

April 29, 2013

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama,

We are writing to express our deep concern about the nation's corrupt campaign finance system and about your failure, to date, as President to provide meaningful leadership or take effective action to solve this fundamental problem facing our democracy.

Our organizations include Americans for Campaign Reform, the Campaign Legal Center, Citizens for Responsibility and Ethics in Washington, Common Cause, Democracy 21, the League of Women Voters and Public Citizen.

We recognize that as President you face many important policy issues and that you need to set priorities for your efforts.

This, however, does not justify the fact that for more than four years you have not provided meaningful leadership, or made use of your bully pulpit, to advance the reforms that are essential to repairing the nation's campaign finance laws. Nor does your need to deal with other policy issues justify your lack of action to address the failure to enforce the campaign finance laws.

The absence of your leadership on campaign finance issues has been very damaging to the interests the American people have in honest elections and a government free from corruption. It is inexplicable to us that you have been unwilling to actively work for solutions to political money problems that are attacking the integrity of our democracy and political system.

When you first campaigned for President, you had no problems addressing the reforms necessary to repair the campaign finance system.

For example, in October 2007 in response to a Midwest Democracy Network questionnaire, you supported public financing for congressional races, stating, "I believe it is imperative that we get big money out of the political process."

In June 2008, in an op-ed article you published in *USA TODAY*, you made a public commitment to repair the presidential public financing system. You said at the time that you were "firmly committed to reforming the system as president so that it's viable in today's campaign climate."

During the 2008 presidential campaign, you also recognized the serious problems with the agency responsible for enforcing the nation's campaign finance laws, stating in response to the questionnaire referred to above, "What the FEC needs most is strong, impartial leadership that will

promote integrity in our election system.” You made a public commitment to “appoint nominees to the Commission who are committed to enforcing our nation’s election laws.”

As President, however, you have provided no leadership and have taken no meaningful actions to accomplish these goals.

Moreover, actions you have taken have served to undermine the protections in place to guard against the corrupting influence of political money.

After initially indicating you would use the public financing system for your 2008 presidential campaign, you walked away from the system and became the first party nominee since President Nixon in 1972 to run a primary and general election presidential campaign solely with private contributions. This action helped cause the demise of the presidential public financing system that had served the nation well for most of its existence.

In the 2012 presidential race, while raising unprecedented amounts of small contributions on the Internet, you also raised unprecedented amounts of large contributions and bundled contributions, providing a stark reminder of the importance of restoring the presidential public financing system.

We recognize that the critical test for an officeholder is not how an official functions within the boundaries of the flawed campaign finance system that exists, but what the officeholder is prepared *to do* to fix the system. You have not met this critical test.

In addition to walking away from your commitment to repair the presidential public financing system, you have not submitted any nominees for the FEC to the Senate for more than three years. This has occurred despite the fact that four of the Commissioners currently serving on the six-member FEC are lame-duck Commissioners, whose terms have expired and who are ineligible to be reappointed, but who can continue to serve until they are replaced. A fifth lame-duck Commissioner recently resigned and at the end of April the sixth Commissioner will become a lame-duck. This means that as of April 30, there will be five lame-duck Commissioners and one open seat at the FEC.

Meanwhile, it is widely recognized that the FEC is a dysfunctional agency that in recent years has repeatedly refused to properly enforce or interpret the campaign finance laws. As a result, while we have campaign finance laws on the books, the impact of these anti-corruption laws is minimized by the absence of meaningful enforcement. This failure to enforce the laws is its own campaign finance scandal and you have been unwilling to do anything about it.

The Internal Revenue Service also has failed to enforce the tax laws against groups that have improperly claimed tax-exempt status as Section 501(c)(4) “social welfare” organizations in order to hide the donors funding their campaign-related activities. We are aware of no steps that your Administration has taken to address these abuses of the tax laws.

We recognize that your Administration provided some support for the DISCLOSE Act efforts in Congress, some support for curbs on lobbyists and issued statements opposing Republican efforts to repeal the presidential public financing system. We also recognize that you have challenged the *Citizens United* decision, stating in your 2010 State of the Union address, “I don’t think the American elections should be bankrolled by America’s most powerful interests, and worse, by foreign entities.”

