

**Senator Richard J. Durbin
Opening Statement**

**Rules Committee Hearing:
The Fair Elections Now Act**

Chairman Feinstein and fellow members of the Rules Committee: Thank you for the opportunity to testify today in support of the Fair Elections Now Act, which Senator Specter and I introduced earlier this year. To the Chairman, I am especially grateful that you agreed to schedule this hearing today on a topic that I think is fundamentally important to our democracy and to our ability to do our jobs here in the Senate to the best of our abilities.

Since I'll have the opportunity to ask questions of the other witnesses from the dais, I'll be brief here. I will quickly try to put this bill in perspective, talk about why I think this is so important, and then offer a brief description of the bill – what it is, and what it is not.

Imagine for just a moment a President coming before a joint session of Congress and using his bully pulpit to call for a fundamental change in the way we fund political campaigns in America. As hard as it may be to believe, that happened. An American President did say that – 100 years ago. His name was Teddy Roosevelt, a Republican, and his call for changing the way we finance campaigns was the cornerstone of his 1907 State of the Union Address.

I know the Senate moves slowly, but a century is long enough to wait. We can continue to work hard to pass lobbying and ethics reforms, and we should do that, but we won't get to the heart of the problem when it comes to the confidence of the American public until we address the issue of campaign financing.

The fundamental problem is this: the cost of running a campaign for a seat in the United States Senate is escalating out of control. To cite just one telling statistic: the average cost of running in one of the 10 most expensive Senate races in 2002 was about \$17 million. In 2006 it was about \$34 million. The average cost of the most expensive races in the country has doubled in only four years.

Here's another stat: in 2002 the total amount spent on Senate races was a bit less than \$300 million. Four years later, total spending approached \$550 million. We are not far away from the election in which we spend \$1 billion on Senate campaigns.

This is simply unsustainable.

So we all might ask ourselves: Why? Why has the cost of running for the Senate risen so quickly? The primary reason: to pay for television ads.

The total amount spent on all political ads in 2002 was just shy of \$1 billion, for all campaigns. In 2006? \$1.7 billion. If the money spent on ads nearly doubles in four years, I think that is a pretty good indicator that the overall cost of campaigns is going to rise as well.

Now, before someone begins to argue that television stations are forced to generate all of this political revenue in order to stay in business, let me point out that for stations in the top ten media markets in the country, in the year 2000 their average profit margin was 46%. That's a good living they're making.

In order to compete in an environment such as this, candidates are forced to spend more and more time raising money.

Every moment that we spend dialing for dollars, attending fundraisers, planning future fundraising events, building donor lists, and so forth is a lost moment that we could have spent doing our jobs. Each of those moments could have been spent talking with constituents about their challenges, working on legislation to address those challenges, and conducting effective oversight to ensure that those challenges don't get any worse.

And as all of us know, we lose A LOT of those moments. Every single day.

I know that some will say that the answer to this problem is simply to remove individual contribution limits, so that with a few phone calls to billionaire donors candidates can raise all of the money that they need. I completely disagree.

The answer is not to further concentrate influence in the hands of a smaller and smaller group of donors, but rather to remove that source of influence altogether.

Senator Specter and I have introduced a plan to do just that. It is called the Fair Elections Now Act. Our bill will create a pool of public, accountable funds that qualified Senate candidates can use to run their campaigns. Candidates will no longer be in the fundraising business. Candidates will now be in the constituent business, regardless of whether those constituents have the wealth to attend a fundraiser. Candidates will be in the policy business, regardless of what policies are preferred by wealthy donors.

Let me be clear: I honestly believe that the overwhelming majority of the people in American politics are good, honest people, and I believe that Senators are guided by the best of intentions. But we are nonetheless stuck in a terrible, corrupting system. The perception is that politicians are corrupted by the big money interests... and whether that is true or not in any particular case, that perception and the loss of trust that goes with it makes it incredibly difficult for the Senate to take on tough challenges and have the American public believe that

what we are doing is right. I believe that this problem is fundamental to our democracy, and we must address it.

To that end, Senator Specter and I have introduced the Fair Elections Now Act. To summarize:

- Candidates first must prove they are viable by collecting the required number of \$5 contribution from constituents in that state. In Illinois, I need to collect 11,000 of these qualifying contributions. In California, the Chairman would have to collect 28,000. In Utah you'd need to collect 3,000.
- Candidates who qualify then receive a funding allocation for the primary, based on the size of the state.
- Primary winners then receive additional funds for the general election.
- General election candidates receive vouchers for free TV air time, and close to the primary and general election dates candidates receive a 20% discount on all ad buys.
- Candidates that face massive opposition funding can qualify for additional "Fair Fight" funds to remain competitive, up to triple the original allocation.

The plan is simple, it is constitutional, and it has growing public support. Three important points to note:

- This plan is NOT public financing as that term is usually understood. No individual taxpayers will see their taxes raised, and the system does not rely on general appropriations for it to function.
- This plan is voluntary. If you are a candidate and you'd prefer to run under the current system, you are free to do so.
- 74% percent of all voters support public financing in Fair Elections: 80 percent of Democrats, 65 percent of Republicans, and 78 percent of Independents.

It is fair to say that the Fair Elections Now Act as it is currently written is not perfect, and I welcome suggestions on how to improve it both today and in the future. But I think it is a very, very good starting point for fundamentally changing this system that must be changed fundamentally. The costs of campaigning will only grow, the time required to raise funds will only grow, and public discontent will only grow unless we do something, and do it now.

Thank you once again.