefer to have a candidate bound to some particular party than to some special interest group.

What sort of mechanism do the parties have for setting limits on campaign spending? It is based on the number of eligible voters in a district - 10¢ per voter in legislative races.

A question was raised about contributions from companies vs labor unions. Mr. Moe replied that this was what shot down the Overgard Bill. A great deal of time was spent ironing out the differences but in the last few minutes in the Rules Committee, they decided to require unions to break down their contributions by member and list every name and address separately. This would have been an impossible bookkeeping task, and that lead to the defeat of the bill. This differs from COPE, AMA, etc. where the treasurer of the group makes the contribution from the funds on hand. This is called "involuntary money" and can be used in this state. Corporations cannot contribute. The question was asked about the difference between corporations and unions. Mr. Moe said this is like comparing oranges and apples. Some corporations have bi-partisan solicitation and this money is divided between the parties. Many corporations encourage their Junior executives to support fund-raising projects individually, or gives them time off to work on campaigns of various candidates. Technically it is a violation when companies do this. If an individual does not use company resources and works for a candidate on his own time, this is permissible, but he should not be granted a leave of absence to do it or correspond about cam-

campaign affairs on company letterheads. The law does not say, however, that unions cannot do this. The question was asked if they believed the prohibition on corporations was just. Mrs. Stocker replied that it was but it should apply to unions as well. The question was raised about bonuses given to lobbyists which they are expected to contribute to candidates. Mr. Moe said lots of corporations do that. They give it to the lobbyist with the understanding that it is campaign money. He was asked about disclosure by lobbyists and replied that it should apply - perhaps not to salaries, but certainly to expenses.

Mr. Moe said that every contribution should be disclosed. The difficulty with public financing is that most legislators are rarely enthusiastic. What role could the state play in public financing? Mr. Moe replied that the state cannot affect TV, but perhaps they could institute the \$1 check-off on the state level. Mrs. Stocker agreed, if it would solve the problem of getting the public involved. Wouldn't such a check-off reduce funds which could be used in other areas, and would the Legislature ever pass it? It would reduce the amount of money the state would have to spend elsewhere. The money would go to the parties to be distributed. We do not have a party-controlled legislature. We should have party designation and voter registration by party, according to Mr. Moe. This would have the desirable effect of strengthening the political parties, which are getting more unpopular all the time. The money would be funneled through the party and every candidate would have to be a party person, and this is really elementary, since when they get into the legislature, they have to identify. The question was raised about other parties, and Mr. Moe replied that it would work the same for any of them who could prove they have 5% of the vote.

The problem of party platforms was discussed - sometimes legislators disregard this entirely. Mrs. Stocker replied that the Republican party is aware of this problem, and is trying to solve it by using a "three-pronged" approach. They have task forces working to obtain the "pros and cons" of issues, and resolutions that were introduced in caucuses, before the committee meets to write the platform, and afterward to lobby the legislators to work for it. In 1966, they passed over 70% of their platform, and they hope to make it 100%. Mr. Moe said the Democrats are trying to solve the problem by requiring 60% majority for passage, and obtain the candidate's support before endorsement. They also plan to keep the party platform committee in operation to lobby for it. Mrs. Stocker said that sometimes the endorsement is given before the state platform is passed. The comment was made that perhaps it is just as well that candidates are not bound too closely to the platform.

Mrs. Stocker and Mr. Moe were asked about party structure. They agreed that the National parties are a very loose structure made up of representatives from the State parties. The relationship is much

closer between states, counties and districts. Mr. Moe said that the Democratic party may be reformed ~~in~~ at the Convention to provide for a stronger National Chairman as the Republicans have. The Democrats have no real center of responsibility and sometimes bad communication. They may decide to set up regions and have off year conferences and meetings to remedy this. His parting comment, made tongue-in-cheek, was that perhaps the ideal would be to copy some European countries and have National party membership. An individual would have to be a dues-paying member of the party in order to vote.

Meeting adjourned 2:15 pm.

Respectfully submitted,

Dorothy Screedew

*Please read through the minutes and
advise me of corrections. Send corrections
to Barbara Steinhamp. 4912 Payton Ct
Edina, Minn
55455*

FILE COPY

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

February 23, 1972

To: Members of Campaign Practices Committee
and others

From: Barbara Steinkamp

Re: Campaign Practices Committee Plans

The League's Campaign Practices Committee met Feb. 2, 1972 with Pat Davies, Marlene Roth, Gerry Hoag, Jane Stenson and Barbara Steinkamp in attendance.

Purpose of Study - to review League position and examine changes and new developments in campaign practices in the past decade. We plan a publication to be available by the end of June 1972.

New Study and Consensus - The committee has recommended a brief new study and consensus. Local Leagues were sent a letter explaining our proposal. There will also be an article on the new study in the next Minnesota VOTER. Delegates to state Council (April 19) will decide the matter - a 2/3 vote is required. If the new study is approved units meetings will be held in September and October.

Resource Meetings - We plan at least three resource meetings in March and may decide to hold additional ones later on.

We have made the following arrangements:

1st Meeting - Wed., March 8, 12:30 - League state office, Room 211, 555 Wabasha.

Topic - Campaign Costs

Speakers - Lu Stocker, Rep. and Dick Moe, DFL. We suggested some questions to guide the speakers in preparing their remarks. We asked the cost of campaigns for different public offices, how campaigns are financed and what the role of political parties is. We asked if campaign funds are equitably distributed between candidates for the same office; between the various levels of public office.

2nd Meeting - Wed., March 15, 12:30 - League state office - address above.

Topic - Control of Campaign Financing by Limiting Expenditures, by Limiting Certain Expenditures, by Limiting Size of Contributions and by Prohibiting Certain Contributions.

Speakers - Senator Paul Overgaard, Conservative - Albert Lea
Senator Robert Tennessen, DFL - Minneapolis

3rd Meeting - Wed., March 22, 12:30 - League state office - address above.

Topic - Alternatives to Minnesota's Campaign Financing Laws

Speakers - Arlen Erdahl, Secretary of State

Glen Skovholt, Assistant Secretary of State

At this meeting we hope to discuss disclosure and other methods of controlling campaign financing. We will also consider enforcement and possibly the freedom of speech issue.

Additional Meetings - We may decide to hold meetings on some of the following:

- ..the Pros and Cons of Public Funding
- ..New Campaign Strategies and Techniques
- ..Freedom of Speech.

Please suggest other issues and speakers.

State Council Plans - We are hopeful that Norman Sherman of Valentine Norman Associates will be our luncheon speaker. His topic would be trends in campaign practices.

Please RSVP

In order to ensure that our several meetings are well attended we have enclosed a postcard so that you may indicate your plans. Please do call me if you have a change in plans. The meetings should last from 1 1/2 to 2 hours.

Preparation for Meetings - If possible read materials pertaining to the various topics and come prepared to ask questions. There are ample references on this subject. I have at least 1 copy of the materials I listed - we will need to share items so bring them to meetings each week.

Do make suggestions - good references, new committee members, questions, plans, etc. My phones: 927-9263 or 927-5291

Resource Meetings - We plan at least three resource meetings in March and may decide to hold additional ones later on.

We have made the following arrangements:

1st Meeting - Wed., March 2, 12:30 - League state office, Room 211, 222 Wabasha.

Topic - Campaign Costs
Speakers - Du-Rocher, Rep. and Dick Koss, DFL. We suggested some questions to guide the speakers in presenting their remarks. We asked the cost of campaign for different public offices, how campaign are financed and what the role of political parties is. We asked if campaign funds are separately disclosed between candidates for the same office between the various levels of public office.

2nd Meeting - Wed., March 12, 12:30 - League state office - address above.

Topic - Control of Campaign Financing by Limiting Expenditures, by Limiting Certain Expenditures, by Limiting Size of Contributions, by Prohibiting Certain Contributions.
Speakers - Senator Paul Overgaard, Conservative - Altona, Wis.
Senator Robert Toppelman, DFL - Minneapolis

3rd Meeting - Wed., March 22, 12:30 - League state office - address above.

Topic - Alternatives to Minnesota's Campaign Financing Laws
Speakers - Alton Overgaard, Secretary of State
Clara Skovholt, Assistant Secretary of State
At this meeting we hope to discuss discussion and other methods of controlling campaign financing. We will also consider enforcement and possibly the freedom of speech issue.

Additional Meetings - We may decide to hold meetings on some of the following:

...the pros and cons of public funding
...New Campaign Strategies and Techniques
...Freedom of Speech
Please suggest other issues and speakers.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
February 1972

CAMPAIGN PRACTICES COMMITTEE MEMBERS AND OTHERS

Chairman - Barbara Steinkamp (Don), 4912 Payton Ct., Edina 55435-927-9263

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>
Shirley Amundson (Neil)	7 Lily Pond Rd., St. Paul 55110	484-0987
Virginia Bodine (Francis)	6525 Gleason Rd., Edina 55435	941-1206
Fran Boyden (Arthur)	389 Otis, St. Paul 55104	646-1028
Elsa Carpenter (Walter)	4724 Emerson Ave. So., Mpls. 55409	825-9557
Pat Davies (Jack)	2300 Seabury Ave., Mpls. 55406	721-2347
Lois DeSantis (Camillo)	6508 Newton Ave. So., Mpls. 55423	866-5171
Liz Ebbott (Ralph)	409 Birchwood Ave., White Bear L. 55110	426-3643
John Elefson	Senate Council, State Capitol	221-2511
Gerry Hoag (Peter)	1204 Upton Ave. No., Mpls. 55411	529-5973
Charlene Kilgore (Ben)	1103 Zebulon Pike, Burnsville 55378	890-5581
Yvonne Kuzma	4409 W. 84th St., Bloomington 55437	881-1871
Mary Ann McCoy (Charles)	2312 Lake Pl., Mpls. 55405	377-4793
Claire Nielson (Lloyd)	3088 Sandy Hook Dr., St. Paul 55113	484-8335
Gloria Phillips (Reuel)	Box 825, Lakeland 55403	436-8888
Muriel Ries	6116 Beard Pl., Edina 55410	927-9151
Rosemary Rockenbach (Donald)	825 W. Idaho, St. Paul 55117	488-1810
Marlene Roth (Perry)	5 Ridge Rd., Burnsville 55378	890-1496
Jon Schroeder	1765 Carroll Ave. Apt. 1, St. Paul 55104	645-5159
Dorothy Screeden (William)	5617 Bernard Pl., Edina 55436	929-2576
Jane Stenson (G.M.)	4811 Bywood W., Edina 55436	929-3916
Lounell Tezlon (Donald)	14308 Charing Cross Rd., Eden Prairie 55343	
Nancy Wangen (Roger)	15102 Williston La., Minnetonka 55343	935-1374
Mary Wright (Charles)	2930 Xenwood Ave. So., St. Louis Park 55416	929-9237
Janet Yonehiro (Earl)	6020 Fairwood Dr., Minnetonka 55343	935-0001

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
February 1972

CAMPAIGN PRACTICES - REFERENCES

I have at least one copy of these items and other newsarticles not listed.

League Publications

Capitol Letters - May 14 and Nov. 24, 1971 and other issues
Minnesota VOTERS
Money in Elections - A Study of Corrupt Practices 1961
Position for Action - 1971
Project Update - Election Laws 1967

State Publications

Minnesota Election Laws 1972 - I have 6 copies
Summary and Annotation of the Minnesota Fair Campaign Practices Act
1970 (This is being updated by Secretary of State - you may be
able to get a copy from local election officials)

Other Publications, etc.

Congressional Record
Common Cause Newsletter
Financing a Better Elec. System CED 1968
Financing The 1968 Election - Herbert Alexander 1971
Mitau - State and Local Government - pps. 286-308
Money in American Politics - The Cost of Campaign - David Adamery
Oct. 1971
The New Yorker, Aug. 7, 1971
Summary of Corrupt Practices - House Research Dept. Jan. 1971
Tribune Series - Pricetag on Politics by Frank Wright - Feb. 14, 1971
Feb. 19, 1971
The Political Image Merchants: Strategies in the New Politics - 1971

ARNE H. CARLSON
DISTRICT 58B
4301 FREMONT AVE. S.
MINNEAPOLIS, MINNESOTA 55409



FEB 8 1974

COMMITTEES:
CRIME PREVENTION AND CORRECTIONS
ENVIRONMENTAL PRESERVATION
AND NATURAL RESOURCES
GOVERNMENTAL OPERATIONS
HIGHER EDUCATION

State of Minnesota

HOUSE OF REPRESENTATIVES

MARTIN OLAV SABO, Speaker

February 6, 1974

Ms. Mary Anne McCoy
State Chairperson
League of Women Voters
555 Wabasha
Saint Paul, Minnesota 55102

Dear Mary Anne:

Just a brief note to thank you for the very fine work that you and your organization have done relative to campaign financing and ethics. The bill represents an excellent first step forward and is one that is in the best interest of the people of the State of Minnesota.

It does, however, seem to me that the people of the state are being left with an impression that all "campaign reform" legislation is good and that all bad practices have been eliminated. I am certain you will agree that this is not the case. However, sometimes partisan rhetoric tends to outdistance reality.

There are three items that specifically disturb me. They are:

1. The elimination of rotation on the ballot.
2. The continuation of allowing legislators, either as individuals or as members of a caucus, to "solicit" funds from lobbyists during the legislative session while their bills are pending legislative action.
3. The removal of restrictions against transporting people to the polls on election day.

It would be my hope that four organizations that have been most active in speaking for ethics in campaign reform - namely, the



February 6, 1974

Page Two

League of Women Voters, the Joint Religious Legislative Coalition, MPIRG and Common Cause - would hold a press conference informing the people of this state that they regard the above three matters as gross injustices that ought to be eliminated.

I am having legislation drafted dealing with these matters and would want very much to have your vocal support.

Again, I thank you very much for your service.

Sincerely,



Arne H. Carlson
State Representative

AHC:dce

Barbara Steinkamp
4912 Payton Court
Edina, MN 55435

I will be able to attend the following
Campaign Practices meetings.

1st March 8 _____

2nd March 15 _____

3rd March 22 _____

If yes, check and return to B. Steinkamp

Name _____ League _____

June 8, 1973

Ms. Elena Van Meter
League of Women Voters - United States
1730 M Street N.W.
Washington, D.C. 20036

Dear Elena:

I am responding to Peggy Lampl's letter of May 30, 1973.

In an earlier letter, I may have mislead her on the status of campaign financing reform in Minnesota. When the first segment of the legislative session ended May 21, a major proposal for new ethics legislation was still in process. When the legislature reconvenes on January 15, this legislation should receive a top priority. Governor Anderson views the failure of this bill as one of his major disappointments. A major reason for having wanted it passed was the innovative public funding plan - tax check-off. There will not now be adequate time to implement that portion of the bill to fund 1974 general elections even if it were passed during the 1974 session.

I enclose a copy of the bill, H.F. 951, in its most recent form (there were over 20 rewrites, I believe). If you can wade through it, you will note many technical as well as policy problems. The League has not supported it, but we hope it will be improved during the interim allowing us to support it in the 1974 session.

I am also enclosing a copy of a major election reform bill that should be of interest to the Voting Rights Chairman. The bill passed and should be in effect after October 1973. The League supported most of the bill's provisions but took no stand on the controversial election day registration. (We have had a long standing position supporting greater state regulation of elections with mandatory, state-wide registration prior to election day.)

I have had some further thoughts on the new National campaign financing study. One of the major elements of good disclosure is enforcement. But this aspect is often overlooked in proposed legislation. A complete discussion of enforcement would, I believe, enhance member understanding of campaign financing. Who is to administer the law and what powers of enforcement are become very important if you are to have a good law. An independent commission for administration and enforcement should be looked into.

Constitutional questions regarding the various types of campaign financing controls have been a barrier to passing strict legislation. Leaguers would benefit from a thorough discussion of present and proposed laws and their constitutionality.

Other issues related to campaign financing could be discussed. A complete picture of money in the electoral process might well include a study of lobby regulation and conflicts of interest. Funding political parties, their use of

Elena Van Meter - page 2

money, their financial relationship to candidates are all important parts of the use of money in elections, especially as tax deducted money is now being designated for party use. Another concern is the financing of primary elections. In Minnesota, we anticipate proposals reinstating a presidential primary. Certainly an examination of public funding should include all campaign costs prior to general elections. The new study might also include information on campaign practices, free television time, the fairness doctrine, new campaign technologies - particularly the use of computers and cable TV.

I have been corresponding with Anne Bradley of the new Public Disclosure Commission in Washington. Their new ethics legislation is quite comprehensive. They are now in the process of preparing disclosure forms. The new legislation, the forms and court cases resulting from the new law would probably be helpful. Her address is:

Ann Bradley, Administrator
Public Disclosure Commission
Insurance Building - 4th Floor
Olympia, Washington 98504.

Please let me know if I can help in any way.

Sincerely,

Barbara Steinkamp
Election Laws Chariman

BS/hh
encl.

McCoy
Ebbott
Steinkamp
✓office

FOUR STAR

May 30, 1973

Anne Bradley, Administrator
Public Disclosure Commission
Insurance Building - 4th Floor
Olympia, Washington 98504

Dear Anne,

The information you sent me on Washington's new disclosure law is most helpful. I will make very good use of the Washington law and the disclosure forms since the Minnesota legislature did not pass the omnibus ethics bill, H.F. 951, before recessing May 21 until January 15, 1974. In enclose a copy of the bill, which the League finally opposed because of innumerable shortcomings. The additional materials are League background information and testimony on the bill and the League's state publication on campaign financing.

If you can wade through the bill you will find abundant technical as well as policy problems. During the recess the League hopes to make use of the Washington law and forms. I have already supplied legislators and researchers with the information you sent.

The legislature did pass one major election reform. See the brief article describing the omnibus registration bill in the Capitol Letter - April 17, 1973. I would love to send more information on this exciting new legislation if you would be interested.

I have sent Dr. Quast the same materials as I send to you. Thank you for being so helpful.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

BS:jm
enc.

cc: Barbara Steinkamp
Mary Ann McCoy
✓ Office

May 30, 1973

Dr. Werner Quast
308 East 10th
Pt. Angeles, Washington 98362

Dear Dr. Quast:

I am delighted with the information you sent me on Washington's Public Disclosure Commission. So far I have shared the information with several legislators and researchers at the Capitol.

The Minnesota Legislature recessed May 21 until January 15, 1974 without acting on the omnibus ethics bill H.F. 951. I enclose a copy of the bill in its most recent form. Also, I include a few articles and testimony we prepared on the bill during the session and the state publication we prepared on campaign financing last summer. I have sent the same materials to Anne Bradley who expressed an interest in Minnesota's efforts in this area.

The League felt the proposed legislation was very inadequate and we have hopes that during the recess, the legislature will examine Washington's law and the new legislation being proposed on the federal level. Under Minnesota's new flexible sessions, bills can be introduced and heard and be ready for action in January.

House File 951 was doomed from the beginning as it was a composite of two bills which simply would not fit together. The copy I send is approximately the 20th version which still has gross technical and policy problems.

The Washington law is definitely superior. It appears to have fuller disclosure, covers all elections and ensures strict enforcement. The strategy of the several groups lobbying for H.F. 951 was to get it passed with all its flaws and then let the ethics commission propose new legislation. The League didn't go along with this, feeling that we would be stuck with bad legislation for years to come. Another gross problem was that they were only requesting an appropriation of \$50,000. Judging by our phone conversation this sum would not go far.

Dr. Werner Quast
May 30, 1973
page 2

The legislature did pass one major election reform - the omnibus registration bill - see the brief description of it in the Capitol Letter, April 17, 1973. I would be happy to send you a copy of the new law if you are interested. We are quite excited about it.

I would love to continue corresponding with you and Anne Bradley. Thank you for providing me with such timely and valuable information.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

BS:jm
enc.

cc: Barbara Steinkamp
Mary Ann McCoy
Office

May 23, 1973

Peggy Lampl, Executive Director
League of Women Voters of the U.S.
1730 M Street, N.W.
Washington, D.C. 20036

Dear Peggy:

The League of Women Voters of Minnesota is delighted with the prospect of continued study of campaign financing on the national level. As you may know, we recently reached a new consensus on this issue which has been a part of our state election law program since 1961. We felt that our original consensus favoring disclosure was valid but we needed to know if additional controls were desirable. Under separate cover we are sending copies of some of the materials prepared by the state League in the past 2 years either for my state committee or for local Leagues and some correspondence I have had with other organizations, state officials and interested citizens. We also have minutes of our state committee meetings on file should you want copies; however the information contained therein relates specifically to our state.

We have additional materials on this item but most are readily available from the original source. If you are interested in studies, proposed laws or laws of other states we recommend contacting officials in Washington, Oregon, Florida and Kentucky. Other state Leagues which assisted us with valuable materials were Puerto Rico, West Virginia and New Jersey. The Florida League sent us information on their state's strict disclosure law.

Our efforts to achieve campaign financing reform this legislative session were unsuccessful for a variety of reasons. We anticipate more favorable results when the Minnesota legislature reconvenes on January 15, 1974. During the recess, which began yesterday, we hope to get the proposed law in good order. If you are particularly interested in this new state legislation please let us know. We will be most pleased to provide

Peggy Lampl
May 23, 1973
page 2

assistance on this and other matters.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

BS:jm
enc.

Materials being sent under separate cover:

Minnesota Fair Campaign Practices Act - Summary
and Annotations
Background for Action
Capitol Letter - April 17, 1973, May 8, 1973, March 6
Election News - What's New in Political Fund
Raising for 1972?
Testimony - March 19, 1973
Minnesota VOTER - Sept.-Oct. 1972, March 1972
Memo - Campaign Financing Disclosure Data Project
Press Release
Capitol Letter - November 24, 1971, May 14, 1971
Voter's Check List
Consensus Questions
Memo - Campaign Practices Committee Plans
References
Report - October 1971
Action Alert
LWV Statement - October 14, 1971
Remarks by Richard Moe
Letter from Citizens' Research Foundation
Letter to Katharine Fischer
Statement by Herbert E. Alexander

cc: Barbara Steinkamp
Liz Ebbott
Mary Ann McCoy
Office files - Congress
Campaign Financing

April 13, 1973

Katherine C. Fischer, Assistant Director
Citizens Research Foundation
245 Nassau Street
Princeton, New Jersey 08540

Dear Ms. Fischer,

I was so pleased to receive your thoughtful, timely letter and additional campaign financing materials. They were definitely helpful, as shortly after they arrived, we testified before several state legislative committees. The new information enabled me to explain some constitutional problems. Several legislators were interested in Dr. Alexander's reservations regarding limits on expenditures and the centralizing of campaign funds in a single committee. However, even though acknowledging these problems, legislators strongly favor limits on spending. This control has gained support from legislators in the majority caucus who feel that spending ceilings must be enacted if the \$1.00 check-off on state income taxes, which they want, becomes law. They will not accept one control without the other.

There are, at this time, several proposals before subcommittees in both Houses. A major question is whether a majority of the legislature will favor a comprehensive ethics bill, including limits on expenditures, public funding, disclosure of campaign funds, lobby regulation and disclosure of financial interests or will they favor a proposal which deals only with the three campaign financing controls. Before either bill reaches the floor in the Senate or House, they face tests in four or five standing committees. Most committees have deadlines of April 28 and the final day of the 1973 session is May 21. Since there is considerable opposition to disclosure of financial interest, lobby regulation and the public financing plan, we may have to wait until the 1974 segment of this session to see campaign financing reforms enacted. I did not send copies of either major proposal because they are still being vigorously amended and in the next two weeks at least one house expects to combine the two bills.

Thank you for explaining the effects of state legislation on Congressional elections. I think I now understand. The Minnesota Legislature has omitted Congressional elections from the bills. They intend to pass legislation allowing the federal financial statements to meet the state disclosure requirements.

If the disclosure provisions now being considered pass, Minnesota will still have at least one major loophole. Individuals or groups will be able to spend up to \$100 without authorization and without disclosure. Another problem area is preventing the funneling of large contributions through political parties or other organizations. One of the bills attempts to handle this problem, by setting a limit of 10% of the spending

Fischer - page 2

limit on contributions from any organization. This is said to favor the majority (DFL) caucus because their candidates now receive small contributions from the political party and a number of separate but closely affiliated labor organizations. Republican candidates receive large contributions from their party.

We have found many of your CRF publications valuable. Several legislators have now read your publication on Oregon's voter pamphlet. We pointed out the relationship between maintaining accurate voter registration lists and these pamphlets. Since Minnesota is at least considering statewide registration and the problem of duplicate voting, the voter's pamphlet has gathered some interest.

I do thank you and Dr. Alexander for being so helpful. I apologize for my sketchy outline of what is happening in Minnesota. When we have a clearer picture of what is likely to result, I will let you know.

Sincerely,

Barbara Steinkamp, Chairman
Election Laws



March 16, 1973

Ms. Barbara Steinkamp
 Election Laws Chairman
 League of Women Voters of Minnesota
 555 Wabasha
 St. Paul, Minnesota 55102

Dear Ms. Steinkamp:

Thank you very much for your letter of February 21 and the enclosed bills and news articles on the status of campaign financing legislation in Minnesota to date. I apologize for my delay in responding, but I wanted Dr. Alexander to read your letter and he has been out of the office quite a bit in the last few weeks. You have asked some provocative questions on the Constitutional issues, and I hope the enclosed pamphlets and suggestions which Dr. Alexander and I have put together will be helpful.

I am enclosing two of our publications, "Federal Regulation of Campaign Finance: Some Constitutional Questions" and "Regulation of Political Finance." I also recommend the American Enterprise Institute publication whose title page I have photocopied along with a press release describing its contents. This can be ordered from their Washington office for \$3.00 a copy. The recent "Statement" by Dr. Alexander on the subject of limitations may interest you for the general points he makes on the subject. S.372 is a bill recently introduced by Senator Pastore which proposes to amend Title I of the Federal Election Campaign Act of 1971 to limit all candidate and candidate committee expenditures, not just in the broadcasting, newspaper, billboard and certain use of telephones areas now limited by the Act. I have decided not to include here but would be glad to send you our studies on Oregon (#21) and "A Miscellany of Ideas" on sources for financing campaigns (#6) which might be helpful to you in connection with the statement on your February release that LWV "supports judicious use of public resources to finance campaigns." You may already know that Oregon allows credit against the state income tax for political contributions.

You mention the model law designed by Common Cause. We are planning to draft a political finance regulation model also, which will differ in some points from the Common Cause model

William H. Vanderbilt, Chairman of the Board • Milton Katz, President • John Reid, Treasurer • Jephtha H. Wade, Secretary • Herbert E. Alexander, Director

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Barbara Steinkamp
March 16, 1973

page 2

and will cover more ground. Unfortunately, this will not be ready before the end of this year, but I shall certainly send you a copy at that time, late as it may be.

You mention Constitutional questions in connection with state legislation, but as I understand it, the Constitution itself specifies that no state enactments can supercede its provisions, so state legislation must be formed with the same view to Constitutionally guaranteed rights as federal legislation. I am thinking specifically of the right of free speech under the First Amendment. The First Amendment as it relates to the new federal law is discussed in Study #18, enclosed. With respect to the relationship between state and federal laws regulating political finance, I enclose the relevant paragraph from the Federal Election Campaign Act of 1971.

I now understand the current status of disclosure in Minnesota and, realizing the unevenness of the data that can be obtained even in your exhaustive search, we have decided not to include Minnesota as one of our states for the listing of \$500 and over contributions in 1972. Thank you for your offer of data anyway. We are still interested in the progress of your legislative effort, and I want to thank you again very much for taking the time to pull together all this material and for your detailed letter. I hope this reply and the enclosures will provide some substantive answers to your questions.

Sincerely yours,

Katharine Fischer

Katharine C. Fischer

Enclosures

KCF/f

February 21, 1973

Katharine C. Fischer, Assistant Director
Citizen's Research Foundation
245 Nassau Street
Princeton, New Jersey 08540

Dear Ms. Fischer:

I have enclosed copies of the campaign financing legislation introduced as of February 19, several news articles, our new state League position on campaign financing and a proposal by JRLC. We anticipate much activity for campaign financing and ethics legislation this session. The first bill introduced, S.F. 88 was very similar to the bills that received considerable attention last session, which were patterned after Florida's law. The Minnesota Legislature, controlled for the first time in history by the Liberal Caucus is not likely to give S.F. 88, authored by Conservatives, serious consideration. The two chairmen of election subcommittees expect many more bills on campaign disclosure, limits and ethics. In the House, a companion to S.F. 88 has been introduced, H.F. 464, authored by a Conservative, and one other bill H.F. 179, also authored by Conservatives. So far the full Senate Committee has listened to testimony of several groups and individuals regarding S.F. 88. The Tribune article February 1 gives a little information on the hearing. There was no action taken on the bill which may be considered further in subcommittee. I believe the Senate subcommittee is waiting to get the 6 or more proposals rumored to be in the offing introduced before considering any campaign financing legislation. The JRLC proposal has not been introduced yet. It is an omnibus bill based largely on model laws designed by Common Cause. Most serious comments regarding various proposals have been concerned with constitutionality. Last session the League favored the Florida type proposal which would have centralized all campaign funds in a single campaign committee. We are increasingly concerned with the constitutional problems regarding disclosure and limits. Although the Federal law has many flaws, it would seem to be on less questionable constitutional grounds. I wondered if you could recommend any publications that discuss constitutional issues in state campaign financing legislation - particularly the Florida and Kentucky laws. I also have a question about the actions states can take to enact stricter limits or disclosure legislation for Federal elections. I felt that states could pass stricter disclosure laws but not stricter limits on expenditures.

I enclose a copy of our new position. We intend to continue our emphasis on disclosure, feeling that there may not be adequate data to set realistic limits. I have asked our local Leagues to gather information on the disclosures of political (volunteer) committees of legislative candidates by the end of February. I will certainly provide you with the data we collect, but it will be incomplete as we do not have local Leagues in all of Minnesota's 87 counties. Even if we collected all the data filed on any candidate we would have no idea if the information was complete or accurate. I won't go into all the details of our present law but believe me it is a meaningless exercise. Citizens who understand it are astounded. This disclosure law for political committees has not required itemizing of contributions and this year itemizing of expenditures was no longer necessary. Unless candidates' committees misunderstand the law or volunteer additional information we should see only totals. The number of reports filed is another problem. For political committees there should be a report within 30 days after any election. However, as you see in the October 12 Tribune editorial, even longtime legislators are unaware that they must file after the primary even if they were not in it. You requested information on contributions over \$500. I seriously doubt I will find any disclosures of contributions that large. I enclosed the interesting article in the February 4, 1973 Tribune. The error by AMPI gave us some information on sources of funds. When the local Leagues in Minnesota finish examining the filed reports I may have a little more information to send you on contributions.

