IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

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SENATOR MITCH McCONNELL, et al., Plaintiffs, v. FEDERAL ELECTION COMMISSION, et al.,

Civil Action No. 02-0582 (CKK, KLH, RJL) Consolidated Actions

DECLARATION

Defendants.

DECLARATION OF ALAN K. SIMPSON

1. My name is Alan K. Simpson.

2. I served as a United States Senator from Wyoming from 1979 to 1997. During my time in the Senate, I served as both Assistant Majority Leader and Assistant Minority Leader. After I left the Senate, I directed the Institute of Politics at the Kennedy School of Government at Harvard University from 1998 through 2000. Currently, I teach at the University of Wyoming, practice law, and give speeches across the nation and abroad on current affairs. I am a member of the Presidential Debate Commission, I co-chair the Continuity in Government Commission,

and I also sit on a number of corporate and nonprofit boards. Additionally, I was one of the national co-chairman of Project Independence, one of the largest-ever campaign reform movements.

3. During my tenure in the United States Senate, I became acutely aware of the need for campaign finance reform, particularly to remedy the impact of soft money on the political

system. I have seen firsthand how the current campaign financing system prostitutes ideas and ideals, demeans democracy, and debases debate.

4. The national parties often ask Senators to make phone calls to raise soft money, and the process is like a boiler room operation. When I was in the Senate, the Republican leadership would take us off Capitol Hill—usually to the Reagan Center—give us a list of heavy hitters, and tell us to make phone calls to get more money from these donors. Sometimes, the party asked us to solicit soft money for attendance at events that included access to the president; other times major donors were given access to certain lawmakers. The more money one donates, the higher-level players he or she has access to. I did not enjoy making these phone calls, and after participating once or twice, I told the party that I would no longer telephone donors.

5. Although I rarely made phone calls for the party, I agreed to attend and speak at their donor events. Often, donors would give large sums of soft money to attend events with elected officials. Donors were often allowed to choose whom they wanted to sit with at events, provided they gave enough money. Party leaders would inform Members at caucus meetings who the big donors were. If the leaders tell you that a certain person or group has donated a large sum to the party and will be at an event Saturday night, you'll be sure to attend and get to know the people behind the donation, especially if you are told that the reason people donated was because they wanted to sit at the same table with you. At these events, it was not uncommon for the donors to mention certain legislation that affected them. Even if some Members did not attend these events, they all still knew which donors gave the large donations, as the party publicizes who gives what.

6. The parties often ask Members to solicit soft money from individuals who have maxed out to the Member's campaign. Donors do not really differentiate between hard and soft

money; they often contribute to assist or gain favor with an individual politician. When donors give soft money to the parties, there is sometimes at least an implicit understanding that the money will be used to benefit a certain candidate. Likewise, Members know that if they assist the party with fundraising, be it hard or soft money, the party will later assist their campaign.

7. There is little practical difference between hard and soft money these days in terms of how the funds are used. Politicians care only that money is available; it doesn't matter where it came from. Although soft money cannot be given directly to federal candidates, everyone knows that it is fairly easy to push the money through our tortured system to benefit specific candidates. I always knew that both the national and state parties would find ways to assist my candidacy with soft money, whether it be staff assistance, polling, get-out-the-vote activities, or buying television advertisements.

8. Big labor and big business use large soft money donations to corrupt the system to the detriment of the little guy. Unions and corporations were not supposed to be part of our campaign finance system, yet they are playing with size 20 feet. The hundreds of thousands of dollars in soft money donated by unions, corporations, and other groups make a mockery of attempting to avoid corruption in the campaign system. I fear that we are reverting to the past, when Daniel Webster was on the floor of the Senate, passing banking legislation at the same time he worked for the Bank of Boston. Conflicts of interest like Webster's are no longer legal, but the appearance of buying influence still exists.

9. Large donors of both hard and soft money receive special treatment. No matter how busy a politician may be during the day, he or she will always make time to see donors who gave large amounts of money. Staffers who work for Members know who the big donors are, and those people always get their phone calls returned first and are allowed to see the Member

when others are not. For example, one longtime contributor might come into my office and say, "Al, I'm really proud of the work you're doing here, and I'm proud to have supported you over the years. I just wanted to let you know that my company has an important issue up before Agency X. We don't want you to do anything; we just want to make you aware." A few months later, that same contributor would come back and say, "We're still waiting for the agency to make a decision. We probably don't need you, and we wouldn't want you to influence the decision, but maybe you could see if the agency would move the issue up on their priority list?" Without hesitation, I would make a call to the Secretary of the department in charge of the agency. I would not tell the Secretary how to decide the issue, nor would I make any threats; I would simply communicate that my constituent would appreciate a prompt decision. Senators make these types of phone calls all the time.

10. Too often, Members' first thought is not what is right or what they believe, but how it will affect fundraising. Who, after all, can seriously contend that a \$100,000 donation does not alter the way one thinks about—and quite possibly votes on—an issue? Donations from the tobacco industry to Republicans scuttled tobacco legislation, just as contributions from the trial lawyers to Democrats stopped tort reform. When you don't pay the piper that finances your campaigns, you will never get any more money from that piper. Since money is the mother's milk of politics, you never want to be in that situation.

11. In addition to the examples listed above, I remember specific instances when Senators' votes were affected by the fear of losing future donations. One time, Senator Bob Dole and I were seeking votes on an important national issue. More than once, we heard a Senator tell us, "I realize it's an issue of great importance, but if I vote for that I won't get any more money.

I want to be here for another term. You do want me back here next year, don't you?" These Senators know that it's a bad idea to poison the well that nourishes the system.

12. Soft money also affects legislative priorities. I remember one Senator from a state with a large Asian population who came to me with a proposal to ease immigration restrictions on people from Asian countries. This Senator told me that the Asians have a lot of money and that they were ready to give it to the Republicans if the party would support immigration reform.

13. Another ugly practice involving soft money is the so-called issue ads that air right before an election. These advertisements are often paid for by unknown corporations and individuals who do not have to report who they are or where they received the money to pay for the ads. Although these ads may not explicitly say "vote against Senator Jones," the average guy on the street isn't looking for magic words. He's looking for negatives, and that's what these ads deliver. No matter what actual words are used, the message to vote against someone is usually unmistakable. These ads are very effective in influencing the outcome of elections, and the people who admit to running these ads will later remind Members of how the ads helped get them elected. Members realize how effective these ads are, and they may well express their gratitude to the individuals and groups who run them.

14. Both during and after my service in the Senate, I have seen that citizens of both parties are as cynical about government as they have ever been because of the corrupting effects of unlimited soft money donations. Students in my courses at Harvard and Wyoming, which have not even focused on election law, have spoken up about how disturbed they are about the corrupting effects of soft money in our political system. Even during my speaking engagements, I am sometimes asked whether I was captive to the NRA, the tobacco industry, or some other

special interest group that is known for donating large amounts of money. People can't believe that elected officials can function without looking at who is putting money in the kitty.

15. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Alan K. Simpson

Executed on _____, 2002.