

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL
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Attorney General Racine Testifies in Support of Campaign Finance Bills that Reduce Harmful Effects of Money in Politics

Attorney General's Bill Increases Transparency, Reduces Pay-to-Play Perception

WASHINGTON, D. C. – Yesterday, Attorney General Karl A. Racine testified before the D.C. Council's Committee on the Judiciary on several campaign finance reform bills, including the Office of the Attorney General's (OAG) ["Campaign Finance Transparency and Accountability Amendment Act of 2016."](#) OAG's legislation moves to strengthen three major pillars of the District's campaign-finance law: 1) ending pay-to-play politics; 2) making political donations transparent; and 3) creating a "bright line" between candidates and Political Action Committees (PACs).

"At community meetings across the District, I hear from residents that they are tired of public corruption and the appearance of impropriety," said Attorney General Racine. **"We should aspire to a campaign finance system that instills confidence in D.C. voters, and OAG's legislation will help do this by requiring more transparency and ending pay-to-play politics."**

Ending the Appearance of Pay-to-Play Politics

"Pay-to-play politics" is a term that many D.C. political observers have used lately. It means that, when you donate to a politician, you get something of value in return. Under current law, donors to D.C. political campaigns can receive major financial benefits from the District government. OAG's campaign-finance bill addresses this problem by saying if someone, including a corporation, donates to a campaign or a PAC, they cannot engage in any major business with the District for two years, including:

- Large business contracts;
- Major grants; and
- Significant tax breaks.

Making Political Donations Transparent

The Supreme Court has said that the government can't limit someone's independent expenditures (in other words, spending to support or oppose a candidate without actually working with a campaign). But government can put important disclosure requirements on this kind of spending to make sure the public knows where the money is coming from. Under current law, anonymous donors are able to give unlimited amounts of money to an organization in order to make independent expenditures, as long as that organization doesn't have electioneering as its principal purpose. So anyone could set up an entity and skirt our disclosure laws. OAG's legislation addresses this problem by making sure that all organizations making independent expenditures, not just primarily political ones, have to disclose their donors.

Creating a "Bright Line" Between Candidates and PACs

The Supreme Court's rulings make clear that, as long as someone is working with a campaign, their spending can be subjected to sensible regulations, like dollar limits. Under current law, there is a lot of activity that individuals, corporations, and PACs can engage in that isn't regulated – even though they are actually working with a campaign. OAG's proposal would ensure that when someone works with a campaign, they are subject to all the regulations that help keep our elections clean and transparent.

Other Provisions

The Campaign Finance Transparency and Accountability Amendment Act of 2016 would also close a loophole in District law that currently allows unlimited contributions to Political Action Committees (PACs) – committees set up to support a particular candidate or campaign but independent of that candidate or campaign – in non-election years. The legislation would ensure that the contribution limits are the same in non-election years and election years. The bill would also ensure that members of boards and commissions appointed by District government officials go through the same rigorous ethics training that District government employees undergo.

Support for Public Financing System

Attorney General Racine also testified in support of the goals and objectives of other campaign finance reform legislation before the Council today and pledged to work with the Council on any required revisions to ensure their legal sufficiency. OAG particularly supports the goals of Bill 21-509, the "Citizens Fair Election Program Amendment Act of 2015," which creates a public financing system for candidates for elected office. **"Data and research on the topic of public financing for campaigns strongly suggest that these systems result in elected officials being far more attuned with everyday voters who make small contributions,"** Attorney General Racine said. **"As Councilmember Elissa Silverman noted, public financing diversifies the donor base and dilutes the influence of any one donor. We think this is a good thing, which is why we support a public financing system for the District."**

Attorney General Racine commended the Judiciary Committee's Chairman, Ward 5 Councilmember Kenyan McDuffie, for holding the hearing and community members and organizations for responding. **"I appreciate Councilmember McDuffie's willingness to hold a hearing on the important topic of campaign-finance reform, and I applaud the scores of residents and representatives of community organizations who came to offer their testimony,"** he said.

Attorney General Racine's final testimony as prepared for delivery is attached.

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