I am pleased that you are interested in Minnesota's campaign financing legislation and I will keep you posted as the action becomes more lively.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

My home address is 4912 Payton Court, Edina, Minnesota 55435

BS:jm
enclosures

cc: Barbara Steinkamp
Mary Ann McCoy
/Office

February 13, 1973

Lynda Woodhouse
Campaign Financing Chairman
League of Women Voters of Rochester
2551 - 12th Avenue, N.W.
Rochester, Minnesota 55901

Dear Lynda,

Thank you for your letter regarding the campaign financing project. The state office filled your order for 15 copies of Form 2.

I am pleased with your initiative in reviewing campaign disclosures in Rochester. Since the data on campaign financing is public information, publicizing it in your local bulletin is permissible as long as it is accurate and complete.

We will be examining the data received from Leagues at the end of February, 1973. After we have compiled and evaluated the information we could make suggestions for use of the data by local Leagues.

I would appreciate receiving any information you have gathered on the failure of candidates and committees to file reports. In the case of failure of volunteer committees to report, there are no provisions for enforcement. There are enforcement provisions for filings by candidates and personal campaign committees. County auditors, local election officials and the Secretary of State have frequently followed up (enforced) in cases where these usually meaningless reports have not been received. We feel that it would not be advisable to point out to candidates, treasurers or election officials their failures to comply with the law. But in interviewing the county auditor or other election officials you could ask questions on administration and enforcement of disclosure laws. There are various interpretations of state law. We would appreciate receiving their comments on the state law.

Sincerely,

Barbara Steinkamp
Election Laws Chairman

BS:jm

cc: Barbara Steinkamp, Mary Ann McCoy, Rosemary Rockenbach
(Consultant), Liz Ebbott, Jerry Jenkins

January 9, 1973

Katharine C. Fischer, Assistant Director
Citizens Research Foundation
245 Nassau Street
Princeton, New Jersey 08540

Dear Ms. Fischer:

Thank you for sending a copy of your recent CRF publication on fund raising projects in Minnesota. We have copies of most of your materials and have found them very helpful.

I have ⁶¹²enclosed the several items you requested, the two Facts and Issues and Dr. Alexander's speech. The speech by Dr. Alexander was sent to us by the National Municipal League. Each League member in Minnesota received copies of the Facts and Issues but the speech was used only by members involved in researching our project.

We are continuing to gather information on campaign financing in Minnesota and other states in preparation for a lobby effort in the 1973 legislative session.

If you are interested in the data we gather or in incoming disclosure legislation now being proposed in Minnesota, do let us know. We appreciate your interest in our campaign financing study.

Sincerely,

Barbara Steinkamp
Election Laws Chairman

BS:jm
enc.

cc: Barbara Steinkamp
Mary Ann McCoy

May 1, 1972

Dr. Elston S. Roady
Florida Center for Education in Politics
Florida State University
Tallahassee, Florida 32306

Dear Dr. Roady,

Recently I wrote the National Municipal League requesting information on state campaign financing laws. Mr. Carlson suggested that I write to you for a better impression of the effectiveness of existing state laws. He mentioned that you are leaving for a sabbatical in England soon, so I shall certainly understand if you are unable to reply to my letter.

I am gathering information on campaign financing laws in order to prepare a publication for the League of Women Voters of Minnesota. The League has supported disclosure of campaign receipts and expenditures for over ten years and we are now reviewing our position and planning to examine additional methods of controlling campaign funding. In the 1971 Legislative Session, the League lobbied for a disclosure bill patterned after the Florida Law. Our efforts failed, but we expect to have greater success in 1973, due to greatly increased public interest. An interim hearing on a strict disclosure bill is scheduled for May 19.

I am concerned with some comments I have read on the Florida Law and would appreciate your opinion on its effectiveness and enforceability. Also, I am puzzled by the enactment of spending limits and concerned that limits might infringe on free speech. Our new study will investigate the merits of public funding, too.

We appreciate any information or suggestions you can send.

Barbara Steinkamp, Chairman
Election Laws Study
League of Women Voters of Minnesota

April 26, 1972

Ms. Alice Bevan
Citizen's Research Foundation
245 Nassau Street
Princeton, New Jersey 08540

Dear Ms. Bevan,

Thank you for sending me the excellent publications of the Foundation.

I would like to purchase 2 additional copies of REGULATION OF POLITICAL FINANCE, 2 copies of A SURVEY OF STATE STATUTES REGULATING POLITICAL FINANCE, and single copies of Studies four, eight, twelve, thirteen, fifteen, twenty, and twenty-one. Enclosed please find our check #2264, in the amount of \$6.50, for these publications.

Your help is most appreciated.

Sincerely,

Barbara Steinkamp,
Election Laws Chairman -
League of Women Voters of Minnesota

S/h
encl.

Similar letters: State Administrative Bd. of Elections
Executive Bldg
140 Main St.
Annapolis MD 21401

Kentucky Legislative Research Commission
Capitol
Frankfort, KY

Citizens Research Foundation
245 Nassau St.
Princeton NJ 08540

April 4, 1972

Fernando Chardon
Capitol
San Juan, Puerto Rico 00915

Dear Mr. Chardon:

The League of Women Voters of Minnesota is preparing a publication on campaign practices. We wish to examine the pros and cons of public funding of election campaigns.

A recent publication of the National Municipal League notes that Puerto Rico has long been involved in public funding of elections. There was no explanation of your plan. Could you send us information on the financing of campaigns in Puerto Rico and if you have time, could you write a few words of evaluation.

Any facts or opinions you can supply will be greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

Fair Campaign Practices Committee, Inc.
328 Pennsylvania Ave SE
Washington 20003

March 30, 1972

Mr. Richard Stone
Secretary of State
Capitol Building
Tallahassee, Florida 32304

Dear Mr. Stone:

Thank you for sending me a copy of Florida's 1971 Candidate Guide. The League of Women Voters is preparing a publication on campaign practices and we plan to include information on Florida's Disclosure Law. Our research indicates that no other state has a law comparable to Florida's. If possible we would like more facts and opinions on Florida's law.

We would appreciate your thoughts on any or all of the following questions:

1. What problems, if any, have you experienced with your tight disclosure law?
2. Has the full publicity in your opinion resulted in less spending?
3. Has full publicity inhibited contributions?
4. Have there been any court decisions on the constitutionality of Florida's law?

In a recent speech in Minnesota, Richard Moe, DFL State Chairman, stated that Florida has a system whereby filing fees in partisan contests are returned to the respective parties. We are extremely interested in exploring alternatives to private funding of campaigns. Could you give us more information on Florida's approach?

Your assistance in our study of campaign practices is greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

March 30, 1972

League of Women Voters of the U.S.
1730 M Street, N.W.
Washington, D.C. 20036

Dear Ladies:

The League of Women Voters of Minnesota is reviewing its ten year old position on campaign practices. We hope to have our new publication ready in June. We have found ample information on campaign financing nationally but very little on the subject at the state and local level. We would appreciate any assistance you can provide in locating both facts and opinions on state laws. Could you help us in finding any or all of the following:

1. A bibliography on campaign practices - any governmental level.
2. Information on state Leagues who have positions on campaign reform or are now studying the issue.
3. Information you may have particularly in the following subjects:
 - a comparison of state campaign financing laws
 - how effective state laws are and are they enforced
 - states that provide some sort of public funding-tax credits, deductions, mailing, etc.
 - the new federal tax law which provides for tax credits or tax deduction; and the federal check-off plan
 - the equal time provision regulation
 - court cases and decisions related to campaign financing laws

Your assistance in our campaign practices study is greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

March 30, 1972

Mrs. Santiago Casanova Diaz, President
League of Women Voters of Puerto Rico
G-10 Forest Hills
Garden Hills, Bayamon, Puerto Rico 00619

Dear Mrs. Diaz:

The League of Women Voters of Minnesota is preparing a publication on campaign practices. We plan to review our ten year old position favoring the control of campaign financing by public disclosure of contributions and expenditures. A concern of my committee is that full disclosure could result in fewer contributions and financially harm some candidates. Because of this we intend to examine the pros and cons of public funding of campaigns.

A recent publication of the National Municipal League notes that Puerto Rico has long been involved in public funding. There were no details of Puerto Rico's assistance to candidates. If your League has published any information on campaign financing or if you have any opinions, we would appreciate the information.

We welcome any thoughts you have on campaign practices but only if the information is readily available.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

March 30, 1972

Common Cause
2100 M Street, N.W.
Washington, D.C. 20037

Gentlemen:

The League of Women Voters of Minnesota is preparing a publication on campaign practices to be completed this June. We have long favored the strict disclosure of campaign receipts and expenditures. Last October, Common Cause and the League in Minnesota worked together in an unsuccessful attempt to pass a law patterned after the Florida law.

In order to pass a similar proposal in the 1973 legislative session we will need greatly increased member and public support. To stir up the interest and enthusiasm necessary we would like our publication to contain the most up-to-date facts and opinions on campaign practices. We need your assistance in gathering these facts. So far, we haven't found adequate information on state and local campaign financing laws. Do you have facts or opinions on individual state laws, or comparative data on all the states? Are you aware of any court tests of the constitutionality of campaign election laws? Any assistance you can give us would be most appreciated.

Sincerely,

Barbara Steinkamp, Chairman
Campaign Practices Committee

March 30, 1972

Richard J. Carlson
Director of Election Systems Project
National Municipal League
Carl H. Pforzheimer Building
47 East 68th Street
New York, New York 10021

Dear Mr. Carlson:

Recently, you sent me a copy of the National Municipal League's Model State Campaign Contributions and Expenditures Reporting Law. I found the League's proposal interesting and would like to include information about it in the publication the League of Women Voters of Minnesota is now preparing on Campaign Practices.

If possible I would like to obtain up-to-date information on the ^{in pa} campaign financing laws of all 50 states. ~~Do~~ Do you know where I could find information comparing the state laws. I would also like some opinions on the effectiveness of the statutes in the several states that have enacted campaign disclosure laws. An article by Elston Roady in the May 1970 issue of the National Civic Review lists California, Florida, Illinois, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Pennsylvania, Oregon and Washington as states that have studied or enacted reform of campaign laws. Are there any studies of the effectiveness of laws in these states - are they enforced?

In addition to studying the control of campaign financing by public disclosure we intend to examine the question of control by public funding. In your publication you mentioned that several states and Puerto Rico utilized some form of public financing. Do you have available any more information on these plans or know where we could obtain the information?

Your assistance in our campaign practices study is greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

March 30, 1972

Mr. Clay Myers
Secretary of State, Election Division
Salem, Oregon 97310

Dear Mr. Myers:

The League of Women Voters of Minnesota is preparing a publication on campaign practices and if possible we would like some information about Oregon election laws. According to a publication of the National Municipal League, Oregon is one of ten states that has proposed or enacted stricter campaign disclosure laws. Minnesota is included on the list, but loopholes in our laws have made the disclosure meaningless, and the laws unenforceable.

We wish to compare the disclosure laws of several states and find some alternatives to Minnesota's present law. If you have the opportunity to write, the following questions are of particular interest to us:

1. Have there been any recent changes in Oregon's campaign financing laws or proposals for change?
2. In your opinion have Oregon's campaign financing laws been effective and enforceable?
3. Have you any recommendations for changing Oregon's law?
4. Do you publish a guide for candidates? If so, could we have a copy?

In a National Municipal League publication I read that Oregon distributes at state expense a voter pamphlet to every voter. We are very interested in alternatives to private funding of campaigns and would like more information on Oregon's unique method. Do you also provide tax incentives for candidates or contributors?

Your assistance in our study of campaign practices is greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

March 30, 1972

Robert J. Burkhardt
Secretary of State
Trenton, New Jersey 08625

Dear Mr. Burkhardt:

The League of Women Voters of Minnesota is preparing a publication on campaign practices and would appreciate some information about New Jersey's laws. According to a publication of the National Municipal League, New Jersey is one of ten states that has enacted stricter campaign disclosure laws in recent years. The list also includes Minnesota but it is well known that loopholes in our fair campaign practices act have made the disclosure meaningless and the laws unenforceable.

We wish to compare the disclosure laws of several states and find some alternatives to Minnesota's present law. If you have the opportunity to write, the following questions are of interest to us:

1. Have there been any recent changes in New Jersey's campaign financing laws or any proposals for change?
2. In your opinion have New Jersey's laws been effective and enforced?
3. Would you recommend any changes in New Jersey's campaign financing laws?
4. In New Jersey do you provide any ³¹alternative to private funding of campaigns such as tax deduction, tax credits, free mailings, etc.

Your assistance in our study of campaign practices is greatly appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

Alto to Calif Ill Mich N.Y. Pa
Fla Mass N.J. N.C. Ore
Wash.

March 30, 1972

President, League of Women Voters of

Dear

The League of Women Voters of Minnesota is preparing a new publication on campaign practices. In our publication we plan to review our ten year old position which favors the control of campaign financing by public disclosure of all contributions and expenditures. We hope to provide new facts on disclosure and examine other methods of control. Of particular interest to us is the issue of public funding of campaigns.

According to a publication of the National Municipal League your state is one of several that has either proposed or enacted strict disclosure laws. We have written officials in your state requesting copies of statutes on campaign practices.

We would very much like to know how effective your state campaign laws are and if they have been enforced. And if disclosure has been effective, has it limited contributions or total spending? Have there been any proposals to finance campaigns through public funding - such as free mailing, tax credits, tax deductions, etc.?

Any thoughts you have on your state's campaign financing laws would be a great help to us. If you have a publication on this issue we would like to have a copy; if there is a charge, please bill the LWV - Minnesota.

Minnesota is listed as a state that has a meaningful disclosure law. And when we read the statutes everything sounds great. But then you read a little further and look at the financial statements filed by candidates and the law becomes ridiculous - nothing but sham. Is the situation better in your state?

Any facts or opinions you can supply on your state will be most appreciated.

Sincerely,

Barbara Steinkamp
Election Laws Chairman
League of Women Voters of Minnesota

SUGGESTIONS TO BULLETIN EDITORS ON LEAGUE FINANCE

Always remember that finance is not something separate from the rest of the work of the League. "It is its circulating lifeblood." When plans are made or reports given of local League activities, mention the amount of money spent and how it was possible because of dues, member contributions or the finance drive - or could it have been that pledge for state and national services? If this is done the year round, it won't be so difficult to sell membership participation in the drive.

BUDGET - When you present the budget don't just present figures. Make them mean something in relation to the work of the League. Have them come alive. Be sure the members understand what the pledge is and what it means to them.

PROFILES - Many bulletins have "profiles" of officers, etc. How about including some of the finance chairman, budget chairman, a faithful contributor or your top solicitor?

MEMBER CONTRIBUTIONS - Don't just ask for them. Explain why they are needed and what they mean to the League. How about including a statement from an "average income" member who has made a contribution?

FINANCE DRIVE - Use the bulletin to answer these questions:

Why do we have a finance drive?

What is the Integrated Finance Plan?

What does it mean to the individual League member and what is her role?

How do we get contributors?

What is the "case" for the League?

Articles could be written on each one of these questions. A League should decide where the most help is needed for its members and use its bulletin to increase its members' understanding of and cooperation in fund raising. Use "How to Raise Money," "How to Spend Money for the League of Women Voters," Mr. George Watkins speech to the 1958 National Convention and other League publications as background material.

Sometimes an important point can be made memorable in a few colorful or humorous words. Do you have anyone in your League who is skilled at turning out clever rhymes? See what she can do for the finance drive.

REPORTS - When reporting finance drive results, don't just announce the results and give proper thanks. Put a little human interest into it with experiences of solicitors and comments of contributors. Relate the results to the purpose of the League and its work in the coming year. If the drive has been a failure (as only occasionally they are), analyze the results and make the members aware of what this means to the League and the citizens of your community so that it will serve as a stimulus rather than a deterrent to League activity in your community. Your bulletin is a family affair, so you can discuss a family problem when necessary.

QUOTES - Do you ever have a hole in your bulletin? How about using those spaces that call for just a few lines or a paragraph with thoughts that point up League finance? These "quotes" have been gleaned from national and state League publications and other Voters.

"Economy does not consist in saving coal, but using the time while it burns."

UPDATE:
Minnesota Campaign Financing
Legislation
September 1973

Memo to: Local Leagues
From: State Action Committee
September 21, 1973

Status and Strategy: The LWV has joined in coalition with the Joint Religious Legislative Council and Common Cause to push for an omnibus bill which will have strong campaign financing provisions and regulations on ethics and lobbying. The House bill (HF 951) is on General Orders and will be considered shortly after the 1974 session convenes. Among the amendments to be offered at that time, and already agreed to, will be one to remove a dollar limit on the amount of money political parties can spend. (The dollar limit threatens the operation of strong political parties. League supports its removal.)

The Senate omnibus bill is SF 1005. It is expected to be before the Senate Government Operations Committee in October. It must still pass Senate Tax and Finance Committees. (SF 1197 is the bill dealing only with campaign financing regulation and public funding. The substance of this bill is being used in SF 1005 along with the lobby regulation and ethics provisions.)

Timing will be very important. Under the proposed legislation, records and filing are to begin before a candidate receives or spends over \$100. With the November 1974 elections looming, this legislation must get passed and implemented quickly if there is to be effective regulation of these elections.

Leagues should be informing their communities on the need for effective campaign financing legislation with some public funding. It is a good time to begin to tell your legislators of League's interest. The Senators on Government Operations - Gearty, Kleinbaum, Ashback, Borden, Chenoweth, Conzemius, Mel Hansen, Hughes, McCutcheon, Milton, Nelson, North, Ogdahl, A.J. Perpich, Pillsbury, Schaaf, Stassen, Stokowski, Ueland - should be contacted. You will be asked to talk to other legislators when the need arises.

SF 1005 - Major campaign financing provisions:- (League is not speaking to the ethics or lobbying provisions except to support the omnibus bill concept.)

This is a strong bill, meeting many of League's criteria. It deals only with state-wide and state legislative elections. It repeals the current limits and reporting procedures for these races.

Candidate responsibility: There is to be only one "primary political committee" for a candidate; it will be legally responsible. It must keep and file records, must have a chairman and treasurer before raising money or spending money, must have a single depository per county. A person or committee spending in excess of \$100 on behalf of a candidate must receive authorization from the treasurer of the "primary political committee" and certification that the expenditure will not exceed the limit.

Mandatory, timely, uniform and complete reports:

For contributions and expenditures: Name (in alphabetical order), mailing address, occupation, place of business, date and amount. Expenditures must be detailed if they are in excess of \$100 or if the year's aggregate exceeds \$100. Contributions to state-wide campaigns must be detailed if they are in excess of \$100 or if the year's aggregate exceeds \$100. For legislative races the reporting figure is \$25. Loans, transfers, expenditures authorized to be made by others, value of in kind services must all be reported. There are two reporting dates in nonelection years, January and June. In election years reporting dates are June, August, 5 days before the primary, October, 5 days before the general election, and 30 days after the election.

In election years, if \$3,000 is received in a state-wide race or \$300 in a legislative race after the last report before an election has been filed, it must be reported by telegram within 48 hours of receipt.

Centralized authority: The bill establishes a State Elections Commission of six people, bipartisan, 7 year terms. They are to use the Secretary of State's administrative services. The commission prepares rules, instructions, forms to implement the law. It receives all committee filings and reports. It files, cross-indexes, compiles summaries by candidate of the reports and makes the information available to the public. It is to notify candidates if they failed to file, if filings are inaccurate or if a complaint has been filed. They may investigate, audit, issue subpoenas, seek injunctions. Violators are reported to the attorney general or the county attorney.

Copies of the reports are to be filed also with the county auditor in the legislative races.

Penalties: The major enforcement is considered to be an informed public. The legal penalties are mainly misdemeanors on the rationale that they will be enforced where severe penalties would not be. The stricter penalties are: it is a gross misdemeanor to redirect funds to circumvent the law; to make a contribution in the name of another. It is a felony to knowingly certify inaccurate information. For exceeding the limits, a fine up to three times the amount in excess may be imposed.

Limits on Expenditures: Governor-Lt. Governor as a team - 15¢ per capita or \$600,000 whichever is greater. (A candidate for Lieutenant Governor can add to this limit what he spent prior to the party convention up to \$30,000 or 5% of the combined limit.) Remaining state officers - 5¢ per capita or \$200,000 whichever is greater; Senator - 25¢ per capita or \$15,000 whichever is greater; Representative - 25¢ per capita or \$7,500 whichever is greater. If the candidate is in a primary and receives less than 70% of the vote, 1/6th of the limit or actual expenses - whichever is less - can be added to the limit. During nonelection years, 20% of the limit can be used for campaigning. Cost-of-living escalation in limits is provided.

Limits on Contributions: Contributions to one candidate from one source cannot exceed 10% of the candidate's limit.

An individual or group cannot spend on their own in excess of \$100 without
1. Filing with the State Elections Commission (An individual giving to the candidate's principal political committee need not file.)
and

2. Getting prior written authorization from the candidate that the amount does not exceed his limit.

If an individual or group is not authorized by the candidate their material must state "Not authorized..." Out-of-state committees can't give more than \$100 without identifying sources. An exception is national political parties giving to state political parties. This money must be used for general expenses, not passed on to a specific candidate. Anonymous contributions in excess of \$10 are not allowed. The excess money is to go to the state general political campaign fund set up under the public funding provision. (See below)

The limit on what individuals, political committees or political parties may spend is the authorized or contributed 10% of a candidate's limit. However, there is no limit to the number of candidates that may be supported. A political party can either transfer up to 10% of a candidate's limit to his principal political committee or it can spend as a party up to 10% of his limit. In the latter case, this may be in addition to the limit, but in no instance can it exceed the 10%. Multiple, slate advertising is to be pro-rated among the candidates involved. The amount spent promoting parties and issues is not limited as long as candidates are not mentioned.

Public Funding: The bill sets up a \$1. state income tax check-off allowing designation of a particular party or the general fund. The party money is divided 10% to the party (for precinct caucus expenses); the rest, among all of the state-wide and legislative candidates of the party, after the primary. The general fund is divided among all of the candidates receiving over 5% of the vote in the general election; the money to be distributed two weeks after the general election.

Areas of controversy:

<u>ISSUE</u>	<u>ADVERSE COMMENTS</u>	<u>LEAGUE POSITION</u>
1. Public funding - the tax check-off	Opposition to public funding. Money should come from volunteer contributions.	League "supports the judicious use of public resources." League supports the tax check-off.
2. Additional encouragement of broadening the funding base. (The bill does not deal with this.)	Preference for a tax credit allowing 1/2 of a maximum \$25 donation.	League could support this also.
3. Only 10% of a candidate's limit can come from one source. (To limit the influence from one donor, including the political parties.)	The parties function differently, with the Republicans having greater centralized funding. They now may provide up to 1/3rd of a candidate's funds. DFL candidates have lesser party money, more funds from other groups. The 10% limit will be more apt to interfere with current Republican party operations.	League favors strong, responsible parties. The bill should not be seeking partisan advantage.

4. Allowing up to \$100. to be spent without candidate approval or counting as part of limit.

This is seen as a loop-hole.

League feels that some exception should be allowed to give an individual the right to express his own political opinion. To forbid the individual this right could be unconstitutional. If it should be abused, future legislation could correct the problem.

5. Allowing candidates (incumbents and challengers) to spend an additional 20% in nonelection years. (Recognizing and requiring reporting of what goes on anyway.)

This is of further benefit to incumbents who have a tremendous advantage anyway.

The bill does little to give challengers a chance to overcome an incumbent's advantage. Very little is being proposed to remedy the problem. LWV would support good solutions.

6. Not requiring reporting of contributions under \$100. in statewide races, \$25. in legislative races.

To inform the public, everything can and should be reported.

At some point the sheer bulk of reports defeats the purpose of informing the public. The costs of campaigning can become excessive and limit those able to run. Whether \$100. or a lesser amount is best, experience will show. League supports some exemption in reporting.

7. Allowing, with regulation, contributions from special interest groups.

All special interest contributions should be forbidden.

They should have the right to speak in the political process. Rather than forbidding this activity, League feels that publicity, through reporting, is their best regulation.

8. The bill repeals all limits or reporting requirements for all other elections in the state - municipalities under 20,000 population, county, township.

To totally abolish all legal restraints does not seem wise. League urges maintaining for the current laws.

Memo to: Local Leagues
From: State Board
Date: February 13, 1973
RE: Campaign Financing Position Statement

FOR PUBLIC RELEASE AFTER 9:30 a.m., February 15, 1973

The League of Women Voters of Minnesota reaffirms its support of the public's right to comprehensive disclosure of all political campaign contributions and expenditures.

We also support judicious use of public resources to finance campaigns.

In addition, we support reduction of the amount of money spent on campaigns.

EXPLANATION

The League of Women Voters of Minnesota has supported efforts to pass good disclosure legislation since a study made by its members in the 1960s. Members agreed to reassess the area of campaign financing at State Council in April, 1972. The League membership reiterates its previous consensus on disclosure in regard to the following:

- * Mandatory, timely, uniform and complete reports of campaign contributions and expenditures should be made to a central authority responsible for disseminating such information to the public.
- * Responsibility for reporting contributions to the candidate's campaign and for reporting expenditures by the candidate and those made on the candidate's behalf rests squarely on the candidate.
- * Penalties should be stringent enough to ensure compliance by candidates.

League members expressed concern about escalating costs of campaigns, fiscal disparities which often exist between candidates, and the possible undue influence of large contributors. Ways to ameliorate all of these concerns were not specifically indicated but there were suggestions such as setting realistic, flexible limits on expenditures; shortening campaign times; use of minimal government subsidy or public funding of campaigns.

IMPORTANT NOTICE:

The state League is holding a press conference on Thursday, February 15, 1973, in Room 21, State Capitol at 9:30 a.m. to state and explain our position. Leagues are invited to attend.

Your local news release should not go out before Thursday, February 15, 1973 at 9:30 a.m.

April, 1973

Pm - P

FILE COPY

BACKGROUND FOR ACTION

Memo to: Local League Presidents and Action Chairmen
From: Organization of State Government and Election Laws Committees
April 10, 1973
Re: Selected Issues for Action

Issues Included in this Mailing:

- Campaign Financing (Election Laws)
- Reducing Size of Legislature (Organization of State Government)

Issues to be Included in Later Mailing:

- Legislative Post Audit (Organization of State Government)
- Executive Appointment (Organization of State Government)

Purpose of this Information: To advise you of the status of legislation of concern to the League and provide information for action.

The items included here are strong League interests and most are being seriously considered. This information can be used to build League and public understanding and support. Lobbying of legislators by League members and other community groups and individuals is certainly encouraged - using this information plus that from other sources. There will be specific Times for Action when decisive votes can be determined with adequate advance notice and if the effort could make the difference between success or failure.

Local League Action Planning

Public support often plays a significant role in deciding the fate of major legislation. Therefore, informing League members and the community and urging action is essential. Listed below are a few things that can be done. Refer to the new Action pamphlet prepared by the National LWV for more ideas. Explain both the issue and how to take action. Show the need for action and the possibility of success.

- ** Inform members: Through articles in local League bulletins, briefings at unit, annual or general meetings.
- ** Inform community: Through the media, TV and radio programs, letters to the editor, press releases, special columns. Provide information to other community groups and invite them to join in action.
- ** Lobby your legislators: Although specific Times for Action are not indicated here, writing or personal visiting legislators is encouraged. A thoughtful personal letter or visit may be more effective than responses timed prior to crucial votes. Be sure to thank legislators when you are aware of their support for issues of League concern.
- ** Specific Times for Action: Watch for these calls for official League letters and widespread member and public support. These T for A will indicate bill numbers, estimate dates of crucial votes, etc.

The Background Information

Only the essential information is included here and some League references.

Watch the Capitol Letter and other League materials for further information. Should you desire a full accounting of a bill's provisions and its present status, please call or write Barbara Steinkamp - 4912 Payton Court, Minneapolis 55435 - (612) 927-9263.

ELECTION LAWS: CAMPAIGN FINANCING

League Background

The League has supported campaign financing reform since 1961. In a new 1972 study League members reaffirmed their support for comprehensive disclosure of campaign contributions and expenditures. In addition they recommended that measures be taken to reduce the amount of money spent in campaigns and permit the judicious use of public resources to finance campaigns. For a complete statement of our new position refer to the March 1973 Minnesota VOTER.

The Need for Action

Because this issue is so complex and there are many divergent views on solutions it is difficult to get legislation passed. Public support is the key to accomplishing this reform and guaranteeing it the attention it deserves.

Legislative Action to April 2, 1973

The 3 Senate Files introduced to date have companion House Files and comprise 4 different proposals. It is difficult to predict which details will be retained, what amendments will be offered, or which bill, if any, will be favored over another. The best features of each may be incorporated in a single committee bill. Bill numbers, their authors and major features are outlined below:

The chief author is underlined. An X indicates that a bill contains that feature.

	Lobby Regulation & Conflict of Inter.	Ethics or Limits Elections Commiss. Expend.	Limits on Contrib.	Discl. of Exp. & Cont.	Public Funding Tax Check-off
S.F. 1005					
<u>North, O'Neill</u>	X	X	X	X	X
S. Keefe					
companion					
H.F. 951					
<u>Berg, Savelkoul,</u>					
<u>H. Sieben, Ferderer</u>					
<u>& Fudro</u>					
S.F. 1197					
<u>S. Keefe,</u>					
<u>Laufenberger,</u>		X	X	X	X
Conzemius					
companion					
H.F. 1125					
<u>H. Sieben, Berg,</u>					
<u>Tomlinson, Fudro,</u>					
<u>Patton</u>					

	Lobby Regulation & Conflict of Inter.	Ethics or Limits Elections on Commis. Expend.	Limits on Contrib.	Discl. of Exp. & Cont.	Public Funding Tax Check-off
S.F. 88 <u>Brown</u> Conzemius, Berg companion	X	X		X	
H.F. 464 <u>Savelkoul</u> , Sherwood, E. Lindstrom, McArthur, Lombardi					
H.F. 179 J. Johnson, E. Lindstrom, Laidig, Larson & Hook No companion Senate File		X	X		

Prospects for Passage of Campaign Financing Legislation this Session

The bills with the exception of H.F. 179 include matters which are the jurisdiction of several committees. In both Houses, the bills must go to governmental Operations, General Legislation - (Elections), Appropriations (House) and Finance (Senate), Taxes, and possibly Judiciary Committees. There is certainly a question as to whether these complex bills can be approved by so many committees before the deadlines. Committee reports on bills must be received on the floor of the House of origin by April 28 and committee reports from the other body by May 12. But the inclusion of many controversial issues in single bills is a problem, too. Several of the issues have strong opposition. Regulation of lobbyists, disclosure of financial interests, the \$1.00 check-off, limits on spending, election or ethics commissions, and strict campaign financing disclosure provisions all have enemies. It has been suggested that separate bills might eliminate some opposition, but there is little likelihood of this happening. On the other hand, some feel that a package of ethical matters as in S.F. 1005 enhances success by attracting greater attention in the legislature and by capturing the fancy of media and public.

League Action

The enclosed testimony has been presented in written form, some portions orally, and been subject to debate and questioning of League lobbyists appearing before Senate and House committees. We enclose it "For Your Information."

