



**Testimony of Sheila Krumholz, Executive Director of the Center for Responsive Politics, to the House Committee on Oversight and Government Reform  
re: Disclosure of Contributions to Presidential Libraries**

*February 28, 2007*

Mr. Chairman, and members of the committee, my name is Sheila Krumholz. I am executive director of the Center for Responsive Politics, a nonpartisan, nonprofit research organization based here in Washington that monitors and analyzes campaign contributions in federal elections, as well as other forms of money and elite influence in U.S. politics. I have been deeply involved in the research side of our organization's work for the better part of 15 years.

Many people, including some of you I imagine, know the Center for our award-winning Web site, OpenSecrets.org, where we make freely available our analysis of publicly disclosed information about the role of money in politics. Founded in 1983 by two former senators, a Republican and a Democrat, the Center's reason for existence is simple: to inform citizens about who is paying for federal elections and who is in the position to exercise influence over the elected officials who represent the public in our nation's capital. We can do this because the financing of your campaigns is open to public scrutiny. But as I will discuss today, the financing of presidential libraries is not similarly transparent, although these campaign-like projects raise similar questions about potential influence-buying.

The Center is not an advocacy or reform group. We do not lobby for specific legislation. However, we do freely offer our perspective, based on nearly 25 years of experience in the field, on ways to improve transparency in government and build trust among citizens. To this end, I am pleased to offer the Center's thoughts on the disclosure of contributions to presidential libraries, and thank the committee for this opportunity. My predecessor, Larry Noble, testified on this matter before this committee in 2001, and my remarks today echo some of his from that hearing.

Contributions to presidential libraries fall into a category all their own, in a sense. While it takes a well-funded campaign to build a presidential library, it is not a political campaign *per se*. There is, however, a sort of candidate at the center of this campaign—someone in a position of public trust who has the ability to return contributors' kindness with special official favors. Although the end of elected office is usually in sight for the person whose legacy the library will preserve, they are typically still in office while fundraising is underway. Even once a president leaves office, he retains a certain, albeit diminished, usefulness to a donor seeking influence over the government.

The campaign to build a presidential library is different from a capital campaign to build, say, a university's library, which can also carry a person's name as a way of honoring that person. If donors to a presidential library receive special perks or access

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because of their gifts, as a major donor to a university might enjoy, those perks and access for contributing to a government-run facility are potentially far more lucrative—and potentially contrary to the public interest that a president is entrusted to serve.

Herein lies the central concern: that those who donate money to presidential libraries will in return receive special access to, and favors from, the president and the federal government. To minimize the potential for that sort of payback, and to build trust among a citizenry that already questions the ethics of elected officials, public disclosure of contributions to presidential library projects seems both appropriate and wise.

As you all know, the disclosure rules for contributions to federal political campaigns require that contributions aggregating to more than \$200 be itemized and reported to the Federal Election Commission. The rules call for the disclosure of the amount and date of the donation and the name, address, occupation and employer of the donor. The FEC gathers and reports that information, and makes it available on the Internet to any interested citizen. The fact that the FEC deems the employment information, in particular, worthy of collection is an acknowledgment that donors sometimes, if not often, give to politicians with an economic self-interest in mind and a hope that their contribution will gain them access and influence over government policy.

Using campaign contribution data from the FEC, we at the Center for Responsive Politics compile and publish full campaign finance profiles for all members of Congress, all candidates for Congress and the leading presidential contenders. On OpenSecrets.org we show which companies, unions and other interest groups are giving most heavily, and we categorize donations by industry to give a big-picture view of any given election.

Without this kind of work, the public would not have the faintest idea of who is financing our elections, how much they gave, and what they might be expecting from the recipients in return. The law has recognized for a hundred years that our system of elections is significantly strengthened when the public knows who is giving the money. And yet the public is still in the dark about several back-door ways of buying influence in Washington, including the funding of presidential libraries.

To a president, a library, with its accompanying (and usually far larger) museum, is a way to frame and preserve his legacy. For the president, there is a self-interest involved in the project that you could argue is even greater than the self-interest to be elected in the first place. The library will live on long after the president's time in office and his time on earth have passed. (I am reminded of the Vietnamese emperor who spent nine years ruling but whose tomb took 11 years to build.)

