

MEMO

To: Congressional candidates and consultants

From: Mark McKinnon and Lawrence Lessig, Co-Founders of Mayday Super PAC (Mayday.Us)

Re: Victory in AZ-7 & polling shows power of reform message

Date: August 28, 2014

Mayday Super PAC has raised millions this cycle from more than 50,000 donors who want to reward candidates for Congress who stand up for major political reform – and punish candidates who do not.

This Tuesday, we achieved our first victory -- in Arizona's 7th Congressional District Democratic Primary, where Democrat Ruben Gallego made his commitment to changing the way elections are funded clear to voters.

Mayday supported Gallego with a \$150,000 Independent Expenditure in <u>digital and mail</u> – the equivalent of 27% of the \$540,000 the candidate's own campaign raised as of its last filing.

Politico called our involvement the "only thing distinctive about this campaign." We highlighted Gallego as the candidate who would stand up for reform and give middle-class families more of a voice in our democracy – by changing how campaigns are funded and who politicians spend their time courting.

We have also announced Independent Expenditures in support of reform champions Carol Shea-Porter (D, NH-1), Walter Jones (R, NC-3), Stacy Appel (D, IA-3), and Jim Rubens (R, NH-Sen) – with more to come. Our commitment will range from hundreds of thousands of dollars in some races to millions in others, and we are looking at House and Senate races.

Today we are announcing poll results in many districts around the country, showing that generalelection voters want bold reform – including in blue, purple and red districts. In a year with low turnout, this high-energy issue could be key to getting young people and infrequent voters to the polls.

As we select our next targets, we urge all candidates to take a public stand in support of reform. Details of Democratic and Republican reform bills that we endorse are below.

If you endorse the bill on your website or in other public statements, please send links to info@reform.to. To see examples of public statements, see <u>Gallego's website here</u>, <u>Shea-Porter's website here</u> and Rep. Tom Petri's (R, WI-6) bill announcement here.

We encourage you to poll this message in your district – as well as poll the connection between campaign money and your opponents' positions on issues such as jobs and Medicare – and to utilize money-in-politics messaging in your own paid media campaigns. We will be keeping watch on how campaigns embrace this issue as we make future decisions.

See background information and new polling below.

Background on Endorsed Bills

Read Rep. John Sarbanes' (D, MD-3) Government By The People Act here, a summary op-ed here, and see co-sponsors here. Read Sen. Dick Durbins' (D-IL) Fair Elections Now Act here, a summary fact sheet here, and see co-sponsors here. And read Rep. Tom Petri's (R, WI-6) Citizens Involvement in Campaigns (CIVIC) Act here and bill summary here. Two other bills we support are The American Anti-Corruption Act and the Taxation Only With Representation Act.

Here is language embracing reform that you could put on your website:

GOVERNMENT BY THE PEOPLE ACT (HOUSE)

For most Americans, Washington is broken. Not so for the big banks, the corporations, and their lobbyists – who have a direct line to our elected leaders through their mega political spending. This creates a system that is tantamount to legalized bribery. [CANDIDATE] believes in a government that is accountable to everyday Americans -- not just CEOs and billionaires. [CANDIDATE] supports the proposed Government by the People Act, because it would create a system where public matching of small-dollar donations can offset the negative influence of corporate money in our elections. The bill, sponsored by Rep. Sarbanes of Maryland, fits squarely within the Supreme Court's recent rulings and would allow congressional candidates to voluntarily power their campaigns on small-dollar donations of \$150 or less -- and have those donations matched 6 to 1 and even as much as 9 to 1. With this plan, a high school teacher who donates \$150 would have more voice than a lobbyist who contributes \$1,000. This bill would get us one step closer to leveling the playing field and ensure that we truly are a government of, for, and by the people. Toward that end, [CANDIDATE] is also in favor of a constitutional amendment that would overturn the Supreme Court's odious Citizens United decision.

FAIR ELECTIONS NOW ACT (SENATE)

For most Americans, Washington is broken. Not so for the big banks, the corporations, and their lobbyists – who have a direct line to our elected leaders through their mega political spending. This creates a system that is tantamount to legalized bribery. [CANDIDATE] believes in a government that is accountable to everyday Americans -- not just CEOs and billionaires. [CANDIDATE] supports the proposed Fair Elections Now Act, because it would create a system where public matching of small-dollar donations can offset the negative influence of corporate money in our elections. The bill, sponsored by Sen. Dick Durbin of Illinois, fits squarely within the Supreme Court's recent rulings and would allow congressional candidates to voluntarily opt to only accept donations of \$100 or less -- and have those donations matched 5 to 1. With this plan, a high school teacher who donates \$100 would have the same voice as a lobbyist who contributes \$500. This bill would get us one step closer to leveling the playing field and ensure that we truly are a government of, for, and by the people. Toward that end, [CANDIDATE] is also in favor of a constitutional amendment that would overturn the Supreme Court's odious Citizens United decision.