Resources for League action by articles, letters, interviews, etc. on Campaign Financing

Review Minnesota VOTERS - September, October, 1972, and March, 1973 issues, Capitol Letters - 1973 and 1971, League testimony, plus news articles, experiences you had gathering data on disclosures under present Minnesota Campaign Financing laws, etc. We are still compiling the data sent by local Leagues on disclosures by political committees and will send the results along as soon as possible. Remember that the essential element in this lobby effort and others is showing that there is a need for change.

Testimony on Campaign Financing
to Committees of the Minnesota Legislature - 1973
by the League of Women Voters of Minnesota

Existing laws and practices regarding campaign financing and reporting in Minnesota are a major concern of the League of Women Voters. Secrecy involving the function of money in politics undermines the public's trust in government. There is little doubt that reform of state campaign financing laws is crucial and long overdue.

The failure of the Minnesota Fair Campaign Practices Act to accomplish, to any large degree, either of its major purposes has been widely criticized. The Act's detailed disclosure requirements and limits on total spending apply only to candidates and their personal campaign committees, and create the illusion of control. In Minnesota, the major campaign expenditures are funneled through voluntary committees to which the law permits unlimited spending and requires minimal disclosure.

Because of the inadequacies of volunteer committee reporting, it is virtually impossible for the League, other groups, or interested citizens to obtain a clear picture of campaign financing. These committees report only total receipts and expenditures within 30 days after any election. Administrative officials agree enforcement is ineffective; election officials receive reports, but there is no mechanism to check reports for accuracy or completeness. Because no registration of volunteer committees is required, election officials have no method available to be informed that such committees are in existence.

The League has supported efforts to pass good disclosure legislation since a study made by its members more than a decade ago. In April of 1972 League members agreed to reassess the area of campaign financing to determine whether disclosure alone is adequate regulation.

League members express concern about the escalating costs of campaigns, inequities in the distribution of political funds and the undue influence of large contributions. Our new study and agreement reaffirms the public's right to comprehensive disclosure of all political contributions and expenditures. In addition, we support the judicious use of public resources to finance campaigns and measures to reduce the amount of money spent in campaigns.

The League supports overall limits on campaign expenditures. We recognize the difficulties in setting realistic, flexible limits but feel they are necessary to curb expenditures. League members believe that in many campaigns expenditures are redundant, neither enhancing the candidate's chances of winning nor providing for a more informed citizenry. It is our hope that qualified candidates lacking in personal wealth or affluent friends may be afforded more equal opportunity in seeking public office. Also we hope that with limits on campaign spending, candidates may budget their expenditures and other campaign activities more wisely.

The League supports the use of minimal subsidy or public funding of campaigns. Among the several plans suggested by our members, these were recommended most frequently: a voluntary one dollar tax checkoff on state income tax, free mailings, voter information on all candidates for the same office, increased tax deductions and tax credits.

Because of the interrelationship of problems and solutions in campaign financing we feel that it is appropriate to consider public funding proposals in conjunction with other controls. We are aware that legislators may be reluctant to enact this type of legislation; there are few state laws to look to for experience and advice; unless provisions for such tax-related subsidies are voluntary, legislators may question the public's response to the use of public funds for political purposes.

We encourage the present legislature to be innovative in the tradition of the legislature in 1955 which enacted the \$100 deduction for campaign contributions on state tax returns still in effect today. We anticipate several benefits if some additional form of public funding is adopted in Minnesota. It could assure minimum funding for all candidates for the same office, allowing them to more fully present their views to all voters. Pressure on candidates to accept large gifts from donors who may seek special favors may be reduced. Citizen tax incentives may broaden the base of political contributions.

The League would like to see enacted campaign financing legislation which includes limits on expenditures, some form of public funding and comprehensive disclosure. But we would not object to separate consideration of these three major issues, particularly if that approach would enhance chances of passing effective and enforceable disclosure. It is possible that given experience under effective disclosure, the need for other controls and the direction they should take, would be better established. The League believes that comprehensive disclosure may result in several benefits, it could help control excessively large contributions that may exert undue influence. It will provide voters with additional information about candidates and their supporters enabling them to cast more informed votes. And, it simply removes the mystery about money in elections.

The League believes:

- * Mandatory, timely, uniform and complete reports of campaign contributions and expenditures should be made to a central authority responsible for disseminating such information to the public.
- * Responsibility for reporting contributions to the candidate's campaign and for reporting expenditures by the candidate and those made on the candidate's behalf rests squarely on the candidate.
- * Penalties should be stringent enough to ensure compliance by candidates.

To provide meaningful, enforceable disclosure, the statutes must be well drafted, the language must be specific, outlining fully the responsibilities of all persons who participate in the disclosure and enforcement process. The League believes that tightly drawn legislation which pinpoints responsibility would make it unnecessary to establish a totally independent agency to administer and enforce disclosure laws.

Because we are aware there is support for an independent agency we have prepared more extensive remarks on that issue. We suggest the following criteria be followed:

- centralized responsibility for achieving uniform election procedures and for training election officials;
- elimination of duplication and overlapping of agencies which result in confusion to citizens, difficulty in coordination of efforts and

fragmentation of functions;

--clear lines of authority and responsibility leading to accountability by state executive officials.

These criteria may be met by centralizing administrative and some enforcement functions in the Secretary of State as chief election officer. We cite these reasons in support of this view:

There is no proven need for a major new governmental agency to administer and enforce disclosure. Our present Secretary of State and his predecessors have faithfully executed their elections duties. Rather, problems in the administration of election laws may be attributed to the ineffective, unenforceable statutes and the diffusion of responsibility for administration and supervision of elections among numerous local election officials.

We see no reason to question the capacity of the Secretary of State and his staff to do a trustworthy and complete job. Presently, the Secretary of State executes numerous responsibilities in sensitive areas of our state's electoral process. To this office is assigned a major role in present federal and state campaign financing laws; the Secretary of State receives and serves as the repository for financial statements by federal candidates and their committees. He is the filing officer and his office serves as the repository for disclosure in many state elections. Other responsibilities include the preparation of reporting forms, election manuals and ballots; gathering data on elections. It seems logical that the Secretary of State be entrusted with additional sensitive election matters including more comprehensive disclosure by candidates, lobbyists and governmental officials.

The League believes that it would be very unwise to further fragment the responsibilities for supervision and control of elections. A superior approach would be to expand present duties of the Secretary of State. In addition to giving him new responsibilities for administration and enforcement of disclosure laws, he should have an increased role in the conduct of elections. The office of Secretary of State should have the power and obligation to:

- * issue rules and regulations to local election officials for carrying out registration and voting procedures
- * develop programs for mandatory uniform training of local election officials
- * provide citizens with information on candidates, on voting rights and have adequate financing to disseminate the information throughout the state
- * develop a uniform system for record-keeping and reporting by local election officials.
- * determine the existence of irregularities in elections and initiate enforcement proceedings
- * determine inequities in costs of conducting local elections throughout the state and provide state financial assistance when necessary.

This broader view of the state's responsibility for election procedures emphasizes our concern for more centralized, effective control of election

matters and the need to coordinate election activities, prevent duplication of effort and focus responsibility to achieve greater accountability. Such an expanded role for the Secretary of State as chief election officer would entail new costs for office space, staff and use of computer technologies.

Although we do not object to increased state spending to protect the integrity of the electoral process, we suggest that incorporating new disclosure duties under an existing department is a better and more economical use of state funds than establishing a totally separate agency.

An issue related to this discussion is the possibility that the Secretary of State's office may become appointed by 1978 or that the office could be abolished and its duties assigned to the Lt. Governor. The League supports the appointment of the Secretary of State. Whether this chief elections officer in Minnesota is elected or appointed has no bearing on his or her ability to administer election laws. In either case, with increased and centralized responsibilities the office would have greater visibility, and be more responsive and accountable to citizens.

In addition to administration, we are concerned that there be strong enforcement. Very often ineffective enforcement provisions have been cited as the fatal flaw in election laws. There is wide divergence of opinion on just what enforcement mechanism will work. We would like to share with you some of our concerns and raise some questions.

One approach to enforcement calls for an independent enforcement agency. Proponents of this mechanism feel that political realities make it impossible for government officials and agencies to regulate themselves. But there is evidence refuting this view - where the enforcement responsibility is clearly delegated to a government agency with specific guidelines, adequate financing, and freedom to act, enforcement has been successful. In both California and Maryland, state officials have initiated independent audits of campaign financing disclosures with encouraging results.

Another approach to the problem would be to appoint a citizen review board responsible to the state election department. This concept is supported by those who feel that citizen involvement in the electoral process is desirable and that the public interest must be represented. Opponents feel that such a review board is little more than an empty gesture to placate the populace.

Our research committee on campaign financing has examined the idea of a citizen elections commission which would be somewhere between the two approaches. Perhaps a 5-7 member commission with quasi-judicial responsibilities could receive reports of major violations identified from the investigations by the Secretary of State and receive complaints directly from candidates and citizens. This could eliminate the possible reluctance of citizens or candidates to bring complaints directly to courts or elected prosecuting officials. The commission could be empowered to issue subpoenas, hold hearings, make determinations, and if there is evidence of wrong-doing, refer the violations to the proper prosecuting authorities. In addition to enforcement of disclosure violations, the commission could advise the Secretary of State in other election matters, initiate independent audits, conduct investigations, research and evaluate present laws and recommend changes to the Secretary of State, Governor and legislature. It could serve at both the call of the Secretary of State and its chairman.

Whether or not a citizen elections commission along these lines is established, the Secretary of State's office should have its own enforcement officer. A member of the Attorney General's staff could be assigned to investigate

violations of any election matter and assist in enforcement.

We raise some additional questions on enforcement:

- * who should enforce minor infraction of the disclosure laws and assess penalties?
- * should there be specific fines spelled out in the statutes for minor violations? What violations should be referred to a commission or a prosecuting authority?
- * what violations should be publicized, by what method and at what times?
- * how can timely enforcement be assured? Judgements issued after elections may be of little value.
- * how can spurious, publicity-seeking complaints be avoided or at least be of little consequence? Would this problem be reduced if commission or court proceedings were held in closed session, making the findings public only if they result in convictions?
- * should enforcement be centralized in the Attorney General? The national Municipal League has supported this. They propose that the office of Attorney General be the focus for proceedings against violators and suggest that the Secretary of State work closely with the Attorney General. They believe that laws which leave such enforcement to county prosecuting attorneys are likely to be inefficient. They submit that the Attorney General should prosecute delinquents with or without waiting for complaints from citizens or candidates.

We raise some questions on the size and composition of a citizen elections commission:

- * Size? Some say there are advantages in smaller committees of five to seven. They are easier to administer, can meet on short notice, and are more deliberative. Perhaps Parkinson's "coefficient of inefficiency" is appropriate here. He states that a positive correlation exists between the efficiency of work performed and the number of committee members assigned to perform it; the value of the former declines as the value of the latter rises.
- * Composition? Is there an established need for a large number of elected government officials on a citizen election commission? Since a major goal is to involve citizens in the electoral process, enhance credibility and provide a fresh and objective viewpoint, a substantial presence of elected officials must be questioned.
- * Title? Is it necessary to use the word "ethics" in the title of the commission? The word may seem to connote wrong-doing. The League sees as major objectives of new disclosure and campaign financing legislation the promotion of a healthy public view of government and guidance to government officials so that they may understand what is expected of them. We do not accept the view that there is widespread corruption in Minnesota elections. Rather, we see new legislation promoting a better relationship between government and the governed.

We urge the adoption of major reforms in campaign financing legislation now, with continuing commitment to evaluation and strengthening of these important laws.

ORGANIZATION OF STATE GOVERNMENT:

Reduction of the Size of the Minnesota Legislature

Although many legislators favor a reduction in size of the legislature, chances for passage of any of the proposals are not bright. The leadership in both Houses opposes any change in size. But a show of solid public support could make a difference. As stated in the March 6, 1973 Capitol Letter, plans which take effect after the 1980 census may have a better chance of passing now than they would in each succeeding session. Thus League attention to this issue is warranted.

Legislative Action This Session

Senate: The Senate Subcommittee on Elections of the Transportation and General Legislation Committee has held several hearings but no agreement was reached on any particular bill.

Senate Files: (The first author listed is the chief author.)

- S.F. 8 Chenoweth, Ashbach, and Hughes - Senate 49, House 98. Change by statute, effective on first reapportionment after Jan. 1, 1973.
- S.F. 139 Purfeerst, Solon, and Laufenberger - Senate 55, House 110. Change by statute, effective after 1980.
- S.F. 300 Brown, Nelson, and Ogdahl - Senate 35, House 105. This includes an apportionment plan effective in 1975 and is the same as the first court plan which was discarded last year.
- S.F. 375 Schaaf, Coleman, and Solon - Senate 50, House 100. Change by constitutional amendment, effective in 1982.
- S.F. 407 J. Keefe, Knutson, and Nelson - Senate 39, House 78. Change by statute and effective 1975.

House: A subcommittee on Size of the Legislature and the Unicameral System of the General Legislation and Veteran Affairs Committee has held several hearings. They seem to favor plans calling for 110 or 112 representatives or 55 or 56 senators respectively. There was interest in establishing legislative districts in line with congressional districts. There was discussion of limiting the size by constitutional amendment because changes by statute could so easily be repealed before an effective date after the 1980 census.

House Files: (The first author listed is the chief author.)

- H.F. 58 J. Johnson, E. Lindstrom, Belisle, Laidig and Clifford. Companion to S.F. 300.
- H.F. 137 Vento, Knickerbocker, H. Sieben, Boland and Salchert. Companion to S.F. 8.
- H.F. 283 Knickerbocker, Growe, Ferderer, Lombardi, Cleary. Senate 39 and House 78. Change is by constitutional amendment and includes other changes - no limit on the length of session, provides staggered terms for senators, etc. Size change effective after 1976.
- H.F. 604 Faricy, Berg, Quirin, Sarna and Fudro. Senate 55, House 110. Change by statute and effective after next apportionment.
- H.F. 687 Ulland, R. Anderson, R.L. Pavlak, Flakne and Wolcott. Senate 45, House 90. Change by statute and effective after 1983.
- H.F. 688 McFarlin, Clifford, Dahl, Cleary, Graw. Limits the number of legislative districts to 40 - each district would be represented by one senator and 3 representatives. Change is by constitutional amendment.

Information for League action by articles, letters, etc. on Size of Legislature

One hundred and thirteen years ago, the Minnesota Senate had 21 members and the House 42. Since then these bodies have grown only one way - larger, with the exception of one less House member in 1972, until today we have the largest state senate in the nation (67) and the 13th largest house (134). Minnesota has the 8th largest legislature. There are states with larger populations that have smaller legislatures. In California with a senate membership of 40 the average population of each senate district is 392,930 compared to Minnesota's senate districts each with a population of 56,870. Each of California's 80 house members represents an average population of 196,456 compared to Minnesota's house districts with a population of 28,404. A common argument for large legislatures is that they are more representative. But the Committee for Economic development, in a 1967 study of state government, saw no merit in considering the number of people each legislator represents. Instead, they stress the significance of size in a legislative body's ability to function effectively and have recommended that legislatures be no larger than 100 members total. Other proponents of smaller legislatures set figures ranging from 100 to 150.

There is growing public support of a smaller legislature as indicated by Minnesota polls. In December of 1970, 52% favored a smaller legislature. In January of 1972 this figure had increased to 67%.

The case for a smaller legislature:

1. The present size makes conduct of state business difficult and efficiency tends to be lost.
2. Large bodies have less time for thoughtful debate and careful decision making.
3. The larger the group, probably the fewer the people who will actually conduct the affairs of the legislature and actually make the decisions. There may be less responsiveness to citizens.
4. With fewer legislators, staff could be expanded, increasing the quality of information and the presentation of all sides of issues. Physical arrangements would be more adequate.
5. Representing larger districts could improve the ability of legislators to serve the best interests of the state. Narrow constituent interests can be balanced by larger voting populations.
6. With flexible sessions and as the time demands on legislators expand, adequate numbers of good people willing to serve could become a problem. Larger districts with increased visibility could mean the legislature would continue to attract highly qualified candidates.

Using these ideas and adding others from your own observations and reading, urge legislators to examine the problem of size. If you see that your legislators have authored a bill now or in past sessions, do commend them for their support.

For further information: Refer to the Legislative Action Committee Guide August 1971, which has several pages on this issue, including some excellent references.

Election Laws:
Campaign Financing

FILE COPY

The League of Women Voters of Minnesota

ELECTION LAWS: Update: A review of campaign practices and regulations

Flash! LWV of Minneapolis invites all Leagues to attend briefing session on Campaign Financing, Wed., Sept. 20, 9:15-11:15 a.m., main Minneapolis Public Library, 400 Nicollet Mall. Speakers: Lu Stocker (Republican State Chairwoman) and Representative Tom Berg (DFL, Minneapolis).

Included in this mailing:

- League Background in Campaign Financing, 1961-1972 (for your local bulletin).
- Consensus Questions - report due NOVEMBER 30, 1972.
- "Overview of State Statutes Regulating Political Finance".
- "Summary and Annotations of the Minnesota Fair Campaign Practices Act" - by Secretary of State.

* Flash! Flash! A copy of the Sept.- *
* Oct., 1972, Minnesota VOTER on Cam- *
* paign Financing will be sent first *
* class to each League as soon as the *
* ink is dry--watch for it! *

COMMITTEE GUIDE: Outline and Contents

- Review of Materials Available --p. 1.
- Suggestions for Local Research on Campaign Financing --p. 2.
- Comparison of costs of 1954 and 1970 state senatorial campaigns --p.2.
- Suggestions for Preparing Visual Aids and other Pre-Unit Meeting Activities - including community action and use of local bulletin --p. 3.
- Preparation for Consensus --p. 5.
- Suggestions for Unit Meeting on Campaign Financing --p. 5.

Review of Materials Available

Two basic pieces are available for "every member" use: National's Facts & Issues, April, 1972, "Campaign Spending: The Great American Treasure Hunt" (Have you ordered copies for each of your members? For your committee?) and our campaign financing issue of the Minnesota VOTER (Sept.-Oct., 1972--soon to be in the mails). For news about bills in 1971 Legislature, see Capitol Letters for May 14 and Nov. 24, 1972; see also testimony before Joint Committee on Reapportionment and Elections, May 19, 1972--mailed to you earlier. Check your files now; you may wish to refer to these materials in bulletin articles and in planning unit presentations.

This Committee Guide prepared to comply with Council direction to limit quantities of paper. Copy supplied for each local League; extra copies 20¢ each from state office.

Suggestions for Local Research on Campaign Financing

Organize your committee to conduct interviews with municipal and county election officials, candidates (former and present), campaign committees, and with the general public. Plan to duplicate the replies and send them to your members in your next bulletin to background unit discussion before consensus.

Here are some suggestions for questions you might ask; add your own!

Local Municipal Election Officials - Ask how they administer campaign financing laws. What instructions do they give to candidates? How do they handle reports, violations, etc. Remember that reports are not required in municipal elections where the population is 20,000 or under.

County Election Officials - Check with your county auditor to see which candidates and committees file with them. Ask to examine reports, and check them for accuracy, completeness, etc. Ask the officials how they handle reports. How does administration and enforcement differ for reports of candidates, personal campaign committees, volunteer committees? How long are reports preserved? Can you make copies of reports? Who asks to see reports and what use do they make of them?

Candidates (former and present), Campaign Chairmen, and Elected Officials - Ask them how they organize campaigns, how they raise funds, how much they spend and how they spend it. Ask how they feel about the various controls on campaign money. Do they favor some form of governmental assistance? How do they feel present laws could be improved? Explain our present position and ask their support. Avoid using names when reporting on these interviews; refer to "Candidate X, Candidate Y, etc.).

Surveys - Find out public opinion on campaign financing problems. What do voters feel are the major problems? Have they been solicited for contributions? Would they care to contribute if asked?

Watch for newspaper and magazine articles on campaign financing and other campaign activities. Note and compare the "free press space" candidates receive; note other "free campaign activities"--candidates meetings, get acquainted coffees, etc. How is money spent? How is it raised? Estimate spending by candidates and then compare it to reported expenditures. Note names of volunteer committees on literature; see if they report when required. Gather samples of campaign literature and other advertising and use in a display for unit meeting.

Example of Campaign Costs

The following information was obtained in an interview by the League's Campaign Financing Committee. It compares campaign finance in the 1954 and 1970 campaigns (same district), conducted by the same state senator.

<u>Expenditures</u>	<u>1954</u>	<u>1970</u>
Total Costs	\$ 800 (100% his personal cost)	\$ 5800 (15% was his personal expense)
Billboards	0	\$ 750
Calling Cards	\$ 140	\$ 350
Large Placard (27 x 11)	\$ 200	\$ 450

Expenditures	1954	1970
Radio	0	\$ 1650
Weekly Newspaper Ads	\$ 225	\$ 2100
Mail	0	\$ 450
Rent Billboard Space	0	\$ 60
Lath for signs	0	\$ 70

Sources	1954	1970
Party Help	0	3 Counties \$700
Dinners	0	\$ 1950
Collections (up & down street)	0	\$ 2000

Description of District	1954	1970
Miles	2500 miles	6000 miles
People	57,000 people	72,000 people

The State Senator acknowledged the assistance given by the LWV and other groups, indicating that candidates meetings are a good way to reduce election costs.

Suggestions for Preparing Visual Aids and Other Pre-Unit Meeting Activities

Comparison charts help discussions and focus attention on pertinent facts. With this mailing you receive information on other states' statutes regulating political finance (see "Overview of State Statutes" mimeographed paper). Use it (and other reference material--see bibliography, p. 7) to design charts comparing major regulations in present laws--Minnesota, federal, and other states. Add information on application of state laws locally.

- Charts may be prepared to illustrate comparisons of campaign costs. (See information gathered in a state League Campaign Financing Committee interview below.) Show how money is spent in your area.
- Prepare charts comparing information reported by candidates and by committees.

How about some Less Serious Activities on a Serious Issue?

- Create cartoons, dramatic presentations:
Campaign financing has frequently inspired provocative cartoons, pithy sayings, and fascinating rhetoric. Have some fun with the resource material.
One of our Leagues is considering focus on this study as a "new member event"--perhaps to launch an exciting League year?
- All parts of the issue can be illustrated in some dramatic way. For example, the Minnesota Fair Campaign Practices Act offers some good material:
* * One way to illustrate the law would be to take two candidates--X and Y. Candidate X appoints a "personal campaign committee" and reports total expenditures of \$3,000.
Candidate Y, meanwhile, is supported by "volunteer committees" which report expenditures of \$10,000.
Statutory limits for the office are \$1,500.

Candidate X exceeded the limit, violated the law while Candidate Y's greater expenditures were perfectly legal! Candidate X won the election, but may not be able to take office.

Ask members why, and what they think.

- * * With this or some similar example, you could provide information on how limits are now set and applied, point out differences in reporting requirements, administration, and enforcement of the major regulations in Minnesota law.
- * * You would have a dramatic illustration of how these particular laws may tend to increase public disrespect for laws and law-makers.

Community Action and Study: Bring your community along! Clearly state through newspaper articles, contacts with citizens, other organizations that the League supports disclosure. Emphasize our several basic principles as stated in our position these many years. Explain that we are engaged in a new study of certain other controls. Ask to speak on campaign financing before other groups.

- * * Bring copies of the national Facts & Issues on campaign financing and our Minnesota VOTER issue on campaign financing (see above) to news media--radio, TV, press. Indicate the publications are "for their information". They will then have the information available at some later time when the issue becomes lively locally.
- * * Speakers - Panel Discussions--open to the public. This is a lively, timely issue as local campaigns move into the final phases before the November 7th election. Be sure you provide a balance among speakers from differing points of view and political parties. Consider inviting League members to speak--many have been candidates or have been involved in campaigns and can share first-hand experiences.

Use of Your League Bulletin is especially important to supplement material in Sept.-Oct. Minnesota VOTER with local campaign information your committee is researching (see above for suggestions on interviews). Bulletin Power can stretch those precious unit-meeting-minutes and help achieve full and meaningful discussion. Here are some tips. . .add them to the plans you already have underway!

- * * State the Consensus Questions in your next bulletin--with a reminder to members to read the Sept.-Oct. VOTER word-by-word before coming to discuss the issues at the unit meeting.
- * * If you are supplying the national Facts & Issues to each member, staple it to that next bulletin--and urge members to read it carefully, questioningly before the unit meeting.
- * * After your committee meets to plan timing and discussion questions for the unit meeting, plan to include the discussion questions in your bulletin--with the request that members read and then bring the bulletin with them to the meeting.
- * * If you plan some dramatic puzzle-type teaser about how Candidate X and Y spent their funds, some cartoons, a quiz on the Minnesota law. . .do it in the bulletin!
- * * And if your own research turns up tasty tidbits of information, plan to share them with members via the bulletin. Chances are you'll be the bulletin editor's best pal--why, you can do your own "Campaign Financing Special Edition" and give her the month off?

How NOT to Use your Bulletin: When you've held your consensus meetings and

your units all have expressed their innermost convictions on the issues, and when your Board has gathered it all together and stated the overall consensus for your League . . . do NOT publish this as "the Campaign Financing Consensus" in your bulletin, please? Wait until you have the statement of our new state consensus, and then publish that in your bulletin--indicating then how your own League's ideas on the issue meshed with the overall consensus of all Leagues in Minnesota.

- * * Explain the meaning of consensus . . and how it is reached (see below)
- * * Include our present position and explain the purposes of this new study.
- * * You may wish to include information from the League Background on Campaign Financing, 1961-1972, piece included with this Committee Guide--extra copies to staple to your bulletin may be ordered from the state office at 20¢ a copy.
- * * Use the bulletin to invite members to observe campaign activities, discuss the financing issues with candidates and promote our position. Lobbying is a continuous effort!
- * * Ask members to invite friends, husbands, new residents to attend the unit meeting when campaign financing is discussed (remind them that only members will be participating in the consensus reaching, however.) Such a meeting is a chance to see "League in Action" and pique interest in membership.

Preparing For Consensus

Reread pages 32-3 of the Local League Handbook (1969 edition) and plan to include reference to the meaning of consensus in the League and its relation to study and to action in your plans for unit discussion. Provide members with copies of the consensus questions, and ask that someone in each unit record discussion at the meeting, including discussion of the consensus questions. As your committee completes plan for unit meeting, check with your unit organization chairman for ways of planning effective meetings. Remind unit recorders that minority opinions are to be noted along with majority opinions.

When unit reports are returned to your local Board for preparation of your League's consensus report to the state Board, please wait until you receive the state-wide consensus report before reporting local unit opinions. The state-wide consensus may result in a new position in this item; members may be confused if they are informed about results of your local discussion before hearing the official statement based on all Leagues' consensus reports.

Suggestions for Unit Meeting on Campaign Financing

Leagues vary in the amount of time they plan to allot to presentation and discussion of this new study under our Election Laws position concerning campaign practices. Possible meetings might include a general meeting (probably including the public) for information gathering and hearing speakers familiar with the issues; a unit meeting for presentation of local research material based on information about campaign financing in your own vicinity and discussion of issues raised in the state VOTER and national Facts & Issues cited above; another unit meeting for discussion of consensus questions and reaching consensus. In some Leagues, discussion and consensus reaching may be included in the same unit meeting--together with some additional topic or study claiming a portion of the same meeting hours.

The following outline and discussion questions are suggested by the state resource committee "for your information". Please adapt to suit your League's time schedule, your units' needs, and resources available.

I. Goal of the Meeting: Action - to review League position on disclosure, and to focus member attention on its relevance.

New Study - Consensus Questions - to determine if other controls of campaign financing, in addition to disclosure, are needed.

II. Review of Consensus Questions and what consensus means.

III. Presentation of the Topic by Resource Person (including suggested discussion questions)

A. League Background

B. Problems in Campaign Financing (include information on how campaigns are organized, how money is gathered, how money is spent, how much is spent--locally, in the state, nationally. Point out some difficulties in obtaining a complete picture of campaign financing practices. What is the role of political parties? Role of other groups in campaigns? What problems do you feel are most important--too much spending? Too little spending? Inequities in sources or distribution of funds? Others?)

C. Importance of Campaign Financing Reform--the broader perspective that involves improving candidate credibility and constituent understanding among other things.

D. Current Laws Affecting Election Finance in Minnesota (use visual aids, charts--remember that all members will have the VOTER as background)

1. Federal Campaign Financing Laws - what is the effect in Minnesota? Note that states may not raise or lower limits on spending in federal elections, but stricter disclosure requirements could be provided. Federal candidates must meet both state and federal reporting requirements.
2. Minnesota Fair Campaign Practices Act - what problems are created by these statutes? Note that the League has testified as to the ineffectiveness of these laws and need for reform.
3. Laws of other states - include some idea of regulations used in other states.

E. Types of controls of campaign financing:

1. Disclosure - review our position; define disclosure.
2. Limitations on Spending - explain purpose of this control, various ways of applying limits (limits on total spending, limits on certain expenditures), factors which may cause variation in costs for a particular office.
 - What elections should be limited, if any? All offices? Certain offices?
 - * How should limits be determined? (By what formula?) Should factors such as incumbency, geography, etc., mean that limits for a particular office should vary?
 - * How can limits on spending be enforced?
 - * What effect would setting limits have on disclosure?
3. Limitations on Contributions - can be handled much the same as limits on spending. Focus in our study has been on limits on the size of contributions, rather than on the sources of contributions.
 - * Questions can be phrased like those under #2 above.
 - * Do members have other suggestions about setting contribution limits?
4. Public Financing - explain the several types, the purposes of each.

- * What arguments are raised in favor of increasing public financing?
- * What arguments are raised in opposition?
- 5. Other Approaches to Solving Problems of Campaign Financing
Examples: candidates meetings arranged by nonpartisan groups, questionnaires on issues.
 - * Are there ways to broaden the base of political financing other than by public funding?
 - * Are there ways other than controls discussed above to reduce costs of campaigns?

IV. Following Presentation and Discussion, go over the consensus questions and determine whether consensus has been reached. Ask recorder to review her notes frequently during consensus reaching to determine accuracy.

Role of Discussion Leader: Some Leagues have found that training and using unit Discussion Leaders is effective in assuring full member participation in discussion and consensus reaching. Following the brief presentations on each part of the topic by the Resource Person, the Discussion Leader would lead discussion on the questions raised; she also leads the discussion of consensus questions. The Resource Person is available to answer questions of fact and draw upon her depth of research and experience to help members clarify information.

Bibliography and Reading List

In addition to materials included with this Committee Guide (see p. 1), Voters Check List, leaflet warning voters of certain campaign practices, was sent to each League earlier this year. Additional copies are available (\$1 per 100) from: Fair Campaign Practices Committee, Inc., 328 Pennsylvania Ave., SE, Washington, D.C. 20003.

