

POSITION PAPER

CAMPAIGN FINANCE REFORM

By: John W. Wallace

The appearance of corruption in our political system causes many good people to turn away from the political arena. It is not the amount of money that is contributed to campaigns that causes them to turn away, but rather the source of the money.

Donors from various special interest groups, including over 30,000+ lobbyists currently in our nation's capital, and wealthy individuals help to fuel record amounts of funds raised and spent for each succeeding election. Special interest groups pour more and more money into politics through a variety of devices, from bundled campaign contributions to soft money. These special interest groups will not disappear. As the federal government grows and spends more of the taxpayers' money, the special interest groups will continue to fight for what they consider their growing share of the giveaways. Because Big Government and Big Special Interest Groups seem to be working together, we need to reduce the total amount of money our government spends in order to reduce the total amount of money these groups can get out of our government. Only then will money become less important in politics.

Members of Congress have managed to create a seemingly lawful system whereby they can legally accept money from lobbyists or other persons who represent special interest groups that are actively involved in trying to influence those same politicians in future votes. The special interest groups that contribute large sums of money to political campaigns want and expect "their politicians" to enact (or help in some way) legislation that favors the group that provided the money. In America today, we are living under a political system that not only allows, but encourages and condones the legalized bribery of members of congress. That is why I believe "America has the best congress that special interest money can buy."

HARD MONEY – is the typical political donations that are regulated by law through the Federal Election Commission with various limitations on who and what amount can be donated. If an advertisement tells you, in plain terms, which candidate to vote for, then it's a political ad and it must be paid for out of the candidate's campaign funds, or out of special funds of the political party. Example: Candidate "A" runs an ad that says, "I am the best candidate. Candidate B is a crook. Vote for me on election day." Because of the "Vote for me..." portion, this is considered a political ad, which must be paid for with "hard money."

SOFT MONEY - is money donated to political parties in a way that leaves the contribution unregulated. Because soft money is not regulated by election laws, companies, unions and individuals may give donations in any amount to a political party for the purpose of "party building." Candidate B runs an ad that says, "Candidate A has a record of being soft on crime. If this softness on crime continues, people will no longer be safe in their houses and criminals will steal your money. Be sure to vote on Election Day." Because this ad is considered an educational ad on an issue and doesn't tell them to vote for a particular candidate, it's party building, and can be paid for by soft money. It is really just a loophole.

Any discussion of Campaign Finance Reform legislation must begin by determining whether or not The U.S. Constitution grants Congress the authority to regulate campaigns. We know that Article II expressly authorizes the regulation of elections, but the regulation of campaigns is not mentioned. Questions have also been raised about the constitutionality of recent campaign finance legislation based on the fact that it restricts people's freedom of speech rights under the First Amendment. Our Founding Fathers were very well aware that incumbent politicians might pass campaign legislation that would help them get re-elected, while making it harder for their challengers.

Current campaign finance legislation limits the criticism of incumbent politicians for a period of 60 days before an election—exactly the time when most voters want to learn more about the candidates and issues. The ban essentially prohibits any group from airing radio or television ads that cast politicians in a negative light during the critical final months of an election. If the goals of the current campaign finance legislation is to protect incumbents from criticism, limiting our Free Speech in discussing the issues, and keeping challengers and third parties out of power, then the laws are working as designed by the career politicians.

Although I am sympathetic to the argument against people being allowed to donate an unlimited amount of money directly to individual candidates; I am less in favor of the Government passing legislation that favors incumbent lawmakers by limiting free speech. If you believe that the protections of the First Amendment were designed to protect the political speech of individual citizens and that Individual citizens have a constitutional right to speak on the issues of the day in order to influence the elections in which they can vote, then current campaign financing laws are unconstitutional.

When political speech and contributions by individuals are limited, it presents a tremendous obstacle for virtually any challenger candidate who lacks name recognition and wealthy friends and supporters. Grass roots organizations and third-party candidates especially suffer when contributions are limited. Such groups are prohibited from raising needed seed money from sympathetic wealthy donors interested in funding a new political movement. Millions of voters might be attracted to a small third party, but they lose interest when their candidate garners very little publicity or is not on the ballot. It is virtually impossible for grass roots campaigns and new parties to match the established parties in fund raising. Campaign finance laws have done nothing to make politicians more ethical, but they have made it harder for average Americans to influence Washington.

Money is always going to be part of the system and we should not fight this reality by wishing it away with bad legislation. We do not need eight hundred pages of campaign finance reform that includes more loopholes and exceptions than good reform legislation. We need clear and simple disclosure rules that will protect the First Amendment rights of all of our citizens, without creating artificial barriers to obtaining contributions. Free Speech should not be replaced by a set of unclear regulations, loopholes and restrictions that discourages political dissent and protects incumbents.

American citizens should be free to donate an unlimited amount of money as individual citizens directly to individual candidates so long as all donations are fully disclosed and readily available for review by the citizens, preferably on-line. This freedom should not extend to special interest groups of any kind.

The reality of political life in America today is that politicians are being bribed every day by special interest groups that want them to legislate in a way that benefits them and not the American people. Americans are bearing the brunt of this horrific situation in ways that affect us all every day of our lives. The current campaign finance laws are built on a legal fiction. The legal fiction is that campaign contributions by special interest groups are considered to be legal and within the law even though they are actually bribes. Money given to members of congress by special interest groups is nothing more than "legalized bribery." Through bundled contributions and PAC giving, industries, labor unions, and special interest groups of all stripes pay to persuade lawmakers to vote their way on the issues.

The people have a right to know the source of contributions to the various candidates' campaigns. No matter what system is in place, full Disclosure should be the cornerstone of any campaign finance reform. I support any legislation requiring the full and immediate disclosure of all contributions to Federal election campaigns from all "hard money" and "soft money" sources. No exceptions or loopholes allowed.

I believe that the Bipartisan Campaign Reform Act of 2002 and campaign finance reform legislation in general is both unconstitutional and unnecessary. There is no evidence that allowing people or groups to freely speak out by donating unrestricted amounts of money or taking out political issue ads has a negative effect on politics or on politicians. It is my position that the Bipartisan Campaign Reform Act of 2002 is unconstitutional for the reasons outlined earlier in this position paper. It should be repealed.

- I will originate and/or support any legislation that defines the receipt of special interest money by members of congress as bribery and therefore illegal.**
- I support the continuation of legislation requiring the full and immediate disclosure of all contributions to Federal election campaigns. No exceptions or loopholes allowed.**

Although I do not fully support the concept of government financing of campaigns, I would consider supporting legislation similar to “The Clean Money, Clean Elections Act” and “The Fair Elections Now Act” as an important first step in reforming the system.

Of course, until special interest money is declared illegal, candidates for federal offices are always free to choose from whom they will accept contributions and can voluntarily limit the donations received from anyone or any group, including those outside their District. With full disclosure, the voters can look at the source of a candidate’s contributions and include that information in their decision making. We do not need big government making that choice for us.

For more information about John W. Wallace, or to find out about his positions on other issues, please go to: www.TeaPartyRep.com