

Fair Elections *Now* Coalition

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Fair Elections Matter for...
THE MARKET

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CONGRESS ISN'T A STOCK MARKET — OR IS IT?

The high cost of today's campaigns forces members of Congress and candidates into an unending quest for campaign contributions, adding to the importance of large gifts from powerful interest groups that want something in return for their money.

In 2006, when control of Congress shifted from Republicans to Democrats, special interest donations to Democrats increased sharply. But the tide has turned. Lobbyists are now shifting more money to the GOP, and Oregon Rep. Greg Walden, a top Republican fundraiser, is unabashed about encouraging donors to "make an investment" in Republican candidates.

"These corporate leaders and lobbyists have got interests and clients they need to look out for..." Walden told The Washington Post, in explaining the surge in contributions. "They see what's happening . . . and they don't want to get cut short."

CASE STUDY:

REFORMING WALL STREET

As the Senate prepared to vote recently on legislation rewriting the rules governing financial markets, Wall Street lobbyists were hosting Congressional fundraising events at the rate of one per day. Democrats and Republicans alike were the beneficiaries of dinners and receptions hosted by firms like Goldman Sachs and Citigroup, all with billions of dollars at stake in pending legislation.

"At minimum, taking money from an industry with a pending issue before Congress looks bad," said Common Cause President Bob Edgar. "At worst, it influences your vote."

Figures compiled by the non-partisan Center for Responsive Politics (CRP) show that by May, nearly six months before Election Day, the financial industry — securities firms, real estate and insurance companies, and commercial banks — already donated more than \$56 million to the campaigns of Congressional incumbents.



With Fair Elections, candidates "run without any money from interests who want favors from state government. Candidates compete for office based on their ability to raise ideas, not campaign cash."

Richard Kirsch
Healthcare for America Now

Fair Elections *Now* Coalition

DONATIONS BUY ACCESS FOR FINANCIAL FIRMS

The financial industry also spent heavily on lobbying – about \$100 million just in the first five months of 2010, according to CRP – and its lobbyists often serve as hosts and organizers of campaign fundraising events, cementing their bonds with lawmakers.

“While we do not believe that most members of Congress are corrupt, few can deny that the appearance of corruption has dramatically undermined the public’s trust in government,” former Senators Warren Rudman and Tim Wirth – one Republican and one Democrat – wrote in a recent essay. “To help bring statesmanship back to Washington, it’s time we put an end to the race for campaign cash,” they wrote.



THE SOLUTION

THE FAIR ELECTIONS NOW ACT

The bipartisan Fair Elections Now Act, sponsored by US Sen. Dick Durbin (D-IL) and Reps. John Larson (D-CT) and Walter Jones (R-NC), shifts power from special interests to individuals by allowing candidates for Congress to rely on small donations and public funds.

Members of Congress spend too much time fundraising and too little time working to solve the country’s problems and listening to constituents. Fair Elections would get elected officials out of the fundraising race and let them do the job we elect them to do.

How it works:

- ✓ Congressional candidates could run for office without raising hefty campaign contributions, instead collecting lots of small donations from home state donors to qualify for a limited amount of campaign funding.
- ✓ Candidates who accepted the funding would be prohibited from taking donations larger than \$100 from an individual donor.
- ✓ Home state donations of \$100 or less would get a four-to-one federal match, up to a strict limit, from a Fair Elections Fund financed by a fee on large government contractors with the biggest profits.
- ✓ Once in office, elected officials would no longer be beholden to powerful special interests.

FairElectionsNow.com

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