Other publications of interest which may be ordered include:

"Money in American Politics--The Costs of Campaigning", by David Adamany, in Vital Issues, October, 1971, Vol. XXI, No. 2. Order from Center for Information on America, Washington, Conn. 06793. 35¢ a single copy.

"New Campaign Financing Laws", Chamber of Commerce of the U.S., March 30, 1972. Discusses clearly the several new federal laws. Order from Chamber of Commerce of the U.S., 1615 H Street, N.W., Washington, D.C. 20006. \$1 per single copy.

"The Common Cause Manual on Money & Politics", Common Cause, Washington, D.C., March, 1972.

"Financing a Better Election System", Center for Economic Development, 1968. Order from Center for Economic Development, 477 Madison Ave., New York, N.Y. Under 5 copies free.

Additional Reading: *

M -Adamany, David. Financing Politics, Recent Wisconsin Elections. University of Wisconsin Press, 1969.

M -Alexander, Herbert. Financing the 1968 Election. Lexington: D.C. Heath & Co., 1971.

S,M-Ethics in Government: A Report by the Minnesota Governor's Committee on Ethics in Government to Governor Orville L. Freeman, Jan.4, 1959.

S -Heard, Alexander. The Costs of Democracy. Chapel Hill: The University of North Carolina Press, 1960.

H -Heidenheimer, Arnold J. (Ed.) Comparative Political Finance. The Financing of Party Organizations and Election Campaigns. Lexington: D. C. Heath & Co., 1970.

M -McCarthy, Max. Elections for Sale. Houghton Mifflin: Boston, 1972. (with Richard Dean)

S,M-Mitau, Theodore. State and Local Government: Politics & Process. Scribner, N.Y., 1966.

Periodical Articles of Current Interest:

"Annals of Politics: A Fundamental Hoax" by Richard Harris, The New Yorker, August 7, 1971.

"Oh What a Lovely Way to Run an Election" by Herbert R. Mayes, Saturday Review, March 11, 1972. Describes elections in Britain.

"Flaws Exist in Cost Data of Campaign" - a series of articles by Frank Wright, Minneapolis Tribune, Feb. 14-19, 1971.

Supplementary Resource Material gathered by the state Campaign Financing Committee is available for reference at the state office. Contact Barbara Steinkamp, State Campaign Financing Chairman, (612) 927-9263, 4912 Payton Ct., Edina, 55435, if you need assistance.

* M - Minneapolis, S - St. Paul, H - Hennepin County. Other local Leagues should request their local libraries to secure these books on inter-library loan.

~~LEAGUE BACKGROUND~~ PAPER: CONSENSUS ON CAMPAIGN FINANCING

The League of Women Voters of Minnesota original consensus on campaign financing was reached in 1961, and was stated as follows:

"First of all you were virtually unanimous in your answer that the public has the right to know whence political money comes and how it is spent. You want to know this through public reports. You want to see candidate responsibility increased. If there are to be dollar limitations on campaign expenses, the League would like those limits flexible and realistic. Some League members would prefer no limits because they felt they would be exceeded anyway. Most of you believe unions and corporations should both be prohibited from contributing and all of you believe the two groups should be treated alike. You would like candidates to sign a Code of Fair Campaign Practices but you would prefer it on a voluntary basis. Beyond the direct questions LNV members indicated very strongly that they wanted Volunteer Committees brought under closer control. There was also a desire often expressed for shorter campaigns on which less money would be spent."

The consensus then enabled League to support the Governors Committee on Ethics and the Interim Committee on Election Laws recommendations.

The position as stated in the 1965 State Convention proposed program, which because it was adopted, then became the League position:

"Under our present position the League maintains a strong interest in campaign practices and calls for: shorter campaigns, expenditure of less money on campaigns, reporting of how all money is obtained and spent to give tighter control over candidates and volunteer committees. Although some improvements were made through the 1963 revision of the Corrupt Practices Law, the League continues to support dollar limits on campaign expenditures that are more realistic, flexible and enforceable. We also favor requesting, but not requiring, the candidate to sign a campaign practices code. The League feels neither labor unions nor corporations should contribute to campaign funds."

The position for the 1967 Convention became:

"Support of the following principles in campaign practices:

- a. The public has a right to know where campaign money comes from.
- b. The public should know how campaign money is spent.
- c. Public reports are the best way to get this information.
- d. Candidate responsibility should be increased; accountability of volunteer committees should be increased."

Also ... "In listing our positions, we have retained those which are clearly the result of study and consensus, those on which members are informed, that continue to receive legislative attention, and which need legislative action to implement."

The identical wording was adopted at 1969 and 1971 Conventions.

Positions for Action, 1969-71 states:

"... In our early lobbying we worked to raise obsolete limits to a realistic level. However, our lobbyists soon learned that it was difficult for anyone to agree on what was a "realistic" limit. We have come to believe that realistic reporting and

people have a right to know the amount of money that is spent in a campaign, where it comes from and how it is spent. We believe that the candidate should be made responsible for such reporting ..."

At the 1971 State Convention, need for increased member understanding of campaign financing was recognized and an update publication was approved. After the Convention, the League State Campaign Practices Committee became concerned that the League position may be inadequate. At State Council in April, 1972, a brief study of other types of regulations was authorized. (See: Minnesota VOTER, March, 1972)

The objectives of this present Campaign Financing study are twofold:

- * to increase member understanding and support for strengthened campaign disclosure laws.
- * to determine if disclosure alone is adequate regulation of the serious interrelated problems of campaign financing.

Legislative Action: Campaign Financing - 1961-1972

The League has lobbied in several legislative sessions since 1961. During the 1971 regular session the League testified before both House and Senate Elections Committees in favor of more complete disclosure. The Senate passed the Overgaard-Savelkoul Bill, but the House Elections Committee did not complete action on the measure.

In the October, 1971, Special Session, the bill was reintroduced and received a hearing before the Rules Committees of both houses. The League testified in favor of disclosure before both committees and at a press conference in the Capitol Rotunda. League members throughout the state wrote letters to legislators urging stricter disclosure laws. Although the bill had received a great deal of attention and had been altered in significant ways to appease various factions, it failed to reach the floor of either house in the final hours of the 1971 Special Session. (See: Capitol Letters: May 14, 1972 and November 26, 1972)

On May 19, 1972, the League, Common Cause, representatives of both political parties, and several interested citizens testified at a joint hearing of the Minnesota Legislative Reapportionment and Elections Committees. At that time, Senator Overgaard and Representative Tom Berg presented similar disclosure proposals (based on Florida law). The League's testimony was also presented to the Republican State Central Committee.

There has been considerable interest in the problems of campaign financing in Minnesota. Increased public understanding and support is considered the vital element for success in the 1973 session of the Legislature.

Changes in the Minnesota Campaign Financing Law 1961 - 1972

There have been few significant changes in the law since our original study.

- * Limits were raised to present levels in 1963
- * In 1967, the title of the law was changed from Corrupt Practices Act to the Fair Campaign Practices Act.
- * In the 1971 Session, the manner in which election contests are determined was changed giving more authority to the courts to make judgments, however the legislature remains the final judge of its own members.

AN OVERVIEW OF STATE STATUTES
REGULATING POLITICAL FINANCE

Herbert E. Alexander
Director, Citizens' Research Foundation¹

The recent emphasis on reform of federal regulation of political finance has obscured developments worth noting at the state level. A new survey of relevant state statutes (compiled by the Legislative Drafting Research Fund of Columbia University for the Citizens' Research Foundation), complete as of June, 1971, reveals several trends since a similar survey was done some five years before.

Laws regarding disclosure of political contributions and expenditures have been changed and generally improved in at least seven states -- California, Connecticut, Hawaii, Maryland, Ohio, Vermont and Virginia. Changes generally require more detailed disclosure -- such as listing full names and mailing addresses of contributors -- as well as more timely disclosure in the pre-election period.

In California, in addition to an improved law, the present Secretary of State, Edmund G. Brown, Jr., has undertaken to administer the law with a firm hand. First, he brought suit to force disclosure of the true sources of campaign funds totalling some \$95,000, which were listed on official reports as coming from "anonymous" donors, in the effort to defeat Ballot Proposition 18 in the 1970 election. Proposition 18 would have permitted a portion of gasoline tax revenues to be used to combat smog and for rapid transit if local voters subsequently approved such action; it turned out that three oil companies had made the contributions in secrecy.

Second, Brown announced plans to seek to prosecute -- if they did not comply within a month -- 134 political candidates he said violated election laws by failing to file proper campaign contribution and expenditure reports following the 1970 primary and general elections. All but nine complied, and Brown then filed suit to obtain an injunction requiring them to file reports. Notably, five of the nine are Democrats, as is Brown. In addition, Brown invoked a section of the election code against another candidate which prevents candidates who do not properly file campaign statements from running again for major public office for a specified time period.

When Maryland improved its disclosure law in 1969, power was given to the state administrator of election laws to conduct an audit of campaign fund reports. It was not mandated, but discretionary, power. The administrator, Willard Morris, contracted with an independent auditing firm rather than use state auditors. At a cost of about \$10,000, a routine spot check of filings, on a statewide and selective basis, was made, and visits were paid to all local board of election supervisors' offices. Procedures for receiving and handling reports were reviewed.

The audit found that nearly one third of the 1,925 candidates in the state elections in 1970 -- 588 of them -- ignored the deadline for filing their reports (313) or filed none at all (275). Of the violators, 157 were elected and are now presumably making and administering laws which other residents of Maryland are not supposed to violate. The report did not name names, but did cite specific violations and undesirable practices in various unnamed funds. The auditors report recommended tightening up various provisions of the law, including better identification of contributors, better tracing of transfers from committee to committee, and better distinguishing between campaign loans and contributions. It was found for example, that the contribution limitation of \$2,500 was

1. This paper is the responsibility of the author and does not necessarily reflect the views of members of the Board of Trustees of the Citizens' Research Foundation. It was presented at the National Conference on State Government, National Municipal League, Atlanta, Georgia, November 14--17, 1971.

seemingly violated by individuals who made loans in excess of that amount and were not reported as repaid. Mr. Morris paid the auditors fees from his administrative budget, but for 1972 is requesting an appropriated budget item. There were some minor complaints that the audit was done, but no serious consequences. The other states could learn much from this auditing procedure.

In Connecticut, statutory changes were triggered initially by disclosures in the Thomas Dodd case. In Virginia, statutory changes may have been influenced to some extent by several studies on the subject commissioned by a research fund located at the University of Virginia.

At the present time only nine states require filing of reports from both candidates and committees detailing sources of funds and types of expenditures before and after primary and general elections. And in some of these cases, the information filed is incomplete, disclosing, for example, contributors but without full name or complete mailing address.

Currently only two states, Oregon and Kentucky, publish summaries of campaign fund data. Oregon lists total receipts and expenditures for every candidate and committee filing, as well as every contributor of \$50 or more. Oregon publishes a separate report after the primary and after the general election, whereas Kentucky distributes press releases before the elections and fuller reports afterward. Kentucky, however, only lists contributors of over \$500, and there do not seem to be very many in the state. Disclosure is most meaningful when the government assumes more than a passive role as a repository by compiling the reported data in comprehensive and useful form.

Nine states are now without any laws requiring disclosure of campaign funds. These are: Alaska, Delaware, Georgia, Idaho, Illinois, Louisiana, Nevada, North Dakota, and Rhode Island. To these must be added the District of Columbia, where the lack of disclosure laws are the responsibility of the Congress. Idaho and North Dakota repealed their disclosure laws since the 1966 survey.

Illinois and the District of Columbia remain the largest gaps. The major legislation now before the Congress would close the gaps in any states and in the District insofar as campaigns for federal office are concerned. Illinois remains the major wealthy state without disclosure. Governor Ogilvy sent a special message to the legislature, and various bills have been introduced and hearings held, but with no result at this writing. It will be recalled that Illinois recently underwent disclosures about \$850,000 in funds found in shoeboxes and valises in closets of the late Paul Powell, who as Secretary of State and as a major Democratic figure had accumulated the cash found after his death. The line between outright bribery and campaign contributions may often be a thin one, but where there is no accounting whatsoever of campaign funds or of sources of income, it is easy to rationalize that one was meant to be the other. Statutory disclosure brings at least some discipline to transactions involving money and elected public officials, and if laws were enforced, even more discipline would result.

Another disclosure in Illinois involved \$100,000 in contributions to Illinois Republicans from corporations interconnected with two race-track companies granted licenses by the Illinois Racing Board. Of course the Board was controlled by Republicans. The contributions were made some 20 days after the Board granted the licenses, which had followed an extensive inquiry into fitness to hold a license. (Was part of the fitness test the ability to contribute as much as \$100,000?) The irony is that the contributing firms were controlled by the late Philip J. Levin, who was known as a generous contributor to Democratic politics in New Jersey, where he lived. It was later revealed that some \$5,500 had also been contributed to Illinois Democrats. Needless to say, Illinois law does not prohibit corporate contributions, though there is a prohibition of contributions from liquor licensees, which the race-track companies also were.

The highly-respected Florida law was subjected to a test in 1970 when it was disclosed that some \$250,000 in a single campaign had been unreported or misreported. This campaign for

gubernatorial nomination used cash illicitly, failed to report several bank accounts, and failed to report a deficit. Investigations by a grand jury and a House elections committee failed to take any action against the violators. In another case, reports on a testimonial dinner were not filed, but upon complaint, a late filing was made. There is a lesson in the Florida experience: where there is a satisfactory law and disclosure is anticipated and habitual, failure to file or late filing is obvious and does get publicized. In too many states, no one knows or cares whether filings have been made, and the media may be less than vigilant. In the absence of an administrator with statutory responsibility to publicize violations, the role of the media is crucial. From perusal of clippings from many states, I detect that the press is more attentive to this subject than previously, but it still does not generally play a Nader-like role in stimulating compliance.

The new survey shows 31 states which prohibit corporate contributions and 4 states forbidding contributions from labor unions. Since the last survey, Maryland enacted a law permitting corporations to contribute any money or thing of value up to \$2,500 in any primary or general election. The \$2,500 limitation also applies to any individual giver. Nebraska now permits corporate contributions provided a statement is filed with the Secretary of State within five days showing the amount and the recipient.

One finding in the new survey is that over the past five years eight states repealed limitations on amounts that candidates and/or committees could spend in campaigns. Most were unenforceable or unrealistic limits applying to the candidate personally and not to his overall campaign. Their repeal suggests some recognition that limitations on campaigns were meaningless, though this runs counter to current Congressional efforts to apply limits to campaign advertising. Only one state, ironically Florida, which has an enlightened law, enacted new ceilings on expenditures. These apply collectively to the primaries and again in the general election. The Florida limits are comprehensive ceilings on a candidate's campaign, which are most difficult to enforce, both for practical reasons - because there are so many openings for disbursement by individuals or by party, labor, or other committees - and for constitutional reasons - because limits of this sort might be infringements on First Amendment rights. In at least one case, a candidate for Governor is known to have committed and spent certain funds prior to the effective date of the new limitation, in order to circumvent its intent. Similar proposals to limit campaign costs have been made in numerous other states in the past several years, but none other than Florida's has yet been enacted.

The repeal of the limitation on candidate expenditures in New Jersey is an interesting case study. Two minor party candidates for Governor in 1969 contested the election of William T. Cahill as Governor and the nomination of his Democratic opponent, Robert B. Meyner, on grounds they violated sections of New Jersey statutes limiting expenditures to \$100,000. Charges were based on information obtained from broadcasting stations in New York City and Philadelphia indicating amounts spent on television alone were in excess of the limit. The actual payments had been made by advertising agencies on behalf of the candidates' campaign committees, but the authorizations to make such expenditures were signed by the candidates in the form of a document which must be signed by all candidates for public office authorizing the purchase of air time and indemnifying the stations from liability in the presentation of political messages. After the election and following the suits, the state legislature amended the law to remove the \$100,000 limit and to bar retroactively any prosecution for violation of the old limit. The state courts dismissed the complaints and sustained the legislative enactment. The repealer required the Election Law Revision Commission to recommend a new law by a given date. At the request of the Commission, that date was extended, and the Commission belatedly made its proposals. One year later the state legislature has not enacted the replacement.

Excessive attention to ceilings, which has been given in the national arena, deflects focus on floors, which is the greater problem. By floors I mean minimal access to the electorate for legally qualified candidates. Let me give two illustrations. Two states - Oregon and Washington - provide voters publicity pamphlets, which give candidates some

exposure to the electorate. And one state, Florida, provided a demonstration of public television's unique opportunities for presentation of candidates and issues at low cost. A community television station in Miami in 1970 mounted a four-and-a-half hour, live, prime time program with open-ended interconnect with seven public television stations, two public radio stations, and twelve commercial radio stations. Candidates for statewide office were presented and quizzed by individual citizens and by spokesmen for 18 organizations. The program was made possible by a grant from the Florida Department of Education, and candidates got their time free. Statewide response was enthusiastic. More states could try experiments like this, but our survey shows in fact that some states positively prohibit use of such facilities for political purposes, and none affirmatively provide for such broadcasts.

One trend toward helping candidates or parties to raise the necessary money is evident in the fact that nine states now permit tax incentives for political contributions. The earlier survey found only four states with tax deductions for political contributions. Now there are eight with tax deductions -- Minnesota, California, Missouri, Arkansas, Oklahoma, Iowa, Utah, and Hawaii -- ranging from \$25 to \$100, and one state, Oregon, with a tax credit for political contributions. The Oregon credit is allowed for contributions either to any candidate whose name is listed on an official ballot in any election held in the state or to committees and associations organized to campaign on proposals on the ballot, or both. The credit is for 50 percent of the contribution, to a maximum of \$5 on an individual return and \$10 on a joint return. An official receipt must be submitted with the tax claim. (A claim is subtracted from the individual's tax liability, in contrast to a deduction which is subtracted from gross income before the tax is computed.) A credit gives greater incentive to the taxpayer, particularly at the state level where income tax levels are low and the benefit from a deduction entails very little money.

Some five years ago I wrote that there were " ... few legal cases dealing with political finance. However, one wonders what a series of judicial suits, patiently pursued at the state level, would accomplish. One wonders whether a body of judicial opinion comparable in its effects to that pertaining to reapportionment following Baker v. Carr could be developed. One wonders whether legal suits could overturn certain current practices if grounds were related to enforcement or lack thereof of present laws, to failure to comply, to failure to administer properly, to interpretation of law in obvious violation of legislative intent, to the right of the voting public to know, to the public character of political parties and campaigns and operations "

More attention has been paid to possible litigation since January, 1971, when Common Cause undertook its suit challenging certain practices that developed under the Federal Corrupt Practices Act. Litigation at the state level is just as feasible and could produce interesting results. Note that several major aspects of the electoral process have been changed by court decisions in recent years -- for example, reapportionment, voting rights, and the 18-year-old vote. Currently, various registration procedures are now being tested in the courts, including the ability of newly-enfranchised young voters to register at the location of their colleges. Currently, too, there are court challenges in the formulas for selecting delegates to the national nominating conventions. There is one factor in common in each of these areas -- legislation to change the status quo is difficult to enact, whereas courts may take a more dispassionate view. Given the traditional reluctance of legislatures to reform political finance, it may be that with proper challenges, the courts may see fit to move where legislators fear to tread.

Observing government in action -- more properly in inaction on this subject -- I am cynical enough to believe that governments are a long way from solving political financing problems. Governments have too many other priorities that use up tax dollars, and there are too many other conflicting demands from too many potent groups. This subject simply isn't an item high on most incumbents' agendas -- partly because those now in office are products of the present system and also its beneficiaries, and whether they are Republicans or Democrats, liberals or conservatives, they are reluctant to change the rules of a game they have demonstrated they can win. Perhaps a few prods from the courts are in order.

FILE COPY

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102

February 3, 1972

To - Local League Presidents

From - Barbara Steinkamp, State Campaign Practices Chairman

Re - The Update of State Campaign Practices Position

At State Convention delegates reaffirmed support of our 1961 Campaign Practices position and approved an update of the issue in order to increase member and public understanding and support. Since convention the State Campaign Practices Committee has come to believe that the publication should include a limited new study with brief consensus for the following reasons:

1. Our present campaign financing position is not comprehensive. We have overlooked or neglected some vital questions. Since the update publication is already planned, it would be efficient use of League time and money to consider the new questions at the same time.
2. A few consensus questions would focus the attention of all Minnesota Leaguers on this vital issue.
3. The timeliness of the consensus will enhance our chances of gaining public support and effecting legislative action.

League members and citizens have raised some serious questions. A major concern was that full disclosure could reduce or dry up campaign contributions. Would this effect be tolerable? Could legislation provide more equal opportunity among candidates? Has inadequate funding in many local and state elections been a greater problem than excessive spending? Are many qualified citizens prevented from seeking public office because of the problems associated with campaign funding? Is public funding of campaigns desirable?

The inclusion of several questions will focus the attention of all Minnesota Leaguers on this vital issue. If approved, the study would involve unit discussions in September or October.

Our past experience in lobbying for reform of campaign financing has convinced us that strong public support is vital. We must promote widespread understanding of this issue. A Fall '72 study timed to coincide with the November general election would afford an excellent opportunity to gain public understanding and support for our position.

Because of the extreme importance of problems in campaign finance the state Board proposes that our state program be modified. We are following the emergency procedure as specified in Article 11 (Council) Minn. LWV Bylaws 1971. The bylaws state that local Leagues must be notified 2 months in advance of Council and that a 2/3 majority of members present at Council are required to adopt the modification. Please carefully consider our proposal, discuss it with your membership through your bulletins and at

meetings so that you will be prepared to act at Council. If you have any questions or suggestions please contact me. We welcome your ideas and support.

Barbara Steinkamp
4912 Payton Ct.
Edina, MN 55435
(612) 927-9263

Refer to June 1971 Outlook for Work
Positions for Action
Capitol Letter - May 14, 1971 and November 24, 1971.

CAMPAIGN FINANCING

FILE COPY


The League of Women Voters of Minnesota

October 1971

From minute to minute the situation changes in this vital area of League concern. At this writing we have hopes of getting a campaign financing disclosure bill considered by the Rules Committees in both houses of the legislature. The League has collaborated with local representatives of Common Cause in an effort to achieve legislation this special session.

On Thursday, October 7, 1971, Senator Paul Overgaard called a meeting with representatives from League, both parties, T party, Common Cause and the Secretary of State's office. At this meeting we discussed the new measure which was introduced in the special session on October 12 in the Senate. It is a combination of two bills which passed the Senate during the regular session - S.F. 177 and S.F. 1137 - ethics committee bill and campaign financing disclosure bill. We took the bill section by section and recommended desirable changes. In this way we achieved a bill which (we thought) would have wider support than in the regular session.

Friday-Sunday - a statewide calling campaign began to contact local League presidents and Common Cause members asking them to contact their legislators by telegram, letter or in person. We believe that 70% of the legislative districts were reached in this manner. According to Senator Overgaard, many legislators have received letters from their constituents. They - the legislators - were quite surprised by this show of public support. Chances for legislative success are greatly increased because of the response of the League and Common Cause.

On October 11 a press release was sent to all daily newspapers and a press conference was called for October 14 at the State Capitol. Public officials and legislators were informed.

October 14 Press Conference - Liz Ebbott, 1st vice president, LWV of Minnesota, presented the League position and Tom Griffin spoke for Common Cause. Several others spoke including Arlen Erdahl, Secretary of State, Rep. Richard Nolan, DFL, Sen. Paul Overgaard, C. Ridy Boschwitz, GOP National Committeeman, attended but did not speak. A number of young people and some League members as well as several TV stations were there. It went quite well.

What Needs to Be Done - many more letters to legislators. Even if you are not optimistic about the passage of the bill, your action will get us off to a good start for future action.

Letters to the Editor - this is a good way to arouse public interest. Encourage a few more letters to legislators.

Personal talks with legislators - this is probably the best action. Several Leagues mentioned being able to bring up campaign spending at their legislative interviews. This was just great!

At this writing we are planning another call to Leagues at which time we will urge their presence at the Capitol - to contact their legislators and other legislators and to observe the action in the Senate and House galleries.

Keep up the letters and calls - if the special session is still on.

Very latest development - the League testified, along with Common Cause and Sen. Roger Moe, before the House and Senate Rules Committees on October 18.

League of Women Voters of Minnesota, 15th & Washington S.E., Minneapolis 14, Minn.
February 1960

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ETHICS IN GOVERNMENT STUDIED

by

John C. McDonald, Mpls. Tribune Staff Writer

(Originally printed in Minneapolis Tribune, March, 1958, reprinted by permission)

National attention has been focused recently on the influence exerted by lawmakers and government officials upon regulatory agencies like the federal communications commission, the civil aeronautics board and others in Washington.

In Minnesota last September Governor Orville L. Freeman named a nonpartisan committee to study ethical and moral standards in state government.

This committee on ethics in government of which Dr. Charles J. Turck, president of Macalester college, is chairman, is looking into election campaign finances and conduct, lobbying practices and conflicts of interest -- the last being situations in which citizens may feel a public official acted more in self interest than in the public interest.

"We are seeking to prepare a code that will serve as a guide for the highest type of public service in legislative and administrative posts," says Turck.

"We are endeavoring to understand the highly complicated factors that affect the performance of public duty, and we hope that the proposed code will be of some practical value."

Freeman, in announcing creation of the ethics committee, believed to be the first of its kind in state government, said:

"I believe we should have legislation which would prohibit lawyer-legislators from representing private clients before any state agency whose actions might be directly or indirectly influenced by the fact that they are members of the legislature."

Freeman himself is an attorney. His name remains on the door of the Minneapolis law firm with which he says he severed all financial connections when he became governor.

Members of the ethics committee, besides Dr. Turck, are Dr. William Anderson, political science professor emeritus, University of Minnesota; Mrs. David Aronson, former president of the Minnesota Congress of Parents and Teachers; William E. Carlson, Ramsey county commissioner and former legislator; William Fallon, lawyer and former mayor of St. Paul; Floyd Flom, University of Minnesota political scientist; Judge William Gunn of Hennepin county district court, a former counsel and legislative lobbyist for the Minnesota State Federation of Labor; Eric Hoyer, former mayor of Minneapolis; Mrs. Stanley Kane, reapportionment chairman of the Minnesota League of Women Voters; Rabbi W. Gunther Plaut of Mount Zion temple, St. Paul; Father James P. Shannon, president of St. Thomas college, St. Paul, and Dr. Reuben Youngdahl, pastor of Mount Olivet Lutheran church, Minneapolis.

A writer for a national magazine watched the Minnesota legislature in action in early 1957 and remarked, "You don't need lobbyists here; this legislature has its own built-in lobby system."

The visitor was referring to a Minnesota fact of life which finds the biennial 90-day lawmaking body peopled here and there with members who promote or oppose certain bills because their private interests may be affected.

It must be emphasized that this is not true of the majority.

Most Minnesota lawmakers are hard-working, devoted public servants who make a real contribution to the state in terms of long hours and priceless knowledge.

Experience in session after session has made them experts in fields like education, highways, social welfare and taxation.

Most legislators, naturally, are responsive to the wishes of their constituents. Rural and urban blocs line up behind specific issues, like daylight saving time or reapportionment. Each such bloc is convinced it is acting "in the public interest."

This is not what legislative critics mean when they discuss possible conflicts of interests. The latter are situations where legislators' private interests have been pointed out as possibly influencing their attitude on legislation.

Sen. Herbert (Lefty) Rogers of Duluth has been in the legislature since 1942. In private life, Rogers was a helper on the Duluth, Winnipeg and Pacific railroad until 1955, when he went to work as a public relations man for Erie Mining Co.

Now one of Rogers' jobs is arranging mining industry dinners for his legislative colleagues.

Blue Cross and Blue Shield, separate hospital and medical care insurance corporations which conduct joint sales and advertising programs, have staff members in the legislature: Sen. Harry Wahlstrand, Willmar, and Rep. Francis LaBrosse, Duluth.

Following the 1957 session, Harry R. Reed, executive secretary of the Duluth Governmental Research bureau, lashed out at LaBrosse for his sponsorship of legislation authorizing a tax levy -- over and above regular limitations, if necessary -- to pay for hospitalization and life insurance for municipal employees.

"This legislation was authored by Rep. LaBrosse, who also sells Blue Cross insurance and may well have earned himself the reputation as a public employees' representative," said Reed.

"LaBrosse authored more than a dozen bills to butter up, in one way or another, the emoluments of the various classes of public employees."

Two other sponsors of the LaBrosse bill were Representatives H.P. (Pat) Goodin, Minneapolis, and Walter Day, Bagley. Both of them sell insurance. Goodin, who is safety engineer for the city of Minneapolis as well, sponsors many bills for higher pay or retirement benefits for public jobholders.

When Wahlstrand went to work for Blue Cross-Blue Shield, he was urged privately to give up his chairmanship of the senate public health committee, which deals with medical legislation. Blue Shield is a prepaid medical-surgical plan originated by doctors themselves and approved by the medical association.

More than once the senate public health committee has killed legislation sought by osteopaths to give them equal status with medical doctors.

On the committee roster is Dr. Fred Behmler, a Morris physician, who took a leading hand in 1957 in defeating the osteopaths' bill. A Tyler druggist, Sen. Joseph Vadheim, also a committee member, offered the motion by which the bill was "indefinitely postponed."

A week earlier Behmler had made an identical motion, to the same committee, to kill another perennial proposal, the so-called "pill bill." Aimed at amending state law so grocers might sell prepared and sealed drugstore items like aspirin, the pill bill found little favor with druggists.

One pill-bill author was Sen. Walter J. Franz, Mountain Lake grocer. He is a director of Fairway Foods, Inc., and during the 1957 session he was president of the Minnesota Food Retailers association.

Rep. Alf Bergerud, Edina, also was said to be watching progress of the pill bill in the senate. Bergerud, who was then a vice president and director of Red Owl Stores, Inc., now is president.

Hennepin county district court ruled last year the state should bring action against Red Owl and Groves-Kelco, a distributor, to halt the sale of 18 drug items and stomach remedies by grocery stores, supermarkets and outlets other than drugstores.

The case is under study by the state supreme court.

Upon defeat of the osteopaths' bill in 1957, the issue was turned over to an interim study group whose members include Behmler and Vadheim.

Their appointment to this committee follows an established legislative custom. Such committees must make use of the knowledge of experts in the field. Occasionally, critics of certain legislative committees complain about this.

'UNIT RULE' MERIT QUESTIONED

Hennepin county's nine senators and 18 representatives operate under a unit rule in both the house and the senate. Some of the other large county delegations do also.

The unit rule means that there must be unanimous agreement before the delegation will back the introduction of a "local" bill.

Traditionally, a bill affecting only Hennepin county sails through the legislature without opposition if it is cleared by Hennepin county senators and representatives. But if only one of the 27 lawmakers objects to a bill, it cannot be introduced as a delegation measure.

Critics of the unit rule (most frequently among city, county and judicial officials) complain that the rule enables a single member of the delegation to hold up other legislation unless he gets backing for a particular bill in which he has an interest.

A frequent complaint is that the Hennepin delegation sets city and county salaries for periods of only two years in order to pressure action out of city and county officials.