Nevertheless, these limited efforts do not translate into providing the presidential leadership and public advocacy necessary to reform a corrupt campaign finance system that distorts all aspects of public policy.

Furthermore, you have failed to pursue campaign finance efforts that are within your complete control as President. For example, it is within your executive authority to submit FEC nominees to the Senate to fill the existing vacancies; to issue the Executive Order you initiated, but then dropped that would have required government contractors to disclose their contributions to groups engaged in electioneering activities; and to use the bully pulpit to speak out and educate the public on repairing the campaign finance laws, as you have on a number of other issues.

It is also within your control to publicly support the effort to have the Securities and Exchange Commission require public corporations to disclose their campaign activities to their shareholders and the public, and to obtain better disclosure at the Federal Communications Commission regarding campaign ads being run by broadcasters.

You have been unwilling to undertake any of these efforts despite your ability to do so under your own authority.

Despite the enormous damage done by the Supreme Court decision in the *Citizen United* case, it is important to recognize there are effective and valuable reforms that can be made to repair the nation’s campaign finance laws. These reforms need your active leadership and your public voice. They include:

- Empowering citizens to counter big money in American politics by matching their small donations with multiple, public matching funds and thereby making their contributions far more important and valuable to candidates and central to financing federal elections;
- Curbing Super PACs and establishing tough rules to prevent coordination between outside spenders and candidates;
- Closing the gaping loopholes in the disclosure laws;
- Creating a real campaign finance enforcement system; and
- Taking steps to directly challenge the *Citizens United* decision.

Instead of providing leadership and a public voice on these reform battles, however, you have worked this year in the opposite direction.

After prohibiting corporate contributions from being used to fund your inauguration in 2009, and after publicly recognizing the dangers posed by corporate money in American politics, you reversed your 2009 policy following re-election to your second and last term as President. According to FEC reports, the corporate funds raised by your Inauguration Committee to pay for your second inauguration included \$4.6 million from AT&T, \$2.1 million from Microsoft, \$1 million from Boeing and \$1 million from Chevron.

You also played a leading role this year in creating Organizing for Action, an unprecedented, privately-funded group that functions as an arm of your presidency. OFA provides wealthy donors and bundlers with the opportunity to provide very large amounts of money to an organization operating on your behalf and in your name, and thereby the opportunity to obtain undue influence over government decisions. OFA is a big mistake and a dangerous precedent that other federal officeholders are now likely to follow.

The *Citizens United* decision in 2010 made a broken campaign finance system far worse, opening the door for unlimited expenditures of unlimited contributions to exercise undue influence over our elections and exert corrupting influence on government decisions and federal officeholders. It is a national imperative that we repair the nation's campaign finance laws.

We know that campaign finance reform fights are always tough battles. And we know it is difficult to pass legislation in this divided Congress. But we also know, and history shows, that campaign finance reform battles can be won over time if they have strong national leadership that recognizes the enormous stakes involved for the nation. We also know the difficulties of passing legislation have not prevented you from pursuing other difficult battles you consider important.

Given the absence of leadership and action on your part, we can only conclude that in your view the scandalous campaign finance system facing the country is not important enough for you to spend political capital on, or take meaningful steps to repair. In taking this approach, thus far, you have failed the citizens of this country on an issue of paramount importance – preventing the corruption of our democracy.

We strongly urge you to act now and during the remainder of your second term to provide leadership and a public voice in the pivotal battle to reform the campaign finance laws and protect the American people against the corruption of our democracy. We also strongly urge you to exercise your executive authority to nominate to the FEC and other agencies that deal with campaign activities, individuals who are committed to properly enforcing the laws.

Respectfully,

Americans for Campaign Reform
 Campaign Legal Center
 Citizens for Responsibility and Ethics in Washington
 Common Cause

Democracy 21
 League of Women Voters
 Public Citizen