



MATT MILLER'S PLAN TO... REDUCE THE INFLUENCE OF MONEY IN POLITICS AND POLICYMAKING

“When I worked in the Clinton White House, I remember hearing Al Gore say in a meeting that ‘we’ll never do health care reform right unless we do campaign finance reform first.’ As a first-time candidate for office, the truth of Gore’s remark seems all too clear; the money chase warps every issue we face. That’s why – even as I do what it takes to compete under today’s broken system – I’m offering a comprehensive plan to reduce money’s influence in politics. It starts by banning officials from taking campaign contributions from the industries they regulate.”

-Matt Miller

The Problem

It doesn’t take much to see that America’s political system is broken. Partisanship and gridlock have become so pervasive that, rather than compromise on something as rudimentary as the federal budget, our lawmakers forced the federal government to shut down for sixteen days last year.

We can’t seem to really fix anything anymore—whether it’s making banking safe, prescription drugs affordable, or energy policy rational. There is very little incentive to solve big problems, because doing so often comes at a political price. From climate change to the budget deficit, from income inequality to truly competitive markets, moneyed interests have a vested stake in either preserving the status quo or rigging the game in their favor so that little progress is made on any front.

As money gains greater influence over democracy, the hunger for campaign cash has come to dominate the daily work of those we elect to solve our public problems. Lawmakers are overwhelmed by the need to constantly fundraise for their next campaign; in 2012, the average winning House member raised \$2,315 per day, while the average winning Senator raised \$ 14,351 per day. As a result, our members of Congress on average spend a staggering four to five hours each day dialing for dollars, leaving them with less and less time to actually govern. Tom Harkin expressed frustration over this fact in his farewell address to the Senate:

“We used to have a Senate Dining Room that was only for senators. We’d go down there and sit around there, and Joe Biden and Fritz Hollings and

Dale Bumpers and Ted Stevens and Strom Thurmond and a bunch of us—Democrats and Republicans. We'd have lunch and joke and tell stories, a great camaraderie. That dining room doesn't exist any longer because people quit going there. Why did they quit going? Well, we're not there on Monday, and we're not there on Friday. Tuesday we have our party caucuses. That leaves Wednesday and Thursday—and guess what people are doing then? They're out raising money.”

Listen to Dan Glickman, the former Congressman and Secretary of Agriculture:

“Our system necessitates a never-ending sprint for cash, which demeans the office of a Senator or Congressman and denigrates the professionalism and dignity of our politics. The sad truth is that given the frenetic search for money in federal congressional elections, there simply isn't enough time in the day to stay competitive in campaign finance and do the actual job of policy making. The volume of money raised is so high that the job has changed from public service to begging for dollars.”

The pressure to endlessly fundraise has only gotten worse with the recent Supreme Court decisions in *McCutcheon v. FEC* and *Citizens United v. FEC*. Now, the contribution limits designed to prevent corruption and ensure that all Americans' voices can be heard are essentially moot. Unlimited amounts of money pour into campaigns, often from undisclosed donors. During the 2012 election cycle, which cost \$6.2 billion, there was more than \$1 billion in outside spending by groups like super PACs and 501(c)(4)s.

Once in office, officials face a system of political pressure tightly controlled by well-heeled special interests and their check-writing lobbyists. Members of Congress accept sizeable contributions from the very industries they're tasked with regulating—finance committee members are larded by the big banks, and the food and beverage lobby contributes heavily to the members who sit on committees that oversee public health policy. Whether they want to preserve tax loopholes, kill proposed regulations or suppress market competition, special interests wield an overwhelming amount of influence over the policymaking process, and the needs of everyday Americans end up largely ignored. John Kerry summed it up perfectly in his farewell address to Senate colleagues before assuming his role as Secretary of State:

“The truth requires that we call the corrosion of money in politics what it is: it is a form of corruption and it muzzles more Americans than it empowers, and it is an imbalance that the world has taught us can only sow the seeds of unrest.”

It's important to note, as Kerry pointed out, that this problem is not just an abstraction that affects Congress and state capitals. It sidelines the popular will and has a direct impact on the issues Americans of all political stripes care about most: the education of our children, the availability of good jobs, the cost of our health care, the financial security of our nation. When the system is corrupt, we all pay the price.

Democrats also have to be honest about the way our party falls prey to these same toxic patterns. Just look at the headlines in recent days about doctors bilking Medicare out of millions, and then recycling that money back into Democratic coffers in an effort to evade regulatory scrutiny. Or recall Dick Durbin’s explanation of why banking reform was so toothless in the wake of the worst financial meltdown since the Great Depression: “In a time when we’re facing a banking crisis that many of the banks created,” Durbin said, “[the banks] are still the most powerful lobby on Capitol Hill. And they frankly own the place.”

Particularly in light of recent Supreme Court rulings curtailing campaign finance regulations, our nation desperately needs to address the problem of money in politics. Without a set of common-sense laws designed to restore balance to our democracy, our nation’s looming challenges will remain stuck in the quicksand of political and governmental inertia.

The Miller Plan

Many people assume the only way to fix what ails us is a constitutional amendment that trumps the Supreme Court’s corrosive conclusion that “money equals speech.” They’re right to be outraged by that equation. But constitutional reform could take years and would face almost impossible odds. I believe a focus on the constitutional route ignores the very real progress we can make right now.