Without periodic renewal, the salaries of these officials would revert back to much lower figures.

This criticism came to a head during the 1957 legislative session when former Mayor Eric Hoyer says he threatened "to go on a national hookup to tell what actually was going on in the Minnesota legislature."

"Things are pretty raw," Hoyer told this reporter before he left office last July 1, "when they start playing with old people's lives."

The ex-mayor today is one of 12 members of a Committee on Ethics in Government appointed last September by Gov. Freeman. The nonpartisan citizens' group, of which Dr. Charles J. Turck, president of Macalester college, is chairman, is looking into election campaign finances and conduct, lobbying practices and conflicts of interest.

The committee is studying testimony and source material with the objective of writing a state governmental code to be offered to the 1959 legislature for consideration.

"During the 1957 session, when the Hennepin county delegation was considering salary bills," Hoyer declared nearly a year ago, "I was requested, and the city council was requested, to put all Minneapolis relief clients (those boarded in hotel rooms) into one certain hotel."

"The state health department also asked the city to okay a rest home license for the same hotel."

Hoyer said State Sen. Ralph Mayhood, who manages the Samaritan Nursing home, 1810 Washington avenue S., and the Monterey Manor Hotel and Nursing home at 618-20 S. Seventh street, personally asked him, before the session, to send more relief clients to his hotel.

A 1953 bill approved by Hennepin county legislators enacted into state law a provision that state-licensed rest homes or nursing homes in Minneapolis may continue to operate regardless of city ordinances or charter provisions to the contrary.

The same statute provided that basement rooms of a three-floor nursing home may be used as living quarters for patients (upon approval of the state fire marshall and department of health) if the rooms are not lower than the level of the adjacent street. These specifications are descriptive of the Samaritan, which sits high on a terrace at Seven Corners in Minneapolis.

Neither of the Mayhood-managed establishments has a city license to operate. The city council last Oct. 25 rejected a Monterey Manor application to operate a first-floor nursing home on recommendation of Donald A. Erickson, city building inspector. It is running with state approval alone.

A Minneapolis ordinance says rest homes of more than two stories must be fireproof. Erickson has refused several times to approve a license for the Monterey Manor, he says, because it is not fireproof and it is four stories high.

On July 2, 1954, the state deputy fire marshal notified Mayhood that he must comply with a list of 20 suggested corrections before the fire marshal (who is also insurance commissioner) would clear the Monterey Manor as a nursing home.

Installation of a sprinkler system was a prime requisite. Among other suggestions were an enclosed front stairway and numerous repairs and cleanup chores like "cleaning the back yard so that exits can be safely used."

On March 12, 1956, Cyril Sheehan, insurance commissioner and fire marshal, informed Armand W. Harris, president of the Monterey Manor Hotel and Nursing Home Corp., that he "will approve use of the first floor...as a nursing home."

"We are forwarding clearance to the Minnesota department of health as of this date for use of the first floor," the commissioner wrote to Harris.

Harris, now a fire insurance company executive, was himself state insurance commissioner and fire marshal from Dec. 1, 1947, to May 15, 1951.

Dr. Robert N. Barr, state health officer, said a license was granted July 30, 1957, with the understanding that all necessary remodeling would be completed as rapidly as possible. He said his department had received a number of complaints about operation of the Monterey Manor.

Health department inspectors have been checking the Monterey Manor often in recent months. According to a report of Jan. 21, the dining area still was "grimy and dirty," but improvement had been made in nursing facilities, room closets and the front stairway.

Mayor P. Kenneth Peterson, successor to Hoyer, said Mayhood told him recently that he wants to improve the Seventh street home so it can qualify for more city patients.

Dr. Barr charged in 1955 that a bill offered to the delegation would permit establishment of nursing homes even in city flophouses. In his opinion, he asserted, the proposal was a "racket" and a "horse trade" to be bartered for passage of city pay bills. Mayhood said thereupon the bill was "dead."

Hoyer, then mayor of Minneapolis, charged that Hennepin lawmakers set city and county salaries for periods of only two years "so they can hold a whip over our heads."

In 1955 Sen. Mayhood held out for so long against a permanent pay bill for Minneapolis municipal court judges that one member of the bench, Judge Dana Nicholson, threatened to resign.

Mayhood explained Feb. 11, 1955, that he didn't think the judges' pay bill should be given precedence over other salary bills for city and county officials and employees.

Only a short time before, Mayhood had had a run-in with a municipal court official who told the senator he was "no different from anyone else" in the matter of liability for personal parking tickets. He said Mayhood could no longer expect to escape payment of tags, except perhaps during legislative sessions when lawmakers are given immunity from arrest.

Traffic violation bureau records reveal that Mayhood was excused, during 1953 and 1954, from paying fines for 27 violations. In most cases, said the official, the seantor said he was on official business when tagged.

A legislative opponent charged in 1954 that Mayhood had violated Minnesota law by working as a deputy sheriff (a court baliff) in Hennepin county.

The state constitution says no legislator may hold any other federal or state office except postmaster. Sheriff Ed Ryan said he would fire Mayhood if the law was indeed being violated. Later, he said, Mayhood quit.

County records show that Mayhood was on the payroll from September 1951 to July 1954, with time out during the 1953 legislative session. He was paid in 1954 at a scale of \$3,729 a year.

CONCERNING THOSE 'CONFLICTS OF INTEREST'

One subject that has concerned many Minnesota lawyers is the question of the lawyer who is a legislator -- should he practice before state agencies which get their appropriations from the legislature?

A corollary question for the lawyer-legislator -- where does he draw the line between clients' interests and those of the public?

The latter is a question with which every legislator has to wrestle, whether he is an attorney with clients, or a non-attorney with special group interests or personal interests.

William Blethen, Mankato, chairman of the state bar association's committee on practice of law, told the Ethics in Government committee that he has received no complaints about lawyer-legislators' "conflicts of interest." But Blethen said, "As an attorney, I am aware that the problem exists."

Blethen said he believes the bar association would support a code of ethical practices for legislators and state officials and state employees.

The Ethics in Government committee, named by Gov. Freeman and headed by President Charles J. Turck of Macalester college, plans to draft such a code for consideration of the 1959 legislature. It is one of the areas the committee is studying in state government.

These issues have been of particular concern to many Minnesota attorneys because of the strong contribution the legal profession makes to the state legislature.

Almost one-fourth of Minnesota's present legislature are lawyers (45 out of 198), a percentage far higher than the ratio of attorneys to the total population.

"The practice of law lends itself to legislative work," said William Fallon, former mayor of St. Paul and an attorney, at a recent meeting of the ethics committee, of which he is a member. He added:

"A lawyer is a free agent, in terms of time, more than most people."

One leading legislator, not a lawyer, told this reporter not long ago:

"It's very hard for a lawyer to be a legislator. He must forever be weighing the proprieties. Clients consult him because he is a good lawyer or legislator. Even a well-meaning person can be drawn into compromising relationships."

The majority of Minnesota's lawyer-legislators maintain a scrupulous line between the public's interest and their own.

Look, for example, at Rep. Harold J. Anderson, Minneapolis. Recently he was appointed by Hennepin county district court, without seeking the job, to be one of three appraisers in the condemnation of land for the city's new public library.

Before agreeing to serve, Anderson checked with the attorney general to be sure his service as an appraiser would not conflict with his legislative responsibilities, "legally, ethically or otherwise," as he put it. The attorney general told him it would not.

The lawyers, either by training or ability, tend to be leaders in the legislature regardless of party or caucus lines.

In the Senate, a small core of Conservative attorneys wielded immense power in the 1957 session, as it had for many sessions: the late Archie Miller, Gerald T. Mullin, Gordon Rosenmeier, Thomas Welch, Donald O. Wright.

In the House, a Liberal attorney, majority leader Fred A. Cina of Aurora, was the most influential man. His second in command was D. D. Wozniak, St. Paul lawyer.

Gov. Freeman, who said he hopes to see adoption of legislation prohibiting lawyer-lawmakers from representing private clients before certain state agencies, is an attorney.

Rep. Cina, in private life, has a reputation of being one of the best-posted lawyers in the state on municipal matters. He is secretary and counsel for the Range Municipalities and Civic association, an organization of 42 cities, villages, townships and school districts on the Iron Range.

For many years before Cina became a legislator in 1947, he was attorney for Aurora village and school district and for the town of White and for others. He is now counsel for the new "taconite villages," Hoyt Lakes and Babbitt.

Cina sponsors legislation of interest to Range public bodies. And it goes without saying that, since he is a strong legislator in a position of great influence, his bills ordinarily receive good treatment.

Other lawyer-legislators represent communities and school districts on a year-round basis, probably without turning up conflicts of interest.

But to put citizen approval into the record, the 1957 legislature voted a proposed constitutional amendment, to be submitted to the voters this November, which says no legislator is precluded from serving as attorney for any school district or political subdivision of the state.

A few lawmakers who are also attorneys are recognized as legislative spokesman for specific industries.

Rep. George A. French, Minneapolis, an attorney who in private life is secretary and counsel for the Insurance Federation of Minnesota, speaks in the house for insurance interests.

One of the ablest tacticians on the Conservative side of the aisle, the veteran French could have been chairman of a major committee when Conservatives last controlled the house, in 1953. He chose instead to head the lower-ranking insurance committee.

Sen. Mullin, counsel for Minneapolis Gas Co. for many years, resigned from the senate at the end of the 1957 session, to become president of that utility company.

He worked in his final session in behalf of a successful bill to reimburse utilities which must move their facilities because of the relocation of interstate highways. This would save the utility companies, and their customers, the relocation expense.

(It would benefit the gas company, Northern States Power Co., Northwestern Bell Telephone Co., municipal and co-operative utilities -- all of which lobbied vigorously for it in 1957 -- and others.)

Sen. Welch, Buffalo, was principal author of one of the reimbursement bills. Welch also appeared as attorney for Lehigh Portland Cement Co. in conservation department hearings preceding adoption of department regulations on mining of marl. Lehigh had an interest in certain lands bordering on lakes in Wright county (Welch's district) under which there is marl, a claylike deposit used in manufacture of cement.

Welch introduced a bill in the 1955 session which proposed a 15 per cent depletion allowance on materials used in manufacture of cement. Sen. Wright, chairman of the senate tax committee, was co-author of the cement bill which passed unanimously in the senate but was killed in the house tax committee.

Sen. Rosenmeier, Little Falls, is counsel for two trucking companies. Sometimes he appears before the state railroad and warehouse commission in their behalf.

Eric Hoyer, former mayor of Minneapolis, former member of the metropolitan airports commission (MAC) and now a member of the Committee on Ethics in Government, recalls that Sen. Wright appeared as a private attorney several years ago at MAC hearings into acquisition of land for construction of Crystal airfield north of Minneapolis.

Hoyer said the MAC refused to compensate Wright's client, the owner of nearby Victory airport, who alleged that his business would suffer by reason of competition from a new municipal field at Crystal.

Wright co-sponsored a bill in the 1951 legislature which required the MAC to condemn the buildings and aeronautical improvements on such an airport and to restore the land to its original use. The bill passed.

Commission records show that the MAC paid \$25,000 to Wright's client. The condemned facilities consisted largely of a wooden hangar, a windsock and sheet metal field markers. The land itself did not change hands.

An MAC spokesman recalled recently that the hangar -- an "ancient one," he said, of perhaps 60 by 80 feet -- was not worth more than \$5,000, the windsock cost "about two bucks" and the corrugated field markers were "worthless."

The commission has tried without success to sell the hangar.

LAWYER-LEGISLATORS BEFORE STATE AGENCIES

The lawyer who is a legislator is not doing anything illegal if he practices before a state agency which depends upon the legislature for its appropriations. It is a practice that has prevailed in many states for many years.

In Wisconsin, the issue reached the state supreme court and Mark Catlin, speaker of the Wisconsin assembly in 1955, lost his license to practice law for six months. The court found that Catlin, an Appleton attorney, gave his clients the impression he had political influence with the governor and with the pardon and parole boards.

Minnesota legislator-lawyers often intercede for clients before the pardon and parole boards, for example, and it has not been uncommon for them to practice before other state agencies.

Now, however, the Ethics in Government committee named last September by Gov. Freeman has been studying the possible ethical problems that could arise from such situations.

When Freeman appointed the committee, headed by President Charles J. Turck of Macalester college, the governor said he favors legislation prohibiting lawyer-legislators from representing private clients before state agencies.

Several recent Minnesota cases may outline the nature of the question the committee is studying.

On Dec. 5, 1956, the state railroad and warehouse commission began a hearing into the application of Hart Motor Express, Inc., for a certificate as an auto transportation company to carry freight from the Twin Cities to Moorhead, Minn.

Six days later the commission opened another hearing into an application of Twin City Fargo Freight, Inc., for the same type of intra-state (within the state) certificate over the same route.

Both truckers are holders of interstate (between states) licenses to operate into North Dakota over the Minnesota route for which they sought authority within the state. Twin City Fargo -- which had filed an application in 1952, but had not pressed it until Hart entered the competition in 1956 -- had conducted intra-state operations without a permit.

The two hearings were joined for four days in February 1957. Appearing before the commission for Twin City Fargo was Rep. D. D. Wozniak, St. Paul. Hart was represented by Rep. Leonard Lindquist, Brooklyn Center. Both are lawyers.

Meantime, during the 1957 legislative session, Lindquist and Sen. Gordon Rosenmeier, Little Falls, and others were pushing for a measure under which railroad and warehouse administration would be altered and the three commissioners elected by the legislature rather than by the voters.

Lindquist, a former commissioner himself, said some change was overdue. He said on the house floor that he favored appointment of commission members by the governor, but said he was willing to compromise on the method of choosing them in order to get action from the legislature.

One senate Liberal, a lawyer, Donald M. Fraser, Minneapolis, said he favored reorganization of the commission, but he was "concerned that many practitioners before the commission are leading members of this legislature."

"In my judgment," said Fraser, "it would be improper for legislators to practice before commissioners whom they appoint."

Wozniak, Liberal chairman of the house civil administration committee, refused late in the session to bring up the commission reform bill. So Rosenmeier, Conservative chairman of the senate civil administration committee, tacked the substance of the reform bill onto a house-approved proposal, which Gov. Freeman said he wanted badly, to reorganize several other state agencies.

The amended bill was passed by the senate and returned to the house for concurrence. But Wozniak was adamant; he turned thumbs down on the amended reorganization bill, even though the governor, of his own political party, exerted strong pressure upon him.

The bill died in conference committee. Method of electing the railroad and warehouse commissioners remained unchanged.

Less than a month later, on May 22, the commission issued an order granting a Twin Cities-to-Moorhead certificate to Twin City Fargo Freight, Inc., Wozniak's client.

On May 24, two days later, the commission formally rejected the application of Hart Motor Express, Inc., Lindquist's client, on grounds that by a "prior order" it had given the certificate to Twin City Fargo.

One of the three commissioners, Republican Ewald W. Lund, dissented from the May 22 decision. The other commissioners are Paul A. Rasmussen and Hjalmar Petersen.

Lund did not file a memorandum with his dissent, but he told this reporter that one of the reasons for his minority position was that the order upset a previous commission policy. Under the order, a certificate was granted to Twin City Fargo partially on grounds that the trucker had "openly" operated intra-state, minus legal authority, and no one had taken "determined action" to halt it.

Hennepin county district court upheld the commission order in February. Another trucker had appealed it on the grounds voiced by Lund.

In hearings which ended last July 9, Wozniak represented Monson Dray Line, Inc., in a request for an intra-state certificate to operate between the Twin Cities and Rochester and other points.

Witte Transportation Co., which entered the hearing to oppose the Monson application on grounds that there already was ample service on the run, employed Rep. Donald Franke, a Rochester attorney.

Monson's application was granted Sept. 3, with Lund dissenting once again. He said testimony at the hearing convinced him that Monson's service already was adequate under an interstate permit it holds.

On Oct. 3 a one-day hearing was held into 10 applications for permits to haul petroleum from a new pipeline head near Duluth to various points in the state.

Three lawyer-legislators appeared to argue for their private clients' applications for the new permits. They were Wozniak, representing Indianhead Truck Lines, Inc.; Rep. Peter S. Popovich, St. Paul, for Dahlen Transport, Inc., and Sen. Rosenmeier, for Quickie Transport, Co., Inc.

It was Popovich's first appearance before the commission, and Wozniak's first for Indianhead. The clients of the three lawmakers were among the eight carriers given permits by unanimous vote of the regulatory body.

Arthur Naftalin, state commissioner of administration, says Wozniak has asked for state building contracts in behalf of a law client of his, Walter Butler Co., St. Paul architects and engineers, and Popovich has interceded for an architectural client, Haarstick Lundgren & Associates, Inc.

Naftalin said he told officials of both firms that hiring legislators to help land state contracts is "unethical and improper -- as well as unnecessary."

The problem the Ethics in Government committee is studying is a complicated one. When the committee has finished its study on this matter, it will bring a recommended code of ethics to the 1959 state legislature for action. Whether the committee will draft a recommendation along the lines Freeman suggested remains to be seen.

CONFLICTS IN THE LEGISLATURE

Charges of conflict of interest occasionally break out into the open while the legislature is in session.

One such case during the 1957 legislative session involved Rep. Peter S. Popovich, state legislator from St. Paul.

Rep. Popovich, a member of the house education committee, makes no secret of the fact that he and his law firm have represented some 150 school districts in bonding matters over the past several years.

Appearing before the education committee in April 1957, Gerald Heaney, Democratic national committeeman from Minnesota, accused Popovich, a Liberal and a "Kefauver Democrat," of furthering his own interests when he opposed a Democratic-Farmer-Labor administration bill to set up a Minnesota school loan fund.

"You have stated to me and others that you are going to lose \$30,000 a year in gross income if this bill passes," said Heaney.

"This is because the school districts you represent could sell bonds directly to the state and would not need the services of a bond consultant."

Popovich acknowledged that his business would be affected, but he demanded that Heaney apologize for implying that he was "representing a client for pay."

"I'm sorry, I can't," said Heaney.

Gov. Freeman declared later that "legislators and lobbyists" killed the school loan legislation.

During house floor debate on a bill to package higher truck taxes with an increase in truck length, Rep. Loren Rutter, Kinney, a railway worker, demanded to know of Popovich if he was representing the trucking industry.

"I have never represented truckers," said Popovich, "I am a school bond attorney."

Since the 1957 legislature adjourned, Popovich has entered the area of practice before the state railroad and warehouse commission. Last Oct. 3, he represented his first trucking client before that state agency.

Last September the governor appointed a 12-member Committee on Ethics in Government, believed to be the first one in the nation at state level, to look into election campaign finances and conduct, and into lobbying practices and conflicts of interest.

Chairman of the 12-member group, which aims to draft a code of ethics for consideration of the 1959 legislature, is Charles J. Turck, president of Macalester college, St. Paul.

Sen. Donald O. Wright, Minneapolis, who worked in behalf of 1957 legislation to relieve urban bus companies of some tax burdens, did not put his name on the relief bills as sponsor.

One proposal failed which would have granted bus companies a rate high enough to guarantee them $7\frac{1}{2}$ per cent profit on their gross operating income. Also defeated was a move to refund state gasoline taxes to bus companies.

Adopted and signed into law was a third bill which reduced bus license levies. Savings to the Twin City Rapid Transit Co. alone, even after the proposed cutback was reduced in the house, were estimated by a house sponsor at \$59,000 a year.

Clarence Holten, counsel and lobbyist for TCRT, shares a law office with Wright at 917-20 Plymouth building, Minneapolis.

A house leader reports that one maneuverer stalled senate action on three Iron Range school district bills with the intention of using them as a lever to pry out approval for the bus relief package in the house. But the range bills were processed quickly when Rep. Fred Cina, house majority leader and sponsor of the trio of bills, delivered an ultimatum to a responsible senator: send the bills out at once -- or else.

It is not only lawyer-legislators who have been criticized on the issue of alleged conflicts of interests. Just as frequently, such charges are made against other legislators who are not attorneys.

One leading house Conservative asserts that Rep. Joseph Prifrel, Jr., St. Paul, business agent of Teamsters local 149, must be classed as a "paid lobbyist" for the labor movement.

Prifrel is chairman of the house committee on employes compensation. Another union official, Joseph Karth, St. Paul, of the Oil, Chemical and Atomic Workers union, is chairman of the labor committee and one of the half-dozen most influential Liberals in the house.

Prifrel was sponsor of a 1957 bill to broaden the powers of the Minnesota state fair board so it could permit private entrepreneurs to stage races at the grounds when the fair was not in session. Prifrel was promoter of a 1956 fair-grounds race which Don Voge, operator of the nearby Twin City Speedway track, challenged in court.

Sen. Harold Schultz, St. Paul, successfully amended the Prifrel bill to prohibit fairgrounds races if they are in competition with private tracks within a 40-mile radius. A law associate of Schultz numbered Voge among his clients.

Another St. Paul legislator, Rep. Sheldon Beanblossom, is executive vice president of the Minnesota Bituminous Pavement Association, Inc., an organization which promotes use of asphalt rather than concrete for highway construction.

Rep. Thomas N. Christie, Minneapolis accountant, successfully amended a 1957 house bill to make approval more difficult for moving certain liquor licenses outside the Minneapolis police patrol limits. One of Christie's accounts was the Gopher cafe, a liquor lounge which operates outside the patrol limits at 829 Hennepin avenue, and which would face competition if other licenses were permitted to move outside the patrol limits.

Sen. Marvin H. Anderson, a housing contractor in Minneapolis suburban areas, opposed a bill offered late in the 1957 session to eliminate racial discrimination in housing. The issue was turned over to an interim study committee, and Anderson was named to serve on the group.

Rep. Ernest Windmiller, Fergus Falls dry cleaner, moved unsuccessfully in 1957 to eliminate a \$3 tax on branch dry cleaning agencies.

Rep. E. J. Chilgren, editor of the weekly Littlefork Times, handled Minnesota Editorial association bills involving press issues. Other newspaper editor-legislators who sponsored press bills in 1957 were Senators Henry Harren, Albany, and Val Imm, Mankato.

At a senate liquor control committee hearing into a bill aimed at letting residents of Bloomington vote on a municipal liquor store, the late Sen. Archie Miller, Minnetonka, accused Sen. B. G. Novak, St. Paul, of opposing the bill because Novak was owner of a private liquor store.

Rep. Alfred Otto, a member of the house temperance and liquor control committee, sponsored a 1957 bill (which got nowhere) to let suburban liquor stores outside Minneapolis and St. Paul stay open two hours later than Twin Cities establishments.

Otto owns a liquor store in suburban Mendota.

COMMITTEE LOOKS INTO LOBBYING

Gov. Orville L. Freeman suggested to the 12-member Committee on Ethics in Government which he appointed last September that it inquire into legislation regulating lobbyists in the federal government and in other states.

He suggested that the committee propose methods of regulating lobbyists appearing before the Minnesota legislature and before the administrative branch of government as well.

President Charles J. Turck of Macalester college, who is chairman of the advisory committee on ethics, said recently that the practice of lobbying is one of the areas his group is looking into.

The state house of representatives took a first step on the lobby issue in 1957 when it passed a bill requiring that legislative lobbyists register with the secretary of state. The bill died, however, in Sen. Thomas Welch's judiciary committee in the upper house. No one, said Welch, had asked even that it be brought up for a hearing.

It should be said at the outset that "lobbyist" is not a "dirty" word. Lobbyists perform a useful function in the democratic process. They supply information and ideas to legislators. They can be the link between a group of people who cannot take the time to buttonhole legislators on an issue and the legislators themselves.

They may represent political subdivisions, educators, pressure groups, private industry, labor, agriculture, non-profit organizations -- any facet of the community.

Some of the most effective lobbyists appearing before the Minnesota legislature are former law-makers.

A legislative career is as valuable to a lobbyist as a West Point ring to an army officer. Out of such experience come enduring friendships and a knowledge of what makes the legislature tick.

Take M. J. (Mike) Galvin for instance.

Galvin, counsel for the nearly two dozen Minnesota railroads, is a former senator who is on a first-name basis with a majority of the state's 198 lawmakers.

He -- or his attorney-assistant, former Rep. Gordon Forbes (and often both of them) -- is to be seen regularly during the four-month session as dinner host to a varying group of lawmakers in the Gopher Grill of the St. Paul hotel.

Between sessions Galvin throws a big spread for lawmakers and state officials.

The liquor industry is represented by Lawrence Hall, St. Cloud attorney, the only man ever to be speaker of the house for five consecutive sessions (1939-47).

Hall abandoned a promising political career to become counsel for the Minnesota Wines & Spirits Institute. Besides his paid hours of lobbying for the liquor industry, Hall labors just as effectively -- and for free -- in behalf of the Minneapolis-St. Paul metropolitan airports commission (MAC), a public body, of which he is chairman.

Hall has been successful in the past two sessions in lobbying against anti-MAC legislation.

Ray Quinlivan, another St. Cloud lawyer, also combines civic and private endeavors. A former house member, he is chairman of the board of regents of the University of Minnesota, and is also counsel and lobbyist for the Minnesota Brewers association.

During the 1957 legislative session Quinlivan promoted a bill aimed at prohibiting brewers from furnishing beer signs to taverns, a measure which if successful would have reduced industry costs. Rep. Fred A. Cina, Liberal majority leader in the house, scolded both the brewers and Quinlivan for the proposal which was opposed by the Sheet Metal Workers union whose members make the signs.

"Last session, when we wanted to tax beer a quarter-cent more per bottle," Cina stormed in floor debate, "they (the brewers) nearly shook the foundations of the legislature. When they stop giving out signs, maybe they can afford this quarter-cent."

"The very man who asks appropriation after appropriation asks this law for his industry."

(The bill was passed by both houses. Gov. Freeman vetoed it.)

Claude Allen, who was chairman of the powerful house appropriations committee until he quit the legislature in 1954, has since been an attorney-lobbyist for small loan and auto finance people, for bond salesmen and for a trading stamp company.

Vernon Welch, Minneapolis lawyer, was known as a savings-and-loan spokesman during his tenure in the legislature. Now he is executive vice president, and a sometime lobbyist, for the Savings and Loan league of Minnesota.

Carl Wegner, Fred Memmer and Ray Anderson are among other former lawmakers who became paid lobbyists.

Gov. Freeman has pointed out that "in the vastly complicated fields in which modern legislative and administrative action takes place, lobbies fulfill a most essential function." He said they present information and points of view that governmental bodies should hear.

"Lobbying is both good and bad," Rep. Clarence Langley, Red Wing, wrote recently in a Republican party publication.

"Good when it is done by our constituents and those who crusade for unselfish causes, but bad when intended to influence legislators in favor of special interests or to the end of relaxing law enforcement and in lowering moral standards.

"There are amateur lobbyists who come to us with only a plea for justice or opportunity. There are also professional lobbyists with favors to offer before they ask: cocktails and dinners, tickets to sporting events or trips here or there. There are rumors, of course, about monetary bribes now and then, shake-downs, retainer fees and the like."

Opportunities for free meals and for drinks are plentiful, most of them with no strings attached. Members of the press are often included in such invitations.

One freshman legislator, not even a member of the majority caucus, told this reporter in March 1957 that, since the session began in January, he had attended 16 dinner meetings and 6 or 8 luncheons sponsored by representatives of special interest groups. He had turned down a dozen or 15 more invitations.

An attorney who represents a relatively small company protested privately:

"Legislators are so accustomed to being wined and dined that they think nothing at all of going to a lobbyist and asking him to pick up the checks.

"This makes the competition tough for 'poor' lobbyists who don't have big expense accounts."

Robert B. Flynn, assistant Ramsey county attorney, complained during the 1957 session that Ramsey legislation was receiving little attention because the county was unable to entertain lawmakers.

"Many of the legislators believe I've got \$750 to wine 'em and dine 'em, but I haven't," he declared.

Flynn threatened to get a letter from the county auditor showing exactly how much expense money he had. He said he would show it to each Ramsey county legislator for proof.

The current Committee on Ethics in Government is looking into lobbying practices, such as these, as well as into election campaign finances and conduct, and into possible conflicts of interest.

The committee hopes to draft a code of ethics to be submitted to the 1959 legislature for its consideration.

"We are seeking to prepare a code that will serve as a guide for the highest type of public service in legislative and administrative posts," says Chairman Turck. "We are endeavoring to understand the highly complicated factors that affect the performance of public duty, and we hope that the proposed code will be of some practical value."

UPDATE: CAMPAIGN FINANCING 1980

(Erica Buffington, Government Co-chair, LWVMN - August, 1980)

"Politics has got so expensive it takes a lot of money even to get beat with." Will Rogers' observation many elections ago strikes a responsive chord today as Minnesotans prepare for state legislative and national elections this November.

Since the last LWVMN Update on campaign financing in 1973, the Minnesota Legislature adopted the Ethics in Government Act in 1974 (Chapter 10A). Amendments were added in 1976, 1978, 1979, and 1980. This Act covers candidates who seek nomination or election to any statewide or legislative office; Supreme Court judgeship; or district, county, probate, or county municipal court judgeship.

The Ethical Practices Board was also established to oversee and administer state campaign financing laws. This Board: (1) prescribes the type of forms for statements and reports that are required to be filed by candidates; 2) makes these reports available to the public; (3) compiles and maintains a current list and summary of all statements made by the candidates; 4) investigates any alleged violation of Chapter 10A; 5) issues advisory opinions on the requirements of Chapter 10A; and 6) reports to the Legislature, the Governor and the public at the close of the fiscal year on any action taken.

The 1974 law covers all aspects of a political campaign: conflicts of interest, statement of economic interest, organization of political committees, political funds, contributions and expenditures, requirements of reports and statements, limits on campaign expenditures, and penalties.

The particular section of this law that the LWVMN is concerned with currently is Section 10A.25, limits on campaign expenditures. This section applies only to candidates who agree to be bound by the limits as a condition of receiving a public subsidy for their campaign. The current law, under which the 1980 election will operate, is as follows:

In the year in which an election is held for statewide or legislative office, no expenditure by the candidates' principal campaign committee may be made on behalf of the candidate in excess of the following amounts:

Governor - Lt. Governor	\$600,000
Attorney General	100,000
Secretary of State)	
State Treasurer)	50,000 each
State Auditor)	
State Senator	15,000
State Representative	7,500

The 1974 law also established a special account known as the State Elections Campaign Fund. Within this account there is a separate account for the candidate of each political party and a general account. The moneys in this account come from taxpayer-designated checkoffs from the state income tax returns. The Minnesota taxpayer may designate that one dollar (single return) or two dollars (joint return) be placed in a fund for a political party candidate or in a general account from which money is distributed equally to all qualifying candidates. Money from any party account that is not distributed in an election year is returned to

(continued)

the general fund of the state. Money from the general account that is refused by a candidate is distributed to all other qualifying candidates.

The law also defines the operation of a system for allocating public money based on voter-indicated preference in the last general election and state population estimates.