Presidents begin fund-raising for their libraries well before they leave office, when they are still in the world's most powerful position. According to press reports, site selection for President George W. Bush's presidential library has been going on for some time, and a half-billion-dollar fundraising campaign is imminent—two years before he is scheduled to leave office. (Coincidentally, \$500 million is the amount the Center and others estimate that the major-party nominees for president will each raise and spend for the 2008 election.) Fundraising for President Bill Clinton's library began in 1998, less than halfway into his second term. The Reagan Presidential Foundation was fundraising as early as August 1986, two and a half years before President Reagan left office.

There is great potential here for corruption—apparent corruption at least and, even worse, real corruption. In fact, the potential may be far greater than in the campaign finance system. Donations to presidential election campaigns are limited to a few thousand dollars; donations to presidential libraries are not, and checks can be written in the tens of millions of dollars. Corporations, unions and other institutional interest groups cannot directly contribute to presidential candidates; they can contribute to presidential libraries, however. Foreign governments, foreign individuals and corporations are prohibited from giving money to presidential campaigns, but donations to presidential libraries are permissible—even while the president is still in office. And, of course, the identities of large donors to presidential campaigns are disclosed to the public, while donors to presidential libraries can remain anonymous.

As you are all aware, the public's perception of Washington is that money, at the very least, opens doors here. As officeholders who have raised hundreds of thousands of dollars, if not millions, you know that successful fund-raising requires personal and repeated contact with donors. As a leader of a nonprofit organization charged with raising money from foundations and individuals, I know and acknowledge that.

The public knows this instinctively as well and they expect the president to look at a large donor to his presidential library the same way any of us look at a deep-pocketed contributor: with gratitude, certainly, but also concern, even solicitation, about what they might want in return. When the interest of that donor comes before the president, he will find it hard not to at least listen. We know all too well how President Clinton's pardon of a six-figure contributor to his presidential library fund, along with other political donations, has left the indelible impression with many that a presidential pardon was purchased.

To agree that disclosure of contributions is appropriate as a way to minimize corruption and build public trust only gets us so far. There are many questions you will have to answer before disclosure of presidential library contributions will become a reality. For example, what information must be disclosed? Who must disclose it? How often and for how long will disclosure be required? In what form must they disclose it? Who will administer and enforce the disclosure? As history has shown us, a law unenforced may be worse than no law at all, as it leaves you with the false comfort that you have done something, even as a problem persists.

There is a system of contribution disclosure already in place that is familiar and, by most accounts, functional. That is the campaign finance system administered by the Federal Election Commission. Perhaps this system should be applied to presidential libraries: all donations greater than a certain amount must be itemized and the donors' identities publicly disclosed to the FEC—including their employment information, which is key to understanding economic self-interest. Certainly the details of, and justification for, that system of disclosure should be weighed as a potential model for the disclosure of donors to presidential libraries.

A trickier question is whether there should be limits on these donations. The Center does not take a position on this question. We do see the point that if donations were limited to a few thousand dollars, as they are to political campaigns, presidential libraries might never get built.

Another question: How long should a presidential library committee be required to disclose its fundraising? Certainly, while the president is still in office, this is appropriate. Is it still necessary once the president leaves office and his influence in government is significantly diminished? This is an unusual time in U.S. history that points toward continued disclosure even after a president leaves office. The sitting president, whose own library is being planned and financed, is the son of a former president, whose library is open to visitors and raises money to cover its operations. Similarly, the wife of a former president is now running for the office herself. Her husband has a library honoring him, and it raises money for its operations.

Should we be concerned about the potentially corrupting effect of a donation to the library of a president who has left office long ago? Maybe so. If he is still living, an ex-president still has prestige, influence, and even retains access to national intelligence, as a courtesy. And, as I said earlier, foreign governments and interests can donate freely to presidential libraries.

I also said earlier that presidential libraries are intended to outlive the presidents they honor. Once a president is dead, is disclosure of contributions still necessary? It seems unnecessary. But again I ask, what if a relative of that president now occupies the White House or some position of great authority in government? Perhaps the solution is to report fundraising forever but to require it less frequently at a certain point after the president has left office or died.

I raise all of these questions not to answer them, Mr. Chairman. I merely raise them for you and the members of the committee to consider. I also ask that you consider the broader significance of these questions. Presidential libraries are repositories of history and scholarship for all Americans to enjoy. And while they are built to honor politicians, their construction and operation should not be political. As Americans visit our nation's presidential libraries, their awe for the presidents who served our country, their confidence in those leaders and their trust in the system that honors them should not be tarnished by any suspicion that the public places they are visiting have been sold for the benefit of private interests.

I have appreciated this opportunity to appear before you and will gladly answer any questions you may have.