Truth is, there are several basic legislative solutions that could significantly reduce the influence money currently wields over politics and policymaking and, in turn, restore power and equal representation to everyday Americans.

I believe we need sound legislative solutions based on four simple principles: everyone knows, everyone participates, everyone’s focused on solving problems and everyone’s accountable.

Everyone Knows

- **Require full disclosure and transparency around political spending** so people know where the money comes from and where it goes. Organizations that spend more than \$10,000 on advertisements to elect or defeat federal candidates should be required to submit disclosure reports to the Federal Election Commission (FEC). These disclosures would be available on the FEC’s website within 24 hours and would identify each donor who gave \$10,000 or more to the organization in support of such ads. This includes all organizations—PACs, 501(c)(3)s and 501(c)(4)s—that engage in political campaigning.
- **Expand the definition of lobbyists** so we can accurately identify and regulate any individuals or organizations trying to influence lawmakers and legislation.

- **Mandate disclosure of individuals who “bundle” contributions** for members of Congress or federal candidates, regardless of whether they are registered lobbyists. This would help identify the individuals who are clearly trying to wield money as a means of influencing politicians.
- **Require members of Congress to disclose fundraising activities** they engage in while Congress is in session. And prohibit members of Congress from fundraising during Congressional working hours.

Everyone Participates

- **Democratize political giving to turn the attention of politicians to their constituents back home.** By instituting a \$100 tax rebate (or voucher) for contributions to federal candidates, political parties and political committees, we’ll empower small donors to invest and engage in our political system, balancing out the effect of large donations. To qualify for these contributions, candidates, parties and political committees must either limit individual contributions to no more than \$500 per person each calendar year, or receive contributions from entities funded exclusively by the tax rebates. The idea is to offset the pervasive influence of private money via a grassroots injection of public money. This would create a viable way for candidates to run by appealing to average Americans – rather than to the 1/20 of one percent of Americans who now bankroll campaigns.
- **Tighten the rules that govern how special interest groups interact with campaigns.** While *Citizens United* prevents us (for now) from completely eliminating super PACs with federal legislation, we can make sure they aren’t coordinating with campaigns and stay truly “independent.”

Corruption by the numbers

The Center for Responsive Politics, which performs detailed analyses of lobbying and campaign contributions, calculated that in the 2012 election, the percentage of the population giving \$200 or more to campaigns was 0.12 percent. An even smaller percentage, 0.02 percent of the population, gave \$2,600 or more.

Separately, Demos, a liberal think tank, found that in the 2012 election cycle the 132 donors of \$1 million or more to super PACS gave a total of \$396.3 million.

Those 132 donors make up just over .000042 percent of the population of the United States. This is the constituency that, in the name of free speech, the Supreme Court has now more deeply empowered.

Everyone’s Focused on Solving Problems

- **Ban lawmakers from accepting contributions from the industries they regulate,** based on conflict-of-interest principles. This simple, common sense change would amount to a revolution. Today members of Congress seek to join committees that oversee big industries in part because they’re seen as sure routes to campaign donations and re-election. If my proposed change makes some committee memberships less attractive, that ought to tell us something about the incumbent protection racket at work today.
- **Jam the “revolving door” between Capitol Hill and K Street.** Right now, elected representatives and their senior staff can leverage their positions—and influence—in government to land high paying consulting and lobbying jobs when they leave Capitol Hill. We need to extend the current “cooling off” period

(currently two years for senators and one year for representatives and senior staff) to five years for all members of Congress and senior staff.

- **Limit how much lobbyists can contribute to campaigns** to \$500 per calendar year, which as a practical matter should reduce the number of lobbyists that fundraise for federal candidates, political parties and committees. In addition, while we already prohibit federal contractors from contributing to political campaigns, the ban should also include contractors’ lobbyists, executives, government relations staff and PACs.

Everyone’s Accountable

- **Strengthen the Federal Election Commission and the Public Integrity Section of the Department of Justice, and empower ethics enforcement in the House and Senate.** We need to equip the FEC, Congress and federal prosecutors with the tools, authority and resources they need to fight corruption.

Matt’s challenge to conventional Republican thinking	Matt’s challenge to conventional Democratic thinking
Even for those who believe money does equal “speech,” the corruption and conflicts of interest inherent in today’s money chase should be abhorrent – and they’re fixable in ways that honor conservative values of independence and accountability	We don’t need to wait for a constitutional amendment to make real progress in reclaiming our democracy right now. The principles outlined in my plan command broad public support and would go far to shrink the influence of money in elections and policymaking.

What they’re saying about Matt Miller’s ideas

"Matt Miller has been passionate about taking back our democracy from the corrupt money chase for years. Now that he's in the candidate's chair, he's offering the kind of comprehensive solutions the country needs. Matt’s plan is a benchmark in the fight for a political system that serves the people, not the plutocrats and special interests."

Lawrence Lessig, Roy L. Furman Professor of Law and Leadership, Harvard Law School

“Matt Miller is the new voice that the Democratic Party urgently needs to make the case for real progress in the twenty-first century.”

Bruce Ackerman, Sterling Professor of Law and Political Science, Yale University