Campaign spending limits are probably the most controversial element in any public financing system. One major problem is that the limits have not kept up with inflation, especially in the Metro Area. Bills have been introduced in the Legislature to remedy this but have not passed for varying reasons.

The 1980 Legislature did manage to attach a constitutional amendment on campaign financing to another constitutional amendment. The amendment asks:

"Shall the Minnesota Constitution be amended to require campaign spending limits for candidates for executive and legislative offices and public disclosure of campaign spending for all state candidates?"

Passage of this amendment would permit the existing statutory spending limits for state executive and legislative campaigns to rise and fall with the consumer price index for the Minneapolis-St. Paul area. It would also increase the tax checkoffs from \$1 to \$2 for an individual return and from \$2 to \$5 for a joint return. On the first page of the tax return there would be a space for individuals to indicate whether or not they wish to designate money for campaigns. Finally, passage would mandate that tax moneys accumulated but not used in state campaigns be reallocated to other candidates instead of being returned to the general fund in the state treasury, as is currently done.

If this amendment is not ratified, existing statutory limits on campaign spending will be automatically repealed effective December 31, 1981. Public disclosure laws would remain in effect regardless of the vote on this amendment.

The League believes that the best form of public financing combines the concept of limited campaign expenditures with limits set high enough to create incentive for candidates to participate. The League also supports the "full and timely disclosure of all campaign contributions and expenditures." This means full disclosure of contributions before elections and full disclosure of expenditures and other financial transactions by a stated deadline. The League of Women Voters of Minnesota is, therefore, working for passage of this amendment.

SUMMARY
1974 Ethics in Government Act

Campaign Financing Provisions:

- The candidate must designate a principal campaign committee, which must have a treasurer.

- Associations which raise or spend money to influence elections must establish a political fund and keep that money separate from other funds of the association.

- Political committees and funds must register with the State Ethics Commission when they raise or spend more than \$100 and must periodically report on their contributions and expenditures.

- The reporting dates in 1974 are:

1. July 7
2. September 5: five days before the primary for candidates in primary races
3. October 10: final report for losers of primary
4. October 31: five days before the general election
5. December 5: 30 days after the election, final reports

- The name, address, and employer (or occupation if self-employed) of each person, political committee, or political fund who has made one or more contribution in excess of \$50 (or aggregate in excess of \$50) must be disclosed (for state legislative candidates, in excess of \$100 for statewide candidates, together with the amount and date of the contribution, and the total amount of contributions within the year of each contributor so disclosed.

- Disclosure of all transfers to or from the reporting committee must be made.

- Loans in excess of \$100 (or aggregate in excess of \$100) to or from any person must be disclosed together with the full name, address, occupation and place of business of the lenders or endorsers.

- Expenditures in excess of \$100 (or aggregate in excess of \$100) must be disclosed together with the name, address, occupation and principal place of business of each person to whom expenditures have been made -- with the amount, date, and purpose of each expenditure.

- All expenditures made with the consent, expressed or implied, of a candidate must be authorized and are counted against his spending limit.

Governor and Lieutenant Governor running jointly: \$600,000
Attorney General: \$100,000
Secretary of State, Treasurer and Auditor: \$50,000
State Senator: \$15,000
State Representative: \$7,500

- Individuals who spend money genuinely independently of the candidate must place a disclaimer on the campaign materials and must file reports with the commission if they spend over \$100.

- Political parties may contribute to a candidate up to 50% of his spending limit. Other committees, funds, or individuals may contribute up to 10% of a candidate's spending limit. Independent spenders are also limited to 10%.

Other Provisions of the Law:

Establishes a bi-partisan Ethics Commission which has responsibility for administering and enforcing the provisions of the law. The Commission is composed of six members appointed by the governor with the advice and consent of three-fifths of the Senate and House of Representatives.

Regulates lobbyists who are defined as one who is paid or designated by another person or association or who spends more than \$250 in a year to influence legislative or administration action (with several specific exemptions). Lobbyists are required to register with the commission and to make periodic reports of the money they spend on lobbying.

Public officials are required to file a statement of their economic interests with the commission and to report any potential conflicts of interest. These are defined as candidates for legislative and constitutional offices, members of the legislature, constitutional officers in the executive branch and their chief administrative deputies, major executive department officials, major legislative staff, members of the Metropolitan Council, Metropolitan Transit Commission, Metropolitan Sewer Board, Metropolitan Airports Commissions and other state boards and commissions which have important rule-making powers.

Public financing is provided by \$1 checkoff from income tax funds. Individuals may allocate \$1 of their taxes either to the candidates of one political party or to all qualifying candidates regardless of party affiliation. The money is allocated proportionately among the various statewide and legislative candidates.

A tax credit of up to \$12.50 for contributions to political parties and candidates is allowed, although the maximum credit for contributions to parties is \$5.00.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102 Sept. 1972

C O R R E C T I O N

In the September - October issue of the Minnesota VOTER, Campaign Financing: Funding and Expenditures, on page 3, Minnesota Fair Campaign Practices Act, in the middle column under Enforcement, the second sentence should read:

"Should a candidate or "personal campaign committee" fail to file, the filing officer* is required to notify the candidate or committee and also the county attorney."

THE MINNESOTA VOTER

FILE COPY.

A PUBLICATION OF THE LEAGUE OF WOMEN VOTERS OF MINNESOTA

VOL. 51

SEPTEMBER-OCTOBER - 1972

NO. 2

This survey of campaign financing practices and procedures in Minnesota has been prepared by a special state committee charged by local Leagues to determine a comprehensive position on campaign financing. Here is the statement of position readopted by delegates to the 1971 state League convention:

"Support of the following principles in campaign practices:

- a. The public has a right to know where campaign money comes from.
- b. The public should know how campaign money is spent.
- c. Public reports are the best way to get this information.
- d. Candidate responsibility should be increased; accountability of volunteer committees should be increased."

In the past two years, research by this committee has included interviews with candidates, political parties, and campaign committees; board discussion with legislators involved in proposing changes in the statute; extensive research among states with differing statutes; news and periodical reporting; limited information from financial statements filed by candidates and committees.

* * *

The League of Women Voters of Minnesota anticipates a two-fold interest in this study:

- Increased member understanding and public support for strengthening the campaign disclosure law.
- Increased appreciation of the serious interrelated problems of campaign finance and whether disclosure alone is effective in regulating these matters.

A limited number of single copies of this Campaign Financing issue of THE MINNESOTA VOTER may be purchased through the state office for 25¢ each. A bibliography and reading list will be sent with the local League Campaign Finance Committee Guide and will also be available through the state office.

This issue of the VOTER is planned to supplement the national publication, "Campaign Spending: The Great American Treasure Hunt," April, 1972. Copies of the national publication may be ordered through your local League publications chairman or from the national LWV office.

CAMPAIGN FINANCING: FUNDING AND EXPENDITURES

A Study of campaign financing and its regulation in Minnesota.

"Politics has got so expensive it takes a lot of money even to get beat with."

Will Rogers' observation many elections ago strikes a responsive chord as Minnesotans choose up sides, support candidates, and elect hundreds of local state and national officials on November 7, 1972.

Where does the money come from to buy TV time, newspaper ads, direct mail solicitations, position papers, bumper stickers, buttons, and computerized personalized correspondence on selected issues to selected citizens?

In 1961, the League of Women Voters of Minnesota began a study of campaign financing and its regulation. During the ensuing years the League has monitored a number of legislative proposals and disseminated information about campaign financing to members and the public. An assessment of the current situation was stated in official League testimony during the interim before the 1973 legislative session: "We have been unable to obtain a clear picture of campaign financing because reports required by the present statute are not detailed, and we have been told that there is no way of checking on political committees who fail to file reports."

What are the objectives of campaign financing in a democratic society? Albert J. Rosenthal, professor of Law at Columbia University, writes: "First, an electorate informed as to the qualities and views of candidates for public office; second, competition among candidates determined, to the greatest extent possible, on the basis of these qualities and views, undistracted by inequality of opportunity to communicate with the voters; and finally, reduction of the dependence of candidates upon comparatively small numbers of large contributors both in order to reduce such contributors' influence and to prevent the lack of such contributors or of personal or family fortune from deterring otherwise qualified candidates from running."

Sen. XYZ says: I spent half my campaign limit reporting contributions!



PROBLEMS! PROBLEMS!

Most publicized of the several problems in campaign finance is the high cost of seeking public office. For example, in 1970 in Minnesota costs of the gubernatorial campaign averaged \$476,500 per candidate and the U.S. senatorial campaign costs averaged \$613,660. Rising costs may be attributed to:

- Inflation.
- Expanding electorate.
- Changing campaign styles - TV time, special opinion-surveys, computer print-outs, personalized phone messages.
- More independent voters - less party loyalty.
- More competitive contests for more offices.

But are costs really comparatively high? According to David Adamany, professor in the Department of Government at Wesleyan University, campaign costs are a declining percentage of the nation's personal income - from .05% in 1952 to .04% in 1968. Costs have risen, but so has personal income.

Other closely related problems in campaign finance may be equally important. Inequities arise because only 8 to 10% of Americans contribute money to politics. Political funding varies greatly for offices at different levels or among candidates for the same office. Funds are often attracted to the more visible contests for higher office.

The serious nature of problems in campaign finance is underscored by political writer Richard Harris in an article in *The New Yorker* (August 7, 1971):

"While the American political system is variously attacked and defended

within the United States today, there seems to be increasing agreement on one point: Those who run the nation are not to be trusted. That point is crucial, for, in order to survive, democracy must have the trust of the governed; without trust there can be no consent, and without consent there can be no democracy . . . But through the years the most abiding mistrust has been directed at the function of money in the body politic."

As long as the public lacks information about the amount and sources of money for election campaigns, the suspicion will tend to prevail that elected officials may be apt to represent big money interests and not those of the general public.

Basic approaches to solving problems of campaign financing fall into these major categories:

- Disclosure of expenditures and contributions.
- Limitations on expenditures and contributions.
- Public funding such as subsidies and tax incentives.

Current national and state laws apply these basic controls in many elections in attempts to solve the difficult and continuing problems of the role and influence of money in elections. Although patterns may be discerned, these laws vary considerably from state to state both in form and application. Variations in state statutes reflect to some degree the differences in political, social and economic environment of states. Although both federal and state laws regulate federal elections, only state laws directly control state elections.

The increasing intensity of problems in campaign financing led to the passage by the 92nd Congress of laws regulating finances in federal elections; several states have passed and others are considering campaign finance reform.

If I don't want to remain an unknown quantity, I will have to spend twice as much as I expected!



Ms. X is running for office for the first time.

Federal Election Campaign Act of 1972

This major legislation which replaces the Corrupt Practices Act of 1925 became effective April 7, 1972. Covering federal elections only, the law supercedes state laws in direct conflict with the federal statutes and applies only to candidates in federal elections.

The new law tightens disclosure provisions and limits media spending. All candidates must file financial statements. All contributions over \$100 must be reported and publicly disclosed. Campaign committees who anticipate handling more than \$1,000 in a year must register and report. Funds spent "on behalf of" a candidate will be deemed to have been spent by the candidate himself, counting against his political-advertising limit. Every person (or group) making a political expenditure of more than \$100 in a year other than by direct contribution also must file reports. [See footnote page 3.]

Reports are to be filed in Washington and with the Minnesota secretary of state to allow local constituents access to the information. Reports are required on a regular basis as well as the 15th and 5th days before the election.

The law removes total spending limits but imposes limits on communications media (TV, radio, newspaper, billboards, telephone campaigns) of 10¢ per voting age person in the district or \$50,000 per election, whichever is greater, with an adjustment allowed for cost of living increases.

For Minnesota, the 1972 limits for presidential and U.S. senatorial campaigns for media expenditures is \$260,020; for U.S. representative, \$52,150. This allowance includes expenditures by the candidate or authorized on his behalf and may be spent each time there is an election (primary, run-off primary, or general election). No more than 60% of the total media money can be spent on radio or TV.

The law also puts absolute limits on the amount of campaign money that can be contributed by the candidate or his family.

"Full disclosure and public scrutiny offer the best means of preventing and controlling excesses and abuses — at least until such time as workable units can be developed. Even then, full disclosure should be the number one priority."

Albert J. Gillen, Poole Broadcasting Co., Congressional Record, July 10, 1971

Ah favor low limits on expenditures! Ma' costs are way down this ye'ar. Why ev'body knows the Col'nel!



The "Colonel" is running for reelection after six terms in office.

The Federal Revenue Act of 1971

Sections of this law also affect campaign financing. Beginning with the 1972 taxable year, campaign contributions can either be deducted (up to \$50 single return, \$100 joint return) or half of the contribution can be taken as a direct tax credit (up to \$12.50 single return or \$25 joint return) on the federal income tax return — a tax incentive to those who do not itemize deductions on their income tax returns. The political contribution can be for local, state or federal office providing the candidate or the committee receiving the contribution has filed with the Internal Revenue Service.

Another provision of this law, beginning in 1973, allows the taxpayer to elect to have \$1 of his taxes (\$2 on a joint return) set aside for the 1976 presidential election campaign of the political party of his choice or set aside for a nonpartisan account to be distributed among the qualifying candidates. A political party must have received 5% or more of the votes in the last election to qualify.

" . . . disclosure of all contributions would serve no useful purpose; in fact the surest way to impair the value of disclosure requirements would be to compel the collection of data so massive as to baffle the investigator or newspaperman."

Albert J. Rosenthal, professor of Law, Columbia University

"Campaign finance laws are typical of attempts by politicians to regulate their own affairs, and, although the statutes create the impression that regulation has been attempted, they all too often embody carefully drafted loopholes which drain them of any substance."

"Loophole Legislation — State Campaign Finance Laws," University of Pennsylvania Law Review, Vol. 115: 984, 1967.

Minnesota attempts regulation of campaign finances in two major ways. The Minnesota Fair Campaign Practices Act provides for

- limits on total spending and
- disclosure of campaign finances.

Elections covered by each of these regulations vary; some elections are affected by both limits and disclosure. Limits apply to some committees; disclosure is required in some.

Definitions

In order to understand these regulations and determine their effectiveness we first need to define the several types of committees regulated by the Minnesota law:

- A "party committee" is a committee representing a political party.
- A "personal campaign committee" is a committee appointed by a candidate for an election. The candidate may name only one such committee. It is extremely rare that a candidate chooses such a committee at all.
- A "political committee" is two or more persons supporting a candidate for elective office or working for or against adoption of laws, ordinances or constitutional amendments. These committees are usually referred to as "volunteer committees." This is the committee used by almost every candidate for public office.

Spending limits

Spending limits are specified for most elections in Minnesota but do not apply to presidential, congressional, school district elections or campaigns for ballot issues.

Statewide and legislative offices are limited to a specified dollar base plus 5¢ per voter in the district in the last general election. Other offices are limited to one-third of the salary of the position sought with a minimum of \$100 allowed. A candidate seeking an unsalaried office is allowed \$100. Statutory limits apply to the combined expenditures of the candidate and his personal campaign committee.

Minnesota Fair Campaign Practices Act

The legal device circumventing unrealistic spending limits is the "volunteer committee." Spending by these committees is not limited by statute, nor is the number of such committees that may support a candidate.

Disclosure

Disclosure of campaign finances is specified for most Minnesota elections with the exceptions noted above and in municipal elections where the population is 20,000 or under.

Reports by a candidate and his "personal campaign committee" are required both before and after elections; detailed information on both contributions and expenditures is required. "Personal campaign committees" are rarely chosen, therefore the reports received prior to an election are generally those of the candidates themselves who often only report personal expenditures. In many reports only the filing fee is listed, e.g. \$20.00 in the case of a candidate for the Minnesota legislature.

"Volunteer committees" are required to file within 30 days after an election. Such a committee is not required to itemize contributions; and expenditures need be itemized only as to purpose. Frequently only total contributions and total expenditures are reported.

Enforcement

Administration and enforcement of the Minnesota law varies with the candidate and with the type of committee. Should a candidate or "personal campaign committee" fail to file, the filing officer is required to notify the candidate or committee" fail to file, the filing officer* If there is no compliance within 10 days, the county attorney must prosecute. (Failure to do so could mean forfeiture of his office.)

The penalty for violation is a gross misdemeanor, punishable by imprisonment for no more than 1 year or a fine of \$1000 or both. If convicted, a candidate's name may not be printed on the ballot or if a winner, the candidate may not take office. However this penalty does not apply to winners of Congressional or state legislative seats as each of these bodies according to their Constitutions is the judge of the eligibility of their members.

Minnesota law is unclear on administration and enforcement of reporting re-

*Candidates for districts contained in one county file with the county auditor of that county. The filing officer for candidates whose districts cover more than one county is the secretary of state. The secretary of state receives reports from the candidate and "per-

sonal committee," however the "volunteer committee" reports to the auditor of the county in which it has its headquarters. There is no provision for centralized reporting of all "volunteer committees" supporting a single candidate.

In the case of "volunteer committees," election officials have no real enforcement powers. However, since these reports are apt to be of special interest to the public and candidates, some enforcement is accomplished by publicity. The failure of "volunteer committees" supporting major candidates to report would be noted by the press and by opposing candidates. When the reports are centrally located,* the press, candidates and public can inspect them easily. Obtaining the data on the financial activities of candidates whose districts cover more than one county is more complicated because their "volunteer committees" file with the county auditor where each is headquartered.

Ineffective?

Campaign financing laws in Minnesota give the illusion of control; reporting requirements are inadequate and present spending limits, set in 1963, are unrealistic. Those familiar with the law point out that evasions, meaningless spending limits, and ineffective enforcement increase public disrespect for laws and lawmakers.

Obsolete limits could be repealed or raised; stricter disclosure laws could be adopted. But is this a comprehensive approach to the problem of campaign financing? In addition to disclosure, should contributions be limited, and/or some additional form of public funding provided?

* * *

" . . . nobody in Florida contends that these reports disclose the total sum of money received and spent in campaigns. . . . We now know that even winners are in debt and losers even more so, in spite of the legal mandate against campaign indebtedness."

Elston Roady, professor of Government, University of Florida

Legislators are often unenthusiastic about strong disclosure legislation because they fear it will further limit campaign funds and because the disclosure of sources can be used to effectively devastate candidates. Constitutional questions

Major Aspects of Campaign Financing Regulation

Three major aspects of regulation are disclosure, limitations, and public financing. Since 1961, Minnesota League members have agreed that disclosure before and after the election is a primary objective of campaign financing legislation. The League has questioned the feasibility of limits, however, because of the lack of comprehensive statistics. Because the League now seeks to examine questions of how to enforce current campaign legislation and the role of public campaign financing, the following information is included to update members on current thinking in each of these areas.

Disclosure

"If the required reports were comprehensive in scope and fully publicized, several substantial benefits might be expected to follow. Contributions motivated by the expectation of exerting undue influence upon the candidate after his election might be discouraged by the publicity. Conversely, decisions and appointments by an officeholder favoring the interest of known large contributors might be inhibited. If disclosure and publicity were prompt, the voter would have some additional knowledge about the candidates and their respective supporters that would be helpful to him in deciding for whom to vote."

Albert Rosenthal, Professor of Law, Columbia U.

Minnesota has a strong disclosure law on the books. The University of Pennsylvania Law Review, 1967, lists it as a model law along with Florida's. In practice very little is disclosed because campaign finances are funneled through "volunteer committees."

Disclosure laws must fix responsibility for campaigns, have tight reporting procedures and ensure effective enforcement. Because these elements are missing insofar as the "volunteer committee" is concerned in the Minnesota law, disclosure is not now serving its purpose. Lack of or limited disclosure means that very little can be deduced about the amounts, sources or influence of money in Minnesota elections because so few statistics are available. To serve the goal of informing the public of the sources of political money, there must be full reporting in time for the news media to disseminate this information and for the public to digest it.

The value of volunteer help is difficult to assess if full spending is to be disclosed. A donation of goods, services, or volunteer time may have as much value

as monetary donations; it is of public interest if the contribution is the service of an organization's or business' salaried employee to assist a campaign staff. Volunteerism is also the neighborhood doorbell ringer, coffee party giver or envelope stuffer. Evaluating this assistance for candidate reporting would be very difficult.

Enforcement of Disclosure

In addition to candidate accountability and a thorough reporting system, good disclosure legislation must have workable enforcement provisions. Public awareness of campaign contributions and expenditures is a major enforcement goal. A study done on the Kentucky law reported: "The threat of publicity itself encourages reporting by most candidates and committees."

Pinpointing responsibility for a political campaign is necessary if there is to be effective legislation and meaningful disclosure. There must be accountability and internal financial procedures to ensure that transactions are disclosed. Registration of committees is another method of control.

A suggested reform would allow only one campaign committee for a candidate under the candidate's direct authority with the candidate and treasurer both legally responsible for complying with the law. No independent "volunteer committees" would be allowed as is now the case in Minnesota. Allowing media to accept money only from candidate- or committee-authorized sources is another proposed control to ensure correlation.

\$\$\$

There are differences of opinion as to what size contribution should be identified. In Minnesota there is precedent for a minimum of \$50 for an individual or \$100 for a couple as in state income tax provisions for political contributions. The optimum limit is a balance between a manageable volume of paper work and setting the limit so high that major contributions aren't identified. Loans and debts should be a part of the record.

When organizations make political contributions the public has a right to know what interests are represented. One suggestion is to require organizations to list names and addresses of their contributors; however, groups with "identifiable interests" such as labor unions and professional associations would be exempted from listing individuals.

The value of volunteer help is difficult to assess if full spending is to be disclosed. A donation of goods, services, or volunteer time may have as much value

as monetary donations; it is of public interest if the contribution is the service of an organization's or business' salaried employee to assist a campaign staff. Volunteerism is also the neighborhood doorbell ringer, coffee party giver or envelope stuffer. Evaluating this assistance for candidate reporting would be very difficult.

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Model laws suggest that the reports be checked, grouped, summarized, and made public. If complete reporting is required and reports are centralized, many familiar with Minnesota politics think the press and opposing candidates will see that the facts are distributed.

Another enforcement approach is for the agency receiving the reports to check them and audit them rather than serving as a passive depository. However, it is argued that since the candidate would have sole responsibility for all money spent on his behalf, his sworn statement should be sufficient. If an audit were to show the candidate to be in error, he would be subject to legal punishment (an enforcement procedure similar to the Internal Revenue Service) and that should be sufficient to induce him to file accurate reports. The media and banks cite the nuisance and expense of required detailed public accounting.

Limitations

Limitations do exist on the use of money in Minnesota elections:

- Money cannot be spent on bribery.
- Candidates cannot give gifts to voters.
- Candidates cannot be solicited for contributions.
- Minnesota, along with 30 other states and the federal government, does not permit contributions from corporations.
- In four states and under federal law, unions are not allowed to contribute. Minnesota does not restrict union contributions.

At the federal level, however, unions may collect members' voluntary contributions and spend this money in political campaigns.

A major issue in legislating money limitations is freedom of speech. According to Albert J. Rosenthal, professor of law at Columbia University, writing in the *Harvard Journal of Legislation*, Vol. 9: 423, 1972:

"... Limitations upon the expenditures of candidates appear to give rise to the most intractable constitutional problems. ...

"On the other hand, measures to impose reasonable limits on the size of contributions, to limit the personal expenditures of candidates and their families, to require effective disclosure and publicity of large donations, and to give tax credits and perhaps deductions to encourage large numbers of people to contribute small sums each, if taken together might well achieve most of the goals of expenditure limitations with far less impingement upon fundamental rights."

One of the major arguments against dollar limitations in campaign expenditures is that such limits have invariably been set too low. Bruce Felknor, former Director of the Committee for Fair Campaign Practices says in his book *Dirty Politics*, "Such fiscal restrictions . . . cannot be obeyed by a candidate who wants to present his position to a decent fraction of his constituency. Apart from the moral dilemma with which they confront the candidate, and the validation they supply to voter cynicism, these laws engender and make inevitable a voter contempt for law itself."

Limits Unlimited?

For limits to have any meaning there first must be stringent disclosure to ensure that limits are not being circumvented. Until there is comprehensive disclosure legislation, it is probably impossible to set realistic limits because of the lack of comprehensive, accurate statistical records on campaign expenditures. Many experts suggest disclosure legislation with no limits on expenditures. This would provide information on how much is being spent and might prove disclosure alone would control or limit excessive or corrupting contributions and expenditures. If unlimited expenditures proved unfeasible, legislation limiting them could be enacted.

Legislating limits on total spending and/or contributions is seen as a way to hold down the rapidly rising costs of campaigning. Those supporting limits argue that unlimited money gives an unfair advantage to wealthy candidates. And what about the candidate who cannot raise money to the limits allowed for a campaign? Less affluent candidates and parties see limits as a way to equalize their chances by restricting their opponent's. Many familiar with elections point out

that limits are an advantage to the incumbent — who is already known to the constituents.

Without limits, as pressure builds near election time, the candidate is tempted into expenditures if money is available. Florida deals with this problem by forbidding contributions during the five days preceding the vote.

A basic reason for campaign financing legislation is to prevent undue influence by special interests. Expenditure and contribution limits may help to reduce reliance on contributors of large amounts. An additional argument in favor of limits is that to many people excessive mon-



ey spent on elections is of itself an evil and should be curtailed.

Those opposing both kinds of limits point out the great difficulty in setting fair amounts. The legislature last adjusted limits in 1963. The chairman of a Minnesota political party commented that there is no equitable way to set limits because the costs of campaigning are not equal — those of the challenger versus those of the incumbent or the extreme variation in the costs of campaigning in different types of districts. Large rural districts require more transportation expense and may have several newspapers, radio and TV stations in the district. An urban legislative candidate may put the major portion of his campaign funds into printed matter to distribute perhaps by direct mailing and into lawn signs. Urban radio, TV and major newspapers advertisements may be overly expensive and coverage too wide for the candidate's needs.

Enforced limits on expenditures could mean that a donation might be returned because the total had been exceeded, and thus what about the donor's right to contribute to the campaign of his choice?

In the 1970 campaign, a Minnesota billboard paid for by a maverick of one political party, supporting one party's

candidate for governor and another party's candidate for lieutenant governor illustrates the complexity of campaign expenditures.

To apportion costs or assess values to such campaigning aids as technical help from the political parties, use of their lists or computers, slate promotion, and the value of volunteer help is practically impossible.

In a 1971 Citizens Research Foundation survey of state laws, 23 states had spending limits but like Minnesota's most are meaningless. In the past 5 years, 8 states have repealed their spending limits. One state, Florida, enacted new ceilings.

Public Financing

Most state campaign finance laws are largely negative in nature and tend to restrict rather than stimulate widespread financial participation. There are several ways in which public financing of campaigns is already taking place, either on the state or federal level:

- Tax deductions
- Tax credit
- Tax checkoff

Potential methods of public financing might include:

- Free mailing privilege for candidates.
- Mandatory free air time.
- Direct financial support to each eligible party from public treasury.

Minnesota in 1955 pioneered allowing individuals to deduct campaign contributions up to \$100 on their state income tax returns. Candidates are also allowed to deduct up to the legal limits of their campaign expenditures. This approach to public subsidy is seen as a way to encourage widespread small contributions, greater public interest in political campaigns, and a broader spectrum of people to run for office. There is no way of knowing how many candidates or contributors use these tax law features, as Minnesota has not analyzed the use of specific tax deductions. This approach is now used in nine states and in the federal law cited above.

Direct Subsidies

Direct public subsidies are proposed by having the government provide free mailing privileges or arranging free TV time. Both of these approaches require action at the federal level. At present sponsors willing to donate air time for major candidates to present their views find that stations are unwilling to accept their offers because of the many minor candidates who must be given equal air time.

Oregon, among other states, distributes information supplied by each candi-

date for certain offices at state expense. This allows even those candidates with no funds to have a minimum degree of public exposure at no cost to themselves.

How-To's

It has been suggested that government funds be used to provide a floor of expense money for all candidates to ensure minimal access to the electorate. Another proposal is that the government provide matching funds, thus assuring a vigorous, serious campaign effort. The Federal Revenue Act of 1971 provision for voluntary donations on income tax returns is a type of direct subsidy. Provision for a similar contribution on the state income tax has been suggested, but as an addition to taxes due. It could mean \$1.5 to \$2 million available for campaigning for local and state offices.

Colorado and Massachusetts tried state subsidies of campaign expenditures. In both instances the states' supreme courts ruled the laws unconstitutional. Puerto Rico has had large political party subsidies since 1957, but there is growing opposition to this subsidy among the people of Puerto Rico, who feel the parties have become bureaucratic and apathetic under this system.

Those favoring greater public funding of election campaigns point out that it is in the public interest to be informed about all candidates. Some candidates can ill afford the expense of the kind of campaign indicated with an expanding electorate or reapportioned district.

The political parties need money. It is to the public's benefit that Minnesota has strong parties to offer alternatives, recruit good candidates, challenge each other. Greater financial support would alleviate the need for reliance on large contributors who can exert improper influence. A good disclosure law may terminate some funds now being used in campaigns, and public financing could ensure minimum funding.

The No-No's

Opponents of public subsidy legislation question that it is a suitable public purpose for spending state funds; a great deal of money may be wasted in election campaigns that are too costly, too long and superficial; often non-serious candidates run, seeking publicity for personal

reasons. One Minnesota legislator remarked, "Everyone has the right to free speech, but it doesn't mean he should be provided with an audience at public expense."

Some observers of campaign finance issues fear that public tax support of the political parties would institutionalize them and make reform or change difficult. It could weaken the relationship between the parties and individuals. Minority parties might proliferate if they could qualify for public money. Problems of how to apportion political parties' campaign monies so raised among federal, state and local contests would be magnified as would be the problems, too, in apportioning money for nonpartisan offices. Partial state support would not necessarily eliminate large and improper contributions. In fact more money may be spent.

All the Way?

Total government financing of political parties and campaigns through public funding could eliminate completely the role of money in politics. Students of campaign financing point out that such a plan should be implemented only if prior controls and enforcement fail to reduce the role of money in politics and the public is willing to accept this. Serious constitutional questions are foreseen. To be effective such an arrangement would have to make individual contributions illegal. The individual's present prerogative of

spending his own money to publicly thwart a candidate via billboards or newspaper ads, would also necessarily be unlawful.

Summary

Some laws regulating campaign financing may mean greater problems for the candidate in finding campaign money. Full disclosure laws and strict enforcement might further limit the amount of money available. There is growing interest in acknowledging that the public does have an interest in fair, informative, "free" (from undue money influence) campaigns. It is pointed out in an article in the 1967 University of Pennsylvania Law Review that, "There is no doubt that the regulation of political finance today is more loophole than legislation. At the same time, it is also true that the means for providing effective regulation have been proposed, but apathy has generally preserved the inadequacies of the present system. . . . The gap between proposals and law is bridged by the legislative process, and it is here that the task is most difficult, for the enthusiasm for change must be generated and maintained by the very people on whom the weight of the legislation must fall."

Will today's climate of opinion pressured by the new federal legislation provide impetus for new state laws and together generate the winds and "enthusiasm for change"?

