

MINUTES

New Haven Democracy Fund Board
Special Meeting
April 21, 2008

Present: Caleb Kleppner (chair), Kevin Diadamo, Jennifer James, Lori Kozlowski, Maria Lamberto, Dennis Curtis, Steven Kovell, Robert Wechsler (Administrator); one reporter from the New Haven Register, one reporter from the New Haven Independent

Meeting called to order

Approval of minutes from the April 21st meeting with one small grammatical change.

Public comments were requested but none were offered.

Discussion of possible recommendations of changes to the Democracy Fund Ordinance, and possible Democracy Fund regulations and opinions

Expenditure Ceilings

Originally, in the ordinance the dollar amount of the ceilings was much lower and it was raised over time as the ordinance was voted on and approved. Would it be a disincentive for someone to join if it were too low?

A non-participating candidate could relatively easily reach this amount, but it would be very difficult for a participating candidate. And if a participating candidate did reach the ceiling, the trigger would likely occur too late to help.

One of the main reasons for creating this program was how much was spent in the 2001 election. So it doesn't make sense that expenditures allowed by the ceilings would match those numbers, as they currently do.

Steven Kovel suggested lowering the ceiling per election to \$100,000.

Referring back to Robert Wechsler's memo from January, per registered voter our limit is more than five times that of most other cities. The senate districts in CT have a ceiling effectively about half of ours.

General consensus to lower the limit to no more than \$200,000 per election.

Robert Wechsler and Caleb Kleppner will check and see if primary candidates can raise money for the general election before the primary is over.

Board members expressed concern that if we specify too low a number, the Board of Aldermen will reject it.

The cost of five mailings to every registered voters in the city is far less than \$300,000.

The most you can possibly get in public funds per election under the Ordinance is \$125,000. When Mayor DeStefano ran for governor, he only raised 400 contributions from New Haven residents.

Independent expenditures

Counting independent expenditures towards a candidate's expenditure ceiling would be an incentive to keep the expenditure ceiling higher.

Dennis Curtis questioned the legality of this -- however, it has been done in other states. In Los Angeles you have to prove that you were not connected to the money.

How do we prove a candidate is connected to expenditures? How do we know if expenditures are being made to support a candidate?

There are three basic things you can do re independent expenditures:

1. Have them count towards the expenditure ceiling of any candidate they support.
2. Give a grant to the other candidate(s)
3. Give a higher matching funds rate to the other candidate(s) .

This is especially complex in New Haven because we have both grants and matching funds.

However, if the expenditure ceiling is so high that candidates will be unlikely to reach it, then counting independent expenditures toward the ceiling will not have much of an effect.

General consensus that there needs to be some method and that if grants or a higher matching funds rate is chosen, they need to be handled quickly.

Non-Participating Candidate Trigger

There is a problem (topic for next month) that there is no way to tell if a candidate has reached the \$300,000 ceiling.

Currently, if a non-participating candidate exceeds the limit, the other candidate(s) can choose to receive a \$25,000 grant or lift the ceiling. However, that only applies when the candidate has already reached the ceiling.

The state public financing program imposes additionally public financing reporting requirements on non-participating candidates -- we do not have the benefit of this.

When should the Board give grants to candidates in such a situation? How much should the participating candidates have had to have raised?

There seems to be consensus that the ability to lift the ceiling or get an extra grant should apply to all qualified candidates, not just to those who have reached the ceiling.

Synthesis and voting

Expenditure Ceiling

Substantial reduction of the ceiling, comparable to the per person dollar amounts of other cities.

Motion by Dennis Curtis, with friendly amendments by Jennifer James and Maria Lambert: The Board recommends the substantial reduction of the expenditure ceiling so that it is comparable to the per person dollar amounts of other jurisdictions with similar programs, including the program in the state of Connecticut.

Passed 7-0-0

Independent expenditures

General consensus among board members is to give a grant to the other candidates, matching whatever independent expenditures are made for or against one or more candidates, with some limits in place. People want to get money into the hands of the candidates quickly.

Motion by Caleb Kleppner: The Board recommends that the Board of Alderman address the issue of independent expenditures, and we suggest a mechanism of grants to all qualified candidates.

Passed 7-0-0

Non-participating candidate trigger

Have the trigger occur immediately, not when participating candidates have reached the ceiling.

Motion by Dennis Curtis: The Board recommends that when a non-participating candidate reaches the expenditure ceiling, the choice between a \$25,000 grant and raising the expenditure ceiling apply to all qualified candidates, not just those who reach the expenditure ceiling.

Passed 7-0-0

Discussion of other Democracy Fund activities and obligations

Next month, clean up reporting requirements and administrative changes.

Jennifer James found a possible replacement for herself. Will forward the info along.

Adjourned.