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SECRETARY OF STATE  
STATE OF IDAHO

Hon. Lawrence Denney  
Secretary of State  
State of Idaho  
P.O. Box 83720  
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Dear Lawrence:

You, President Pro Tem Hill, and Speaker Bedke are to be commended for proposing to tighten up campaign finance and ethics laws. While there has been a great deal of discussion regarding this subject over the years, there has been too little action. I hope that the working group will look at several measures that did not appear in media reports about the working group's first meeting--disclosure of the identity of owners of business entity campaign contributors; limitation of expenditures by parties making independent expenditures to support or oppose a candidate for public office; more frequent reporting of contributions; and establishment of an independent commission to investigate complaints of violation of the Sunshine Act and conduct studies of campaign and ethics issues.

Twenty years ago, the Legislature approved House Concurrent Resolution 27, which established a special committee to study campaign and ethics issues and to recommend reforms, much like the charge of the current working group. The five-member working group included former Chief Justice Charles McDevitt and former Governor Cecil Andrus. I was appointed to the committee by legislative leadership and ended up chairing the committee. The committee met twice to receive testimony and recommendations from the public.

The 1997 committee recommended six specific proposals to the Legislature. No action was taken on any of the proposals. House Bill 546, which provided for the creation of a Political and Campaign Finance and Ethics Commission, was printed and assigned to the State Affairs Committee, but stalled out there. This is still a good idea because, as explained at the time, such a permanent committee could "continuously review the effectiveness" of the ethics statutes and recommend needed changes. The text of House Bill 546 can be found on the Legislature's website for the 1998 session.

Recent elections have disclosed that some individuals skirt contribution limits by funneling contributions through corporations or other business entities they own. It is not always easy to determine the true identity of such contributors. Rather than prohibiting contributions by such

entities, the Legislature should require disclosure of the names of persons who have ownership interests of 25% or more in such business entities.

We have also seen sizable advertising campaigns to support or oppose candidates through independent expenditures. While independent expenditures must be reported to the Secretary of State, there does not appear to be any limitation on the amount that may be spend on such an effort. Persons or entities making independent expenditures to support or oppose candidates should be subject to the same limits as are imposed on political contributors.

More frequent reporting of contributions should be required. The 7-day pre-election report does not give the public an adequate opportunity to see who is supporting a candidate. If there is something amiss, the media is often reluctant to report it at that late date for fear of being accused of unfairness. I would suggest adding 30 and 60 pre-election reporting requirements for both primary and general elections.

Candidates should also be required to report expenses as they are incurred, not when payment of the expense is made. There can be a significant gap between the two times and candidates often try to disguise how much they are spending by only reporting an expense when the check finally goes out the door.

This endeavor to bring more transparency and honesty to the election process is a worthy one and I wish you success.

Best wishes,



Jim Jones