QUESTIONS! QUESTIONS!

League members are encouraged to observe practical applications of campaign financing techniques — both contributions and expenditures — during the 1972 election campaigns. Encourage others to share in "campaign watching" and join in a discussion of questions like . . .

- Should there be a complete disclosure of all sources of campaign financing? Should all monetary contributions above a certain amount be reported? What amount? Should candidates report the amount and type of volunteer work contributed to the campaign?
- Should all candidates be responsible for ensuring reports are filed and accurate?

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 Wabasha, St. Paul, Minnesota 55102
(612) 224-5445

Published seven times a year in Jan.-Feb., March, April, May-June, July-August, Sept.-Oct., Nov.-Dec.

Mary Ann McCoy (Charles) President

Shirley D. Amundson (Neal) Editor

Second class postage paid at St. Paul, Minnesota

Subscription Price: One dollar a year

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
January, 1973

Memo to Local League Campaign Financing Chairmen
From State Campaign Financing Committee, Barbara Steinkamp, Chairman
Re: "Campaign Financing Disclosure Data Project"--A Very Important
Assignment
January 25, 1973

Goal of the Research Project: Little comprehensive data is available on actual reported financial disclosures by candidates for public offices in Minnesota. To be effective in our action efforts we need to be informed about present reporting practices under the Minnesota Fair Campaign Practices Act. We ask your aid in gathering and recording data requested on our project's "Form 1" and "Form 2". Please send your Forms 1 and 2 to the state office as soon as possible. Final deadline: March 12, 1973.

Background: To refresh your memory of disclosure laws in Minnesota, refer to the pamphlet prepared by the Secretary of State, Minnesota Fair Campaign Practices Act Summary and Annotations 1972.

Summary of Filing Requirements:

Candidates, Personal Campaign Committees and Party Committees - Minnesota Statutes 211.20 requires every candidate and the secretary of every personal campaign committee and party committee to file a statement of receipts and expenditures on or before the following dates: 1) Eight days before the primary election. 2) On or before ten days following the primary election. 3) Eight days before the general election. 4) On or before ten days following the general election.

Candidates and personal campaign committees file with the filing officer. State and Congressional District party committees file with the Secretary of State. Party committees for a legislative district file with the filing officer for the district. Every other party committee files with the county auditor in which county the expenditures are made. For municipal elections see Minnesota Statutes 211.20, Subd. 4.

Political (Volunteer) Committees - Minnesota Statutes 211.20 requires political committee to file a statement of receipts and expenditures within 30 days following any primary, municipal or general election.

When organized to support a candidate for a federal or statewide office, the committee shall file with the filing officer. When organized to support a candidate for a legislative, judicial, district or county office, the committee shall file with the auditor of the county in which such committee has such headquarters. When organized to support or oppose any constitutional amendment, the committee files with the Secretary of State. When organized for a municipal office in municipalities over 20,000 persons, the committee files with the filing officer.

Definitions of Committees - Personal Campaign Committee: Any committee appointed by a candidate for any election. Party Committee: Any committee appointed or elected to represent any political party with a party organization in this state. Political Committee: When two or more persons are elected or appointed by any political party or association for the purpose, wholly or partly, of raising, collecting, or disbursing money, or directing the raising, collecting or disbursing thereof, for nomination or election purposes, or when two or more persons cooperate in the raising, collecting

or disbursing of money used, or to be used for or against the election to public office of any person or any class or number of persons, or for or against the adoption of any law, ordinance, or constitutional amendment.

Data Needed: We have decided to focus our project on disclosure by political (volunteer) committees in 1972 state legislative races--both winners and losers. Reports by such committees are required to be filed with the county auditor in the county where such committees are headquartered and to be filed within 30 days of any election. We are interested, also, in failures of such committees to file; if no reports for committees are filed with the appropriate county auditor, include this information in your report. For example, you may have local knowledge that such committees existed and be unable to locate the required information filed with the county auditor; explain this on a "Form 2" for each candidate so identified.

Research Project Forms (to supply requested data to state League office):
When you consult the county auditor about volunteer committee statements that have been filed, you may be allowed to make duplicate copies of such statements; if so, send the duplicate copy to the state League office. If duplicate copies are not available, please copy information from the filed statements on a "Form 2" using a separate Form 2 for each filed report.

Enclosed with this memo are copies of Form 1 and Form 2; additional copies of each form are available from the state League office or you may duplicate these forms from this sample--by photocopy, mimeograph, ditto, etc.

- * Form 1 - Use this form to summarize data on districts and candidates you are covering; also to supply responses from county auditors and from your League about reporting of financial disclosure by candidates.
- * Form 2 - Use copies of this form to report on disclosure statements filed--use a separate copy of Form 2 for each statement filed.

IF YOU SHARE LEGISLATIVE DISTRICTS WITH OTHER LEAGUES: Where there is more than one League in a legislative district, please coordinate the research activities requested; such pre-planning may eliminate duplicate calls on the same county auditors and extend available member power in completing this valuable assignment. If at all feasible, consider gathering data on close-by legislative districts not covered by any League.

Local Use of This Research Data: Please do not attempt to evaluate or publicize data you may gather in this project; our previous research indicates that failures to file statements or errors in such statements are difficult to assess. Our state committee will report to local Leagues on the composite findings of the research; individual candidates will not be named in such overall statistical accounting.

Questions? Please contact the state committee chairman, Barbara Steinkamp, 4912 Payton Court, Edina, 55435, (612)927-9263.

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
January, 1973

FORM 1 - Campaign Financing Disclosure Data Project

Name of Local League _____
Name of Person Responsible for this report: _____

Date Information Gathered _____

List County Auditors Consulted:

List State Senatorial Districts included in this report by number and the 1972 candidates (both primary and general election) filing for these districts. Indicate winners in the primary and the winner in the general election.

List State Representatives Districts included in this report by number and the 1972 candidates (both primary and general election) filing for these districts. Indicate winners in the primary and the winner in the general election.

Comments by County Auditors: Indicate responses by the county auditor or other officials in charge of administering financial statements to the following questions:

1. How do they administer the state law?
2. How long do they retain the reports on file?
3. Are they involved in the enforcement of the law? Explain.
4. Are there frequent requests to see the reports? By whom? (groups, individuals, candidates?)
5. What errors are common?
6. Are there problems with the law? Would they recommend changes in the law? Explain.

(You may choose to add other questions--note such questions and their responses on an additional page.)

Your League's Comments:

1. Do the statements seem to reflect actual campaign contributions and expenditures?
2. Do you have other observations on disclosure of candidates financial reports?

League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
January, 1973

FORM 2 - Campaign Financing Disclosure Data Project

Name of Local League

Explanation: Form 2 has been adapted from the "Statement of Receipts and Expenditures" prepared by the Secretary of State for use by candidates and committees required to file such a report under Minnesota Fair Campaign Practices Act.

Please return a separate Form 2 for each candidate and committee in the Legislative Districts assigned (see January 25, 1973, Memo from State Campaign Financing Committee.)

Name of Candidate or Committee

[illegible]

If a Committee, specify type: _____ Personal Campaign Committee
 _____ Party Committee
 _____ Political Committee

Period of Time Covered by Report: From _____ to _____

SUMMARY STATEMENT TO DATE

	Total for This Report		Total from Previous Report		Total to date
Receipts (Exhibit A)	_____	+	_____	=	_____
Promises or Pledges	_____				
Receivable (Exhibit B)	_____			=	_____
Expenditures actually					
Made (Exhibit C)	_____	+	_____	=	_____
Obligations incurred					
but not paid (Exhibit D)				=	

I do swear (or affirm) that I am a candidate for public office or an officer of the _____ committee and that this report is a full and true statement pursuant to Minnesota Statutes 211.20.

(candidate or officer sign here)
Committee office held _____
Address _____

(Customary Notary Public wording here)

EXHIBIT A

Receipts - include all money, property and things of value received during the period of time covered by this report.

<u>Date Received</u>	<u>Name and Address</u>	<u>Money or Thing of Value Received</u>

TOTAL AMOUNT RECEIVED \$

EXHIBIT B

Promises or Pledges Receivable - include all things of value promised or pledged. Include things listed in previous report which still fall within this category.

<u>Date</u>	<u>Name and Address</u>	<u>Thing Promised and Value</u>
-------------	-------------------------	---------------------------------

TOTAL AMOUNT PROMISED OR PLEDGED \$ _____

EXHIBIT C

Expenditures Actually Made - include every disbursement made for a political purpose during period of time covered by report.

<u>Date</u>	<u>Purpose</u>	<u>Name and Address of Person Paid</u>	<u>Amount</u>
-------------	----------------	--	---------------

TOTAL EXPENDITURES ACTUALLY MADE \$ _____

EXHIBIT D

Obligations incurred but not paid - include every obligation incurred whether expressed or implied. In

<u>Date</u>	<u>Obligation and Purpose</u>	<u>Name and Address</u>	<u>Amount</u>
-------------	-------------------------------	-------------------------	---------------

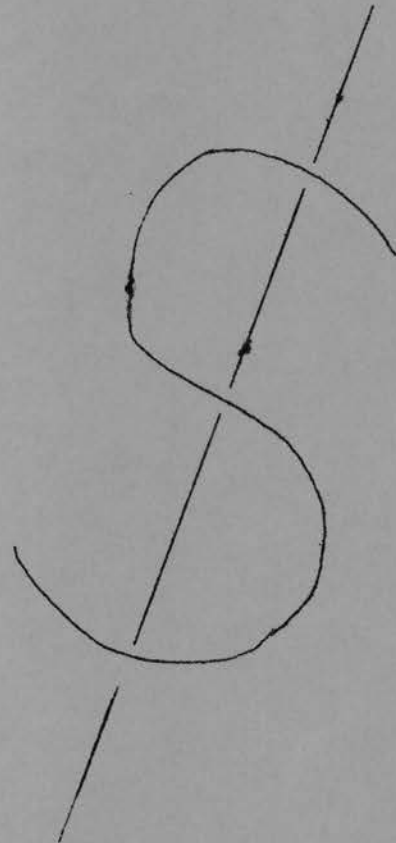
TOTAL OBLIGATIONS INCURRED
BUT NOT PAID \$ _____

FILE COPY



MONEY IN ELECTIONS

A STUDY OF CORRUPT PRACTICES



MONEY IN ELECTIONS -- CORRUPT PRACTICE LAWS

"Corrupt Practice Laws" is a term used to describe that body of law regulating the use of money in elections, preventing the improper influencing of voters, and controlling political advertisements and literature. Besides prohibiting bribery, this group of laws aims to regulate behavior not usually regarded as corrupt. Since we will be dealing primarily with the use and abuse of money, perhaps a better title would be Money in Elections or Control of Campaign Financing.

Why is the League of Women Voters studying the Corrupt Practice Laws?

During 1959-61 the League of Women Voters of Minnesota will support improvements in Minnesota election laws and in the related area of ethics in government, and will promote party designation. The first resource publication to implement this program was "Ethics and the Public Servant" (February 1960) which dealt with the areas of conflicts of interest and lobby regulation. This present publication will examine the overlapping areas of ethics and election laws by dealing with corrupt practices and unfair campaign practices. The source of campaign funds can have a real bearing on the ultimate behavior of an elected official.

In approaching this problem, we will discuss how campaigns are run and the use as well as source of money in elections. We will then see what attempts have been made to control the possible dangers, analyze how effective these controls are, and present possible improvements. It is then up to you, the League member, to decide what changes, if any, the League of Women Voters should try to have adopted for Minnesota.

How Campaigns are Organized

A person running for public office must of necessity first attempt to make his name known to many people, and he must also attempt to convince these people that he can do the best job of representing them. To do this, he must spend money. How much he spends depends on how much he has, what position he is running for, and the nature of the district.

If it is a local office with a small constituency, the candidate may be well enough known so that very little publicity is needed, and he can handle the campaign by himself. In most cases, however, outside help is necessary. This can come from the major political parties at their various levels -- local, county, state, or national -- or it can come from committees associated with the political parties. The parties, while interested in aiding individual candidates, are also seeking support for their party as a whole, their principles and platforms, and their entire slate. Support can also come to the candidate from special interest groups which feel he will best represent their interests.

Of major importance to the candidate's campaign is the volunteer committee. The "volunteer committee" covers a variety of groups, organized for a variety of purposes. It can be strictly individuals wanting to help a candidate or working for an issue without the candidate's knowledge or approval (such as the Volunteers for Stevenson prior to the 1960 Democratic convention). It can be individuals with much closer ties to the candidate, even organized by the candidate himself, who, however, work independently of the candidate or the party. It can also be a label used to circumvent the dollar limitations placed by law on candidates and parties.

In Minnesota the volunteer committee or political committee is loosely controlled by law. Although one general report is required after an election, in practice this provision is seldom met. While leadership must be identified on campaign literature and in advertising, there is no idea of membership. The important thing to remember about the volunteer committee is that the candidate is not legally responsible.

The Use of Money

Truly staggering amounts of money are spent in campaigning. It is estimated that there are from 500,000 to 800,000 elected positions in the United States. Many of these require primary, as well as general, election expenditures. In all of the 1956 campaigns, some \$200,000,000 was spent, with the estimate for 1960 at \$250,000,000. Today it is common for a U.S. Senator's campaign to cost more than his total salary for his six year term of office (\$135,000). The late Senator Robert Taft from Ohio placed the cost of his 1950 campaign at \$512,300.

A few examples of campaign costs in Minnesota are:

One half hour state-wide TV program	\$ 3,500
One full page ad in three metropolitan newspapers	5,500
One state-wide mailing to voters	25,000
Senatorial campaign, minimum	100,000
Gubernatorial campaign, minimum	75,000

(The above figures are taken from a finance drive pamphlet published by one of the major parties in Minnesota for the 1960 campaign.)

Prime time TV rates, one station -- 1 minute	\$ 420
1 hour	1,650
Prime time radio rates, one station - 1 minute	25
1 hour	175
Newspaper ad, 1/3 page with pictures	about 800

Fairly large sums of money (20-40%)* are spent on such mundane considerations as headquarters' rent, secretarial and office help, office supplies and other overhead items. However, much of this may be donated. The great bulk of the money (50%)* goes for publicity in its various forms. A large item (20-30%)* in the local party budget is "election day expense." This goes for hiring of election day workers, watchers, challengers, canvassers, etc. These are legitimate expenses, that presumably pay for services, not votes. However, it is possible for bribery to enter with this type of expense.

Planning a realistic and useful budget for a campaign is exceedingly difficult. Mr. Norton-Taylor, writing in the May 1956 issue of Fortune calls political campaigns deplorably unbusinesslike, extravagant and a more or less unvouchered waste of good money. The monetary commitments must be made far in advance of the finance drive. Hiring meeting halls, ordering printed matter, buttons, hiring personnel, arranging for TV time must all be done well in advance. These arrangements must be made before there is any certainty that the money will be coming in. To add to the problem, cash in advance is almost invariably demanded of political parties and candidates because of their well-known problems of finance.

* Overacker, Louise, Money in Elections, MacMillan, New York, 1932

Testimony of Senator Butler's campaign manager relative to his successful campaign in Maryland in 1950 is worth quoting:*

"If a check came in, instead of sending it to Mr. Mundy (campaign treasurer) and Mr. Mundy depositing it, and then we would have to draw it back to pay somebody, instead of doing that if...(creditors)...came in..., I don't know who they were, they were ad infinitum, and if they insisted that if they did not have some money they would not mail things that were ready to be mailed, or we would not get things to be given to the workers, or we would go off the air, I would give them checks as a partial payment to keep them off my neck, frankly."

In the heat of the battle, especially the last few days before the election, those running the campaign aren't always too interested in bothering with details.

Where Does the Money Come From?

The major sources of money are:

1. The candidate and his personal friends.
2. Governmental employees and office seekers. (Cabinet members and heads of governmental agencies are expected to support the party which put them in office. However, the lower level government job holders are now protected by law from the type of levy which used to be imposed on them by the party in power.)
3. Special interests (this is the major source of support).
 - a. Wealthy individuals.

In Federal campaigns it is estimated that 90% of the money comes from less than 1% of the population. The wealthy individuals are of great importance to both parties; however this source is declining. In 1936 the various DuPonts contributed \$620,000 to the Republicans, \$74,000 in 1952. These men's motives are faith in the party's principles, rewards in the form of prestige jobs, familiarity with the executive, or simply casting their bread upon the water hoping it will return with contracts. "Whatever their motive, their giving poses a problem for a democratic country. A man has to be a very humble person indeed to fork over tens of thousands of dollars to a political group and not acquire at least a little feeling of possessiveness."

- b. Labor unions.

On the Federal level, unions are not allowed to make political contributions; however, through "educational" programs and voluntary member contributions to COPE (Committee on Political Education) unions are a major source of funds to the Democratic party. In Minnesota, where no laws govern their contributions, money from membership dues is used in the support of candidates.

* Hearings before Senate Subcommittee on Privileges and Elections, 82nd Congress, 1951.

c. Corporations.

Although corporations are not allowed to use their funds for political purposes at the Federal level or in Minnesota, corporation money is used. One board chairman said, "a lot of corporation presidents just reach in the till and get \$25,000 to contribute to political campaigns, just as labor unions do."¹²*

4. Gamblers, lawbreakers, the underworld.

It is hard to estimate the amount of money coming from this source. These funds are usually a factor just in local elections. In 1955, \$50,000 was offered by independent numbers operators to a mayoralty candidate in Chicago. The candidate was asked, if elected, to drive out the syndicate which controlled the numbers racket, thus giving the independent operators a chance.

5. The public.

The parties do attempt mass solicitation. The majority of people, however, have yet to be shown that campaign contributions are a worthwhile investment. If the parties could count on adequate, year round financing from the people, it would greatly alleviate the pressure on them from the special interests. It would eliminate the always possible danger that our national parties, badly in debt, might be "for sale" to anyone paying off this debt. The individual citizen would develop a sense of responsibility for his party if he supported it, even with a modest contribution.

Some of the more useful attempts at broad support are:

- a. Fund raising dinners. The Democratic party sponsors bean feeds. The Republicans have been very successful in using closed circuit TV to put on dinners simultaneously in several cities. The 1956 "Salute to Eisenhower" dinners netted \$4,500,000.
- b. Both parties, to gain year round support, attempt various sustaining membership plans. The DFL party in Minnesota gives a subscription to the party's national magazine and one ticket to a \$25 a plate Jefferson-Jackson Day Dinner for a monthly membership of \$2.50 or more.
- c. Sparked by the U.S. Chamber of Commerce's programs to interest business employees in political action, several corporations have taken an active part in asking their employees to contribute to the party of their choice. The employees are able to keep their choice secret, and the money goes directly to the party. The Ford Motor Company has been successfully sponsoring such a drive for two years.

* Norton-Taylor, "How to Give Money to Politicians," Fortune, May 1956

- d. In Alexandria, Minnesota, in May 1956, a bipartisan mass solicitation drive was held. One thousand voters were approached by teams representing the two parties. Of those contacted, 76% contributed. Interestingly only 20 people (2%) specified that their contribution be given to a specific party. The results of this experiment have been widely discussed, but other similar campaigns have not been tried.

While broadening the base of party support is an excellent goal and certainly deserves our support, the small contribution is an inefficient means of raising money. Senator Douglas of Illinois, in his book Ethics in Government, points out that it costs about 50 cents to process (receive, enter and acknowledge) a contribution. A contribution of a dollar results in only 50 cents to the party or candidate. It does give them 50 cents that they didn't have, and, more important, it has made the contributor a far more interested and involved citizen.

This then is the pattern of campaigns -- haphazard organization, touch-and-go financing, tremendous needs for money with never enough available. There is opportunity for improper pressure to be applied. Since we as citizens fail to take the leading role in supporting our party, do we have any right to control or censure those who do?

Reason for Control Laws

The laws are based on the assumption that the voter should have the assurance that the man he elects will serve the majority interest, not just the interest of those who financed his campaign. Large campaign donations from special interests do not necessarily mean that there is undue influence. Too, the special interests, if they prevail, are often sincerely convinced that their point of view is in the majority interest (labor unions and business interests claim that "what is best for us is best for the country"). Many people do feel, and the laws reflect this concern, that the people have the right to know where the money comes from. The assumption is that if a citizen knows where this money comes from, it will be taken into consideration when he casts his vote. (There is the opposite view that financial support of a candidate or party is a personal thing, should be respected, and kept secret, with safeguards similar to those which protect the ballot.)

Democracy gives the rule to the majority, but it also implies the obligation that the majority be well informed, making its decisions on the issues involved. Buying votes, and carrying on irresponsible, false or slanderous campaigns negates this premise of selection by responsible, well informed voters. Election regulation is concerned with seeing that the use of money is not abused in these areas.

Money is no criteria of fitness to hold office. Legal attempts are made to insure a fair hearing to all and to place the poorer candidate on a more equitable footing with his wealthy opponent.

So, briefly, the three areas of attempted control are:

1. Where the money comes from.
2. Where the money goes.
3. Equalizing all candidates' chances.

Historical Survey of the Problems and Attempts at Control

Throughout history all republics and democracies, from Athens to the present, have sooner or later had the problem of controlling money in elections. In Athens around 400 B.C., bribery in elections was punishable by death. A different solution was used in Venice in the 14th century. "To prevent the fatal consequences of such immoral and unchristian practices in popular elections," leaders were chosen by lot. By the 17th century in England, candidates for Parliament were not only promising to serve without pay, but they were offering to pay the voters for the privilege as well.

In this country, before 1880, due to ineffective police protection and lax election laws, there was no need to pay for votes. Falsifying returns, stuffing ballot boxes, force, intimidation, won elections without that expense. By the 1880's, stuffing ballot boxes became harder; this led to the mass hiring of floaters and repeaters. Stringent registration laws came in the 90's, with the resulting practice of buying individual votes (in Adams County, Ohio, 1910, 26% of the voters were convicted of selling their votes). With the advent of the secret ballot, politicians could no longer be sure they were getting their money's worth, so they turned from direct bribery to "treating" (providing free liquor, cigars, free meals and entertainment) and to hiring election day "watchers." Of course, providing such massive good will required large campaign funds (a mayoralty race in New York City around this time cost a combined total of \$3.00 per vote cast).

Two major forces were at work which soon led to legal attempts at controlling money in elections. One was the investigations which showed the large amounts some corporations were spending in elections, and the other was the wave of reform set off by the British law of 1883.

This British law was a drastic attempt to regulate money in elections. Although the act has been changed and updated since 1883, its basic philosophy and methods have been in effect since then. It is truly the mother of American laws on the subject since various parts have been used in our state and Federal laws.

British law. The approach of this law is to have clearly fixed candidate responsibility, full public disclosure and stiff, workable penalties. Only the candidate can spend money on his behalf. Political parties and special interest groups can campaign for issues, but not for a candidate. However, they can donate to the candidate, who must report it and include it in his total. The candidate is required to file complete reports, and these reports must also be published in two newspapers in his constituency. His total expenditures are limited. This limit is based on a fixed amount, plus so much per elector, with the allowance greater in rural areas than urban. In an attempt to equalize the candidates' chances, the government pays for one mailing by every candidate to each voter.

State law history. The English law led to a lot of discussion in this country and to the passage of several state laws. By 1905, just 22 years after the British law was enacted, 14 states had campaign expense laws and five more had passed such laws only to repeal them later. In 1883 the first law prohibiting solicitations of contributions from state employees was passed in New York. Publicity of campaign expenditures was added in 1890. Minnesota, in 1895, for the first time defined legitimate expenses by law. This law also outlawed bribery and placed limits on candidate expenditures. These were based on \$250 for the first 5,000 votes, plus \$2.00 for every additional 100 votes up to 25,000, plus \$1.00 per 100 votes up to 50,000, plus 50¢ per 100 votes for all votes over 50,000. In 1912 the Minnesota law was changed. The present dollar limits were set (see page 16).

By 1897 states were outlawing corporation contributions. An interesting early state law was passed in Colorado in 1909. In an attempt to equalize the chances of candidates, they tried financing campaigns from state monies. Each party got 25¢ per vote cast for that party in the last election for governor. No other money could be spent. The state supreme court declared the law unconstitutional. Although the idea has reappeared from time to time since 1907, when Theodore Roosevelt first suggested it, down to the late Senator Richard Neuberger of Oregon, this was the only time it has been tried as law in the United States.

Federal Laws and their History

The first problem in campaign financing to be handled by Federal legislation was the solicitation of funds from employees. In the 1860's, 70's and early 80's, the campaign money came largely from Federal workers. (In an 1878 election, \$80,000 of \$106,000 collected for one campaign came from appointed employees, assessed at 1 to 3% of their salary.) Acts of 1867 and 1876, culminating in the Civil Service Act of 1883, were attempts to prevent this solicitation and to stop the abuses of raising money from this source.

An interesting sidelight is the Enforcement Act passed in 1870. This was primarily to protect Negro voters and to counter fraudulent and corrupt practices in elections. It outlawed false registration, bribery, illegal voting procedures, etc. In 1894 the act was almost entirely repealed. Not until 1918 was bribery again Federally illegal.

After restrictions were made on soliciting funds from government employees, a new source of funds was widely used. These funds were raised from the emerging industrial corporation giants. In the late 1890's and early 1900's this source became dominant, especially in the Republican party. Mark Hanna, manager of McKinley's 1896 campaign, levied systematic assessments of corporations. The issues of free silver and high protective tariffs brought in large industrial donations. Between 1896 and 1904, Standard Oil Company gave \$550,000 to the Republican party. In the 1904 campaign, Theodore Roosevelt disclaimed corporation backing, only to be embarrassed after election by disclosure of large contributions from this source. In 1907 Congress passed the Tillman Act which prohibited contributions from corporations and National Banks.

Sentiment was also building up for public disclosure of campaign funds in a movement led by Perry Belmont. In the election of 1908, Taft and Bryan both voluntarily put themselves under the New York law of making public, receipts and expenditures. The Federal government had its first disclosure act in 1910. This provided for all interstate political committees to report contributions and expenditures, to identify the source of donations of \$100 or greater, and the destination of all expenditures of \$10 or more. This reporting was to be done after the election. In 1911 the act was extended to cover primaries, to require reports from House candidates, to limit candidate expenditure (making the limit that imposed by the state if it were less than the Federally allowed limit), and to require reports before as well as after election. In 1913 the selection of Senators passed to popular election by the 17th Amendment. This posed the question as to whether financing in Senatorial primaries could be controlled by Federal law.

Michigan, in 1918, saw an expensive primary between Newberry and Henry Ford for the Senate. The Michigan law limited primary expenditures to \$1,875, which would have been binding if the 1911 law applied to Senatorial primaries. Newberry had spent at least \$195,000 (81¢ per vote). This case went to the Supreme Court in 1921. In a split decision, Newberry won and the ruling cast a doubt as to whether Federal law could control primaries. As for Newberry, he was seated but condemned for excessive expenditure. In 1922 he resigned.

The 1923 investigations of the Teapot Dome Scandal brought to light another financing problem. After the 1920 election, the Republican party had been deeply in debt. This debt had been assumed by Sinclair, who was later shown to be involved in the scandal concerning the leasing of oil lands held by the Navy. This investigation led to demands for continuous publicity of party finances, a feature incorporated into the 1925 Corrupt Practices Act. Parties are now required to file reports four times every non-election year, and six times in an election year. However, the problem of party deficits has not been solved, and it leaves the possibility that a group could take over a national party simply by assuming its debts.

The Corrupt Practices Act of 1925, in the main, consolidated the scattered laws that had been passed. However, besides requiring continuous national party filings, it did drop the regulation of primary financing. This act is still the major law controlling Federal campaign financing.

An example of extravagant spending occurred in 1928 in the Pennsylvania primary. Candidate Pepper, backed by the Mellon family money, spent an estimated \$1,800,000 and lost. Vare, the successful candidate, spent \$785,000 (58¢ per vote). However, his campaign was investigated by the Senate and under the constitutional powers giving Congress the right to pass on its own membership, the Senate refused to seat him. Vare was rejected because he had spent too much, although no Federal law had been broken. That same year the Senate also refused to seat Smith from Illinois who had spent 44¢ per vote in his primary. Again, it was because of excessive expenditure, and also because the major portion of his funds had come from private utility interests. This constitutional right of legislatures to pass on the qualifications of their own members, (also a feature in state governments) has meant that several times a successful candidate has been seated although he had clearly broken the laws governing campaigns. This makes the enforcement of any law difficult because the courts cannot have the final voice.

Following the outlawing of corporation contributions in 1907, the major money source became wealthy individuals. People whose money had come from banking, manufacturing and public utilities provided over half of the large donations in both parties in 1928. These large contributions of \$5,000 to \$50,000 provided 53% of the Democratic and 46% of the Republican total. After the 1928 election, the Democratic party was heavily in debt. To help pay this, three men, Alfred E. Smith's friends, each gave more than \$250,000. Each individual gave more than Standard Oil had given in any one campaign in the early 1900's. There had been growing interest in trying to broaden the contribution base. Since 1912, efforts were made to educate the voter into supporting his party. Hays, the Republican National Chairman in 1920, had organized a nationwide finance drive similar to the successful Liberty Bond drives; however, it didn't raise much money.

The 1930's were a struggle to overcome the depression, and also found the national parties seeking new sources of money. With the New Deal policies, plus the effects of the depression, wealthy contributors dried up as a source of funds, especially to the Democratic party. In 1936, to raise money, the Democrats published a book of pictures and speeches from their 1936 convention.

Advertising was sold to companies to finance the book, and copies were sold at \$2.50, \$5.00 and \$100. The book brought \$250,000 to the party and cries of outrage from the Republicans. Their charge was that, by law, corporations could not contribute to political funds and yet business advertising had paid for the book. The Republicans also charged that corporations were coerced into buying the \$100 books on threat of governmental investigation.

At this time the Democrats started the Jefferson-Jackson Day Dinners, raising \$315,000, and through other drives, made concerted efforts to increase the number of small contributors. In 1936 the labor unions emerged as a major source of funds for the Democrats, giving a reported amount of \$770,000. The attempts of the government to relieve the effects of the depression brought relief payments, and with these payments came charges of using these funds to gain votes. In 1939 the Hatch Act was passed primarily to curb the use of relief funds for political purposes and to prohibit active political participation by Federal employees. The following year, 1940, this act was extended to include state and local employees paid in whole or in part from Federal funds. It also prohibited political parties from selling things to raise money, which marked the end of the sale of convention books. As a political maneuver, partly aimed at killing the bill and done without any hearings on the subject, the Hatch Act was amended at the last minute to limit individual contributions to any one candidate or any one political committee to \$5,000. Interstate political committees were limited to \$3,000,000.

The effect of these two features of the Hatch Act has been to obscure the already difficult problem of trying to obtain publicity about the extent and source of political funds. Up until this time, there had been increased centralization and responsibility of party funds centered in the national committees. Now, with the limit, party funds were scattered to the state committees, "independent" committees and committees for specific purposes. In the 1940 election, more than 130 independent committees were formed. Both national parties kept under the \$3,000,000 limit, but the total spent, as reported by a Congressional investigating committee, was over \$20,000,000.

The limit on individual contributions was intended to lessen the influence of wealthy, special interests. Actually the law has in no way hampered this. In the 1940 election, various members of the Pew and DuPont families gave \$370,000 to national Republican groups. In 1944, Lamont DuPont alone gave more than \$39,000 to 12 different committees. (The limit is \$5,000 to one group, but since a gift tax must be paid on donations over \$3,000, this has become the usual ceiling on any one contribution.)

As organized labor's role in financing campaigns increased, criticism of it increased, until in 1943, over President Roosevelt's veto, labor unions were prohibited from contributing. In 1947 in the Taft-Hartley Act, this prohibition was extended to cover primary elections and political conventions, as well as campaign expenditures. Again the law in no way has stopped these contributions, which have been steadily rising. The loophole is that the law prohibits any contribution "in connection with" any primary or general election. This has been interpreted to mean that funds can be legally used in non-election years or in election years as part of a continuing "advertisement" or "educational" program, and that unions have the right to inform their own members.

Since 1947, there have been no changes in the law.

Analyzing the Laws

As we have seen, the development of the corrupt practices legislation has been based on the assumption that uncontrolled and undisclosed money in elections will lead to corruption. Money helps in an election (in some cases excessive money has defeated its own purpose, but in the main, especially in minor contests, the greater the amount of money spent, the greater the number of votes). It is impossible to equalize the position of all candidates. Various advantages accrue from incumbency, ownership of a newspaper, an attractive wife, and many other sources.

The Federal government and all the states, except Nevada, have some statutes, but they are often so ill-constructed as to open them to the suspicion that they are meant merely as a sop to an ignorant electorate. These laws also create a bad situation in that the gullible think that the total campaign amount is limited (which it isn't) and the skeptical, seeing so much money spent in what seems to be a violation of the law, brand all regulation as a farce.

As an aid in analyzing these laws and various proposals for change, let us consider the major problem areas and see what solutions are being offered. Returning to the three concerns of where money comes from, where it goes, and equalizing the candidates' chances, these break down into the following nine specific problems:

Before the source and use of money can be known, there must be records and responsibility for the campaign. These records, to be useful, must be subject to public disclosure. To control where the money comes from, undesirable contributions are regulated and attempts are made to broaden the base of political support. To control where the money goes, types of expenditures are regulated. Primarily to equalize the candidates' chances, total expenditures are limited (however, this limit seems to be based partly on the assumption that very large campaign funds are of themselves wrong). Other attempts have been made at encouraging less wealthy candidates. Enforcement concerns all of these problems. There is the additional nebulous problem of campaigning by "non-political" groups.

A word about the information to follow included under these nine headings. The Federal law is briefly reviewed. There is much support for changing this law and during the 86th session of Congress, a bill was passed by the Senate (S2436) but not by the House. Since this bill may form the basis for future legislation, we include its provisions in the comparisons of state and federal laws. The summary of state laws is based on a 1955 review of state statutes of 48 states. The Minnesota law is reviewed. The proposed changes are those that have been considered by the Election Laws Commission, an interim legislative commission which has been reviewing and tentatively revising those portions of the election laws that were not considered in the 1959 session. These tentative revisions will still be subject to final commission approval and legislative hearings, debate, probable change and consideration in 1961. So, while the ultimate laws may not reflect these suggested changes, they are of great interest to use in following the course of the corrupt practice laws.

- I. Establishing responsibility for the campaign. This is the major problem, for you cannot make a candidate responsible for what he does not know about, yet if you do not make him responsible, the door is wide open for abuse of any law. In this area of law, the courts have taken the narrow view in limiting candidate responsibility, otherwise, he could be the victim of unscrupulous opponents who could spend money "for him," exceeding his limit or otherwise causing him to break the law.

- A. Federal Law. These laws do not attempt to control or limit campaigning for President and Vice-President. They do affect candidates for the U.S. Congress, political committees operating in two or more states, and branches of national political parties, excepting organized state and local ones. Except for prohibiting expenditures by corporations and labor unions, these laws apply only to general elections, not primaries or conventions. Candidates and parties covered by the law are to have treasurers, keep records and make reports. Interstate political literature must have on its face the name of the sponsoring person or group as well as the names of the group's officers.

S2436. No expenditures could be made without the authorization of the treasurer. Political funds would be kept in a separate bank account. Political committees would send a copy of their reports to the candidate on whose behalf they have been working. Interstate literature would also include the address of the sponsor.

B. Other state laws.

1. 7 states centralize responsibility for all funds and for filing statements with a campaign manager.
2. 2 states (Florida and New Jersey) require that all funds be handled through one bank account.
3. New Jersey requires the candidate to assume responsibility for all committees working in his behalf, however he can dissociate himself from a committee if he wishes. In practice, at the beginning of a campaign, he issues a blanket denial of any committees working in his behalf and thus is not held responsible.
4. Florida requires that every political party, committee or organization sponsoring a candidate, as well as the candidate himself, must have a treasurer and spend only through this treasurer. The Florida court has ruled this system to be a legal restriction on the freedom of a citizen in supporting the candidate of his preference.

In over half the states, political advertising must be so labeled.

C. Minnesota Law.

The candidate is to spend money only under his personal direction or through personal campaign committees whose authority to act has been filed with the filing officer. He is to authorize, in writing, the amount the personal campaign committee is to spend, and the committee is not to exceed this total. The candidate is to file with the filing officer, the names and addresses of each member of this committee.⁽¹⁾ However, the State Supreme Court has ruled "a candidate may be charged only with expenditures which he has directly authorized and that knowledge and approval of a committee's expenditures is insufficient to charge the candidate with its disbursements."^{*}

- (1) He may, in writing to the filing officer, remove any member at any time.

* Mariette vs Murray 185 Minn. 620, 242 N.W. 331 (1932)

Campaign literature is to include on its face, the name and address of the author, the candidate on whose behalf it was published, and the committee or person causing it to be published. Newspaper advertising must carry the same information, plus the information at the top that it is paid advertising and the rate, usually "Paid at regular advertising rates." If a candidate or a member of a political committee has a financial interest in a newspaper, he must file a statement of his interest with the county auditor before publishing anything which tends to influence voting other than paid advertisements.

Tentative Revisions. Individual political contributions would be channeled through a political committee of some sort so there would be a control on how the money is spent. Identifying the source of political advertisements is to be extended to radio and TV. The provision requiring the filing of interest in a newspaper would be removed.

II. Handling of Public Disclosure

1. Requiring filing

- A. Federal Law. The reporting requirements apply only to general elections. Candidates for U.S. Senator file reports with the Secretary of the Senate; candidates for U.S. Representative and political committees coming under the act report to the Clerk of the House.

S2436. This would have required reports covering primaries and nominating conventions as well.

B. Other States.

41 states require some form of filed statement. In 9 states the candidate only files, in 32 states, the candidate and the party committee file.

C. Minnesota Law.

The candidate, his personal committee and party legislative committee file reports with the candidate's filing officer or county auditor. The state and congressional committees report to the Secretary of State. Other party committees file with the county auditor of the county in which the committee has its headquarters.

2. Reports filed in time for publicity to be effective.

- A. Federal Law. The candidates report once before and once after the election. The national political parties file four times a year (quarterly) with two extra reports required prior to a general election.

S2436. Would have required the reporting by candidates and committees to be done within the state where the candidate is running, as well as in Washington, D.C. The political committees and parties would file twice a year, with extra reports before and after primaries and general elections. The filed reports were to have been available for inspection within 24 hours of receipt, and the reports could be mechanically reproduced.

B. Other states.

17 states require statements filed before the election, filing frequency varying from every week to every 20 days.

C. Minnesota Law.

The candidates, parties and their committees report two weeks before and 10 days after the primary and general election. Other committees report 30 days after the election. Municipal candidates and their committees of first class cities report once a month, plus the Saturday before the election.

Tentative revision. The candidate and party reporting would be reduced from four to three times (omitting the report prior to the primary), the municipal candidate and committee reporting from 7 to 4 times.

3. Insuring publicity.

Only a couple of ideas have been tried. Two states (Maine and New Hampshire) require the statements to be published in newspapers. Two states (Oregon and Montana) require that the party's and candidate's books be kept open at all times for inspection by the opposition.

4. To fully identify the contributor.

- A. Federal Law. The parties report contributions over \$100 by identifying name and address of contributor. The candidate reports contributions by name only.
- B. Other states. In only four states is the address of the contributor, as well as the name and amount, required.
- C. Minnesota Law. The candidates and committees identify all contributions by name only. Other committees report only the total receipts and expenditures.

5. To make the reports uniform and meaningful.

- A. Federal Law. The law doesn't prescribe any forms.

S2436 would have required showing transfer of funds and pro-rating expenditures among candidates when more than one is supported by a committee.

- B. Other states. 17 states provide the forms.

- C. Minnesota Law. By law, the forms are to be prepared by the Secretary of State and are to be given, along with an easily understood digest of the laws, to every committee secretary and candidate upon filing nomination papers.

III. Limiting contributions considered undesirable.

- A. Federal Law. National banks, corporations and labor unions cannot make political contributions to national parties nor spend money for political purposes for nominating conventions, primaries or general elections. Individuals cannot contribute more than \$5,000 in one year to one candidate or party. Parties cannot sell things to raise money. Federal employees and governmental employees who are paid in part from Federal funds, cannot be solicited for political contributions.

S2436. Would have limited individual contributions to \$10,000 in one year to either candidates or parties.

B. Other states.

35 states prohibit corporation contributions

5 states prohibit labor union contributions

7 states limit the amount that an individual may contribute, ranging from \$50 to \$5,000

2 states (Florida and New Jersey) require returning contributions made in the last five days before the election

Iowa forbids the use of campaign contributions from non-residents.

Florida forbids contributions from those operating public utilities, holding liquor licenses, or holding dog or horse racing permits.

- C. Minnesota Law. Corporations cannot make political contributions nor spend money for political purposes from their corporate funds. Neither can they donate their employees' services.

Tentative revision. No changes were suggested although there was discussion of forbidding contributions from labor unions.

IV. Broadening the base of party financial support.

Very little has been done or attempted by legislation. Noteworthy, however, is the Minnesota law which allows deductions on the state income tax return of political contributions up to \$100. This law was passed in 1955, the first of its kind. Similar laws have since been passed in California and are pending in several other states.

V. Controlling types of expenditures.

- A. Federal Law. Outlaws bribery, buying of votes, and making promises in return for votes.

B. Other states

25 states itemize legitimate expenditures

17 states itemize illegitimate expenditures

The states almost unanimously outlaw bribery. About half the states forbid candidate promises in return for votes and favors. About half the states restrict the transport of voters to the polls. Most states require the listing of unpaid debts. Florida forbids the authorization of expenditures unless the cash is on hand.

- C. Minnesota Law. The law itemizes legitimate expenditures for the candidate and political committee -- personal travel, postage, telephone, telegraph, headquarter expense, clerical assistance, organizers' salaries, renting halls for speeches, paying speakers and musicians, radio broadcasting, printing and distributing pamphlets, cards, posters, badges, sample ballots, etc., copying the election register, canvassing voters, challengers at the polls, filing fees, contributions to party committees and newspaper advertising. Volunteer committees are not considered bound by these restrictions.

Payment is not allowed for personal services on election day except for challengers; voters cannot be transported to the polls; bribery and "treating" are outlawed. Bills have to be presented for payment within 10 days after the election (reports are also to be filed 10 days after). Candidates and the public cannot wager on the outcome of the election. Candidates and committees are protected from solicitations by churches, charities and clubs during a campaign.

Tentative revision. The allowable expenditure list would be made more flexible and allowance would be made for the use of television.

VI. Limiting total expenditures.

- A. Federal Law. Congressional candidates must abide by their state law limit if it is a lesser amount, or in no case to exceed \$25,000 for Senator and \$5,000 for Representative in a general election. However, not included in this limit are personal expenses, traveling, printing and distributing letters, posters, etc. In fact, these items do not even have to be reported. National parties and committees cannot exceed \$3,000,000 per year.

S2436. The new limits would have been \$50,000 for Senator and \$12,500 for Representative or based on so much per votes cast or voters registered in the last election, whichever were highest. The limits would allow the candidate to exceed his state's limits if they were the lesser amount. The exempted expenses would be retained. The parties, presidential and vice presidential candidates would be allowed 20¢ per vote cast for all candidates in the highest of the last three presidential elections (about \$12,500,000 based on the 1956 vote). Candidates seeking the presidential or vice presidential nominations may spend half of this amount.

B. Other states.

33 states limit expenditures -- 11 limit the candidate alone, 22 limit the candidate and others working on his behalf.

B. Other states

The limits are of three kinds:

1. A set amount ranging (for governor) from \$2,000 in Idaho to \$50,000 in Alabama and New Jersey.
2. Various arrangements based on so much per number of registered voters or those voting in the last election.
3. A percentage of the yearly salary of the office sought ranging from 10% to 100%.

27 of the 33 states limit both primaries and general elections.

17 of the 33 states allow exceptions to the limit which in many instances makes the limit meaningless.

5 states separately limit party expenditures with a range of \$10,000 in Minnesota to \$35,000 per year in New Hampshire.

The problem of non-monetary contributions in general has not been faced in those states which limit expenditures, although some states require reporting the value of goods and services rendered.

15 states do not limit expenditures. Of these, 7 have removed the limits since 1942.

- C. Minnesota Law. The fixed total expenditures allowed were written into law in 1912 and have remained unchanged since then. The limits for candidates apply to both the primary and general election combined, and are:

Governor	\$7,000	Presidential elector-at-large	\$500
Other state officers	3,500	Presidential elector for a	
State Senator	800	Congressional district	100
State Representative	600	Other candidates	1/3 yearly salary
		If no salary	100

The state central committees of the political parties are limited to \$10,000 in any election.

Tentative revision. Although there is some feeling that the limits might just as well be removed completely since there is no expenditure limit on volunteer committees, the Election Laws Commission has not suggested removing them, because it felt there should still be limits to promote more responsible elections. The Commission did propose changing the limits by adding to them an additional percentage based on the number of votes cast in the previous election. The limits on parties would be removed.

Dr. Theodore Mitau, chairman of the political science department at Macalester College, suggests as a minimum liberalization of limits:

Governor	\$50,000	State Representative	\$ 5,000
Other state officers	25,000	Party	100,000
State Senator	8,000		

- VII. Public encouragement of less affluent candidates. Very little has been tried. One approach has been for the state to publish a voter pamphlet. In it, the candidates, parties and special interests can buy advertising at a reasonable rate. The state prints and distributes the pamphlet to all voters. This is being used in Oregon, Montana and North Dakota. Minnesota offers indirect aid to candidates by allowing them to deduct their expenses from their state income tax return.

Federally, there has recently been a change in the law requiring equal time for all candidates on radio and television. As a result, this year the communication networks and individual stations are providing free, unsponsored time to the major candidates.

- VIII. Enforcement. Authorities agree that almost all state and Federal corrupt practice legislation is essentially unenforceable. Three methods of enforcement are used.

1. Publicity

It is intended that the public's voting reaction to the disclosures is the major control in enforcing the regulating of sources and outlays of money. Although penalties are available in cases of flagrant abuse, such cases are difficult to prove. Publicity, to be effective, requires enforcement safeguards to insure prompt and accurate reporting. The agency receiving the reports must be able and willing to require compliance with the laws, and to call effectively upon law enforcement officers to prosecute violations. Provisions are needed to insure that the reports are investigated (such as a mandatory audit). If the filed reports are meaningful, the opposition and press would assuredly give them publicity.

2. Criminal proceedings

Most of the laws depend upon ordinary criminal procedure for enforcement. This is extremely cumbersome, difficult to prove, subject to politics, and affected by public reaction. Should a county attorney be asked to prosecute some one from his own party? If the candidate filed showing he exceeded the limit and yet was elected, should the broken law or the public endorsement have precedence?

The Minnesota law provides that the candidate who doesn't report after the primary, may have his name removed from the general election ballot. This provision has been interpreted by an Attorney General's opinion* that although what is filed may show that a candidate exceeded the legal expense limit, his name is not to be removed as long as he did file. The candidate who is defeated in the primary is guilty of a misdemeanor if he does not file his final report 10 days after the voting. However, neither of these provisions — removing a name from the general election ballot nor charging a defeated primary candidate with a misdemeanor for not filing — seems to have been applied in recent history, and violations are common.

By statute, the procedure is that the officer with whom the candidate's statement is filed (Secretary of State, or county auditor, depending on the office) must notify both the candidate and the county attorney of failure to comply. If compliance is not forthcoming within 10 days, the county attorney is required to inquire into the facts of the violation.

* 28-B-2, Sept. 29, 1948

If he finds "reasonable grounds" for instituting prosecution, he must present the charge to the county grand jury. In most instances, conviction is a misdemeanor and forfeiture of office, except for legislators. With legislators, the court transmits the findings to the presiding officer of the body involved. Since the U.S. Congress and the Minnesota legislature both, by constitutional provision, are the sole authority to rule on their membership, the court's findings may or may not be heeded.

Another interesting aspect of enforcement, is that the Minnesota law specifically states that if it appears that the offenses complained of were trivial or unimportant, or arose from accidental miscalculation, and did not arise from want of good faith, the court shall not deprive him or his nomination or office.

3. Election contests

Enforcement is also provided by election contests before the district court by the defeated candidate or by voters, based on violation of the laws. If violation is proved, nomination or election is annulled, and another election must be held. The defeated candidate, even if he wins an election contest, does not get the position. Since the defeated candidate has really little to gain and may be labeled a poor sport, and since the private citizen is unwilling to incur the expense or the publicity of an election contest, they are rarely used.

IX. Campaigning by "non-political" groups on behalf of their special interest

This problem area covers all groups like farm, manufacturing, labor, educational and civic organizations. It concerns the dividing line between what are "educational" and what are "political" expenditures. The rulings of the Federal Internal Revenue Service, of necessity, do draw a line. Except in the few instances like Florida and the British law where no publicity or endorsement of the candidate may be made unless through his treasurer, there have been no effective attempts to regulate this area of financing.

How Good is the Minnesota Law?

At first reading, the present Minnesota law seems to provide for effective control of campaigns. However, due to interpretation of the law and the very nature of campaigns, in actual practice the control isn't very great. Under the law, the candidate is responsible for his campaign and his personal campaign committees. Very detailed reports are to be filed by the candidate, his committees, the parties, and the party committees before and after the primary and general election. Other political committees are to file total receipts and disbursements within 30 days after both elections. If these provisions were complied with, it would give the public a great deal of information about the financing of campaigns.

Today, in practice in Minnesota, defeated candidates rarely file and the winners file only to meet the letter of the law. (If they do not file after the primary, their name may be removed from the general election ballot. If they do not file after the general election, it is a gross misdemeanor to take office or to issue a certificate of election.) However, the winners do not always file and are not penalized. In practice the volunteer committee seldom complies with the law but it is questionable whether reports submitted 30 days after an election have much meaning except as they might affect a subsequent campaign.

Municipal candidates and committees are to report monthly with the last report on the last Saturday before the election (seven reports in all). In practice, a few will file after the election, if they have won. The rest ignore the law entirely. The political parties are limited to \$10,000 for each campaign. This limit has little meaning because party year-round, administrative, "educational" expenses are not restricted. Just what are "campaign expenses" for a political party? These fine points do not appear to limit the party's spending in any way.

Model Law

These then are the problems and some of the attempts at solutions. In an attempt to provide a law which solves most of the problems, the National Municipal League has published a model law. This is primarily the same as the Florida law, the principle being that by insuring recording and publicity of all contributions and expenditures while allowing for unlimited expenditures, the public, or at least the opposition, becomes informed. The law then becomes self-policing.

The law covers primaries and elections in Congressional, state, county and large city contests. Included under the law is every political party with its geographical sub-division plus every committee or organization sponsoring a candidate as well as every candidate. Everyone included under the law must have a treasurer through whom all funds must be channeled. Within 24 hours the treasurer must deposit all receipts in a special banking account on a prescribed form listing name, address and amount. These deposits are made in triplicate, the treasurer keeping one copy, one staying with the bank, and one being sent by the bank to the Secretary of State. All expense vouchers must be signed by the treasurer who cannot authorize expenditures unless there are funds available. Advertisements must be signed "Paid for by ---," name and address of authorized treasurer. Newspapers cannot accept advertising unless it comes from an authorized treasurer.

The treasurer of the committee reports to the Secretary of State all money contributed (name, address and amount), all expenditures and all transfers of funds, once a month, starting as soon as the candidate announces or qualifies. The candidate's treasurer files the same report every week to the Secretary of State and also to the County Clerk if it is a local office. A complete report is filed 15 days after the election. (In practice, in Florida 95% of the money was accounted for in the reports filed before the election.) The Secretary of State publishes the reports; a summary is published in all newspapers of general circulation in the candidate's district. The reports are kept for four years.

Corporations and labor unions may solicit and forward contributions, but they may not contribute from corporate funds or dues raised for other purposes. There is no limit on any individual's contributions, but they must be made in his name. To enforce this, all contributors of over \$25 are to sign slips stating that it is their money. These slips are filed with the Secretary of State. All money received during the last five days (after the last filed report before the election) is returned.

Allowable expenditures are listed. One hundred dollars is allowed for incidental, unvouchered expenditures. To enforce the law, the Secretary of State refers all delinquents to the State Attorney General who notifies them. The Attorney General then prosecutes all candidates who fail to file.

Conclusion

As we have seen, the problems are many. There are no sure fire, easy solutions. While controls may be necessary, it is also necessary not to hamper needlessly the parties and the candidates. While the people have the right to legislate control on the source of funds, the parties and the candidates have a legitimate and real need for funds. Legislation must respect this need. While the people have the right to demand records and knowledge of transactions, the nature of American political campaigns is not that of an orderly business office. The procedure is hectic, the workers are usually volunteers, untrained and uninterested in keeping complicated records. Political campaigns have a uniqueness all their own. The laws dealing with them must take this into consideration.

Campaign financing has been called one of democracy's great unsolved problems.

UNFAIR CAMPAIGN PRACTICES

Why is the League Interested in Unfair Campaign Practices?

Closely associated with any study of campaigns, is the grey realm of questionable tactics designed to defeat the opposition without being reached by the law. Such devices as smears, personal attacks, emotional appeals to prejudice, rumor, innuendo, stooge filings and misleading sample ballots are classified as unfair campaign practices. These tactics are impossible to control by law, so this topic has only minor connection with our study of Minnesota Election Laws. However, this is of importance in any consideration of ethics in government. The public needs to be concerned because these tactics really are attempts to cheat the voter of his right to make an honest choice.

What is the Problem?

Thoreau once said, "Politics is, as it were, the gizzard of society, full of grit and gravel...Not only individuals but states have thus a confirmed dyspepsia, which expresses itself, you can imagine by what sort of eloquence."

Debate as an essential element of a democratic society comes most vividly into public view during political campaigns. The heat of a campaign is at the same time the point at which protagonists in the debate find it most difficult to be objective. Too much is at stake. Success in the field of politics most often depends on depicting one's self and one's party as the way to salvation. The opposition as the sure way to destruction. Many of these statements are not taken seriously by the opposition or by the public. It's just politics. There is an old bromide in politics, "If your opponent calls you a liar, do not deny it -- just call him a thief." Or as one politician calls it, "indulging in a little bucolic mud-slinging."

Such political realities make the campaign atmosphere a fertile field for character assassination, slander, smear and the outpourings of professional bigots and hate groups. It is hard for the voter to tell what is true or false. Smear campaigns (smear is defined as "a blot or stain on one's reputation or an effort to sully or besmirch a reputation") may be carried on in a variety of ways.

Blatant, self-evident slander is rare these days. Dirty campaign tactics nearly always seek to wear a respectable face. The favorite methods of smear campaigning are:

1. Name calling - vilifying the candidate.
2. Whispering campaigns that the candidate is immoral, dishonest or disloyal.
3. Outright lies - slander, if spoken; libel, if published.
4. Real or imagined indiscretions or past sins in the life of a candidate's family. A candidate is suspect or guilty by association.
5. Not proving the candidate guilty of anything, simply creating suspicion.
6. Quoting the candidate's record or statements out of context.
7. Altering photographs.
8. Appeals to racial or religious prejudice against the candidate or his family.

The vehicle of a smear is often campaign literature without any identification of the real source of the material. Rumors and whispering campaigns are used, but this type of campaign can be conveyed by the more legitimate means of speeches, news releases, radio and TV spot announcements and newspaper advertisements. Another characteristic is that the smear is usually a last minute charge coming too late for the candidate to respond.

To get further information about these tactics, the Fair Campaign Practices Committee, studied the 1956 campaign. They found that most smears were local in origin and effect, generally on a neighborhood or city scale. They originated mostly from over-zealous individuals or already existing hate groups, only a few came from the candidates or parties. In one third of the cases, the tactic backfired and actually helped elect the man it was intended to defeat. In the 1958 campaigns, 55% of the smears backfired.

Another shady campaign practice is a person filing who has a politically "good" name but has no intent of being a serious contender. Related to this is the surreptitious backing of phony candidates to draw strength from the opposition. These schemes are rare in presidential campaigns, but not at all infrequent in state and local ones.

What can be done?

Some attempts to control these practices are made through the laws.

1. Identifying campaign literature and advertisements. The Federal law was passed in 1944. It requires the name of the person responsible to be printed. The Minnesota law requires the name and address of the candidate, the person authorizing its publication and the author. Even when the law is complied with, identifying the source doesn't always provide the voter with much information. Just who or what is "Rank and File Research Committee" or "Mothers of Pennsylvania" -- examples of the type of groups publishing smear literature.
2. Libel and slander laws do give a person recourse against false and misleading personal attacks. These laws are not often enforced when political campaigns are involved. If a candidate goes to court, litigation takes time and money, rarely results in more than a token victory, long after election day.

3. Minnesota has the additional laws that false statements cannot be made regarding any candidate or position, and that there cannot be improper coercing of voters.
4. Some countries and states forbid the publication of new charges in a campaign after a certain date. This is an attempt to eliminate the last minute smears that do not allow the candidate time to refute the charge.
5. The revision of part of the Minnesota Election Laws in 1959 raised the filing fees. This has given some relief from "stooge" filings.

The law can never be the final answer in controlling unscrupulous campaigns. What are "false" statements in a political campaign? How can the law be written that would really show the source of smear literature? What about the hate groups that are willing to identify themselves? Do not these groups have the same right to freedom of speech as all other groups? How could a whispering campaign be controlled? If derogatory, but true, facts were publicized about a candidate's family, what recourse could there be?

The laws could tighten identification of source of campaign literature, and they could tighten the candidate's responsibility over his campaign and campaign committees (Corrupt Practice Laws). The law cannot be the whole answer.

Public awareness and public rejection is the only workable answer. This country has taken tremendous strides in raising the caliber of its campaigns. Lincoln was subjected to some of the worst villification ever heaped on an American politician. "That obscene ape from Illinois" was a common epithet. No one would tolerate such behavior today.

Smear and slander in their more subtle forms are still with us. The campaign of 1950 was one of the dirtiest in recent memory. Out of Senate investigations following the campaign came the recommendation that a national, non-partisan, continuing committee of distinguished private citizens could do more to create a moral climate in which unfair campaign practices would be unacceptable to the voters than could legislation. In 1954, after two more virulent campaigns, the Fair Campaign Practices Committee was formed under the chairmanship of Anna Lord Strauss, former president of the League of Women Voters of the United States. Charles P. Taft, son of the late President, became chairman in 1956. Miss Strauss is now an active member of the executive committee.

The Fair Campaign Practices Committee has adopted a code of campaign conduct (see Appendix) which it asks all major candidates to publicly pledge they will uphold. In 1958 the code was a factor in more than 85% of all Congressional and gubernatorial campaigns. In Minnesota, in 1960, the code has not been publicly subscribed to by all candidates.

As the campaign progresses, tactics in violation of the code are publicized by the committee. (On the state level, the "committee" is one representative of each of the major parties who is in a position to know of unfair practices. They report violations to the national committee.) Also active and effective in exposing appeals to prejudice during the campaign is the Anti-Defamation League of B'nai B'rith.

From reports of the Anti-Defamation League, this 1960 election is bringing forth tremendous quantities of prejudiced, anti-Catholic literature. One unusual feature is that while this type of bigotted material usually originates from established hate groups, this year most of it is coming from individuals, mailing it from their own homes.

The Fair Campaign Practices Committee, starting in 1956, has done post-election studies of the amount and kind of unfair campaign practices. The Anti-Defamation League for many years has waged a year-round campaign against all types of racial and religious prejudice. (They have published an interesting booklet "Prejudice and Politics," available from the Anti-Defamation League of B'nai B'rith, Minneapolis, Minnesota, for 35¢, tracing the history of prejudice in politics in the United States.) It is hoped that by making the facts known, the public will be alerted and treat such practices accordingly.

In the last analysis, it really depends on the voter; the critical listener who asks for evidence, is skeptical about unsupported assertions, and realizes that name-calling, smears, appeals to bigotry, and emotionalism have no place in American campaigns.

APPENDIX

The following code is distributed by the Fair Campaign Practices Committee. The practice of the Committee is to call on all Congressional and gubernatorial candidates to pledge publicly that they will uphold this Code of Fair Campaign Practices as they seek election.

CODE OF FAIR CAMPAIGN PRACTICES

There are basic principles of decency, honesty and fair play which every candidate for public office in the United States has a moral obligation to observe and uphold, in order that, after vigorously contested but fairly conducted campaigns, our citizens may exercise their constitutional right to a free and untrammelled choice and the will of the people may be fully and clearly expressed on the issues before the country.

THEREFORE:

I shall conduct my campaign in the best American tradition, discussing the issues as I see them, presenting my record and policies with sincerity and frankness, and criticizing without fear or favor the record and policies of my opponent and his party which merit such criticism.

I shall defend and uphold the right of every qualified American voter to full and equal participation in the electoral process.

I shall condemn the use of personal vilification, character defamation, whispering campaigns, libel, slander, or scurrilous attacks on any candidate or his personal or family life.

I shall condemn the use of campaign material of any sort which misrepresents, distorts, or otherwise falsifies the facts regarding any candidate, as well as the use of malicious or unfounded accusations against any candidate which aim at creating or exploiting doubts, without justification, as to his loyalty and patriotism.

I shall condemn any appeal to prejudice based on race, creed, or national origin.

I shall condemn any dishonest or unethical practice which tends to corrupt or undermine our American system of free elections or which hampers or prevents the full and free expression of the will of the voters.

I shall immediately and publicly repudiate support deriving from any individual or group which resorts, on behalf of my candidacy or in opposition to that of my opponent, to the methods and tactics which I condemn.

I, the undersigned, candidate for election to public office in the United States of America, hereby endorse, subscribe to, and solemnly pledge myself to conduct my campaign in accordance with the above principles and practices, so help me God.

Date

Signature

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