CITIZENS INVOLVEMENT IN CAMPAIGNS ACT (HOUSE)

For most Americans, Washington is broken. Not so for the big banks, the corporations, and their lobbyists – who have a direct line to our elected leaders through their mega political spending. This creates a system that is tantamount to legalized bribery. [CANDIDATE] believes in a government that is accountable to everyday Americans -- not just CEOs and billionaires. [CANDIDATE] supports the proposed Citizens Involvement In Campaigns (CIVIC) Act, because it would encourage small donors to play a larger role in federal campaigns. The bill would restore the tax credit and deduction for donations up to \$200 and \$600 respectively. A federal tax credit was available for small donations from 1972 - 1986, but was eliminated in the Tax Reform Act of 1986. Currently five states—Virginia, Oregon, Ohio, Arkansas, and Minnesota—have tax incentives available for donations made to state-based elections.

Reform is a Winning Message

As Mayday determines its next targets, we are conducting polling across the country. The numbers are clear - reform is a winning issue across of geography, partisan leanings, and demographic traits.

Here are some toplines from our August polling with Public Policy Polling, followed by data:

- Overwhelmingly, Americans believe the political system is rigged for the rich and corporate donors. In every district, at least 56% of likely voters feel this way by a 21% margin or higher.
- In each district, more than two thirds of voters are more likely to vote for a congressional candidate who supports major reform to stem the influence of big-money donors.
- More than two thirds of voters are less likely to vote for a candidate after finding out they took lobbyist money and then voted the way lobbyists wanted.
- In every district we polled, public financing of congressional elections is a winning issue. Even in red districts such as KS-3, support for public financing had a whopping 35% margin (53-18). Support for a constitutional amendment was also very popular, but not as popular as public financing in any district.

ARIZONA 7 – LIKELY PRIMARY VOTERS

Public financing of congressional elections would only cost \$1 billion and could save taxpayers as much as \$100 billion from big campaign donors writing our tax laws. If one candidate strongly supported public financing of elections, would that make you more or less likely to support that candidate, or would it not make a difference?

Arizona-07 More Likely 41% Less Likely 23%

OTHER DISTRICTS – LIKELY GENERAL ELECTION VOTERS

Generally speaking, do you believe that our system of politics is rigged for the rich and for corporate donors, or do you not think it is?

California 10	Yes 56%	No 29%
Colorado 06	Yes 60%	No 30%
Kansas 03	Yes 56%	No 35%
New Jersey 05	Yes 59%	No 33%
Utah 04	Yes 57%	No 28%
Wisconsin 06	Yes 59%	No 35%

Would you be more likely or less likely to vote for a candidate for Congress if they supported major political reform that would decrease the power of big-money donors and give regular people a greater voice in our democracy, or would it not make a difference?

California 10	More Likely 72%	Less Likely 10%
Colorado 06	More Likely 73%	Less Likely 9%
Kansas 03	More Likely 69%	Less Likely 10%
New Jersey 05	More Likely 73%	Less Likely 8%
Utah 04	More Likely 71%	Less Likely 10%
Wisconsin 06	More Likely 69%	Less Likely 8%

If you learned that a member of Congress took thousands of dollars from corporate lobbyists, and then voted the way the lobbyists wanted, would that make you more likely or less likely to vote for that member of Congress, or would it not make a difference?

California 10	More Likely 10%	Less Likely 72%
Colorado 06	More Likely 9%	Less Likely 66%
Kansas 03	More Likely 11%	Less Likely 66%
New Jersey 05	More Likely 6%	Less Likely 75%
Utah 04	More Likely 8%	Less Likely 72%
Wisconsin 06	More Likely 7%	Less Likely 68%

POLL DATES & MARGIN OF ERROR

DISTRICT	MOE	DATE OF POLLS
Arizona 07	MOE: +/-4.4%	July 22-24, 2014
California 10	MOE: +/-4%	August 6-7, 2014
Colorado 06	MOE: +/-4.4%	August 6-7, 2014
Kansas 03	MOE: +/-4.3%	August 19-20, 2014
Utah 04	MOE: +/-3.8%	August 6-7, 2014
Wisconsin 06	MOE: +/-4%	August 19-20, 2014
New Jersey 05	MOE: +/-4.3%	August 5-7, 2014

There is a proposal to institute public financing of congressional elections, which could cost \$1 billion per election cycle and save taxpayers as much as \$100 billion that comes when big campaign donors get to write our tax laws. Would you be more likely or less likely to vote for a candidate for Congress who supported this proposal, or would their support for it not make any difference?

California 10	More Likely 50%	Less Likely 22%
Colorado 06	More Likely 50%	Less Likely 24%
Kansas 03	More Likely 53%	Less Likely 18%
New Jersey 05	More Likely 54%	Less Likely 20%
Utah 04	More Likely 48%	Less Likely 22%
Wisconsin 06	More Likely 49%	Less Likely 23%

Some people have proposed a constitutional amendment to overturn the Supreme Court decision that allowed unlimited corporate spending on elections. If a candidate for Congress strongly supported this constitutional amendment, would that make you more likely or less likely to vote for that candidate, or would it not make a difference?

California 10	More Likely 41%	Less Likely 34%
Colorado 06	More Likely 40%	Less Likely 30%
Kansas 03	More Likely 42%	Less Likely 34%
New Jersey 05	More Likely 44%	Less Likely 23%
Utah 04	More Likely 34%	Less Likely 32%
Wisconsin 06	More Likely 40%	Less Likely 31%

One proposal in Congress would give every American a tax credit for the first \$50 or \$100 they donate to political candidates, to empower every American to have a bigger voice in our democracy and to incentivize politicians to pay more attention to regular people. Would you be more likely or less likely to vote for a candidate for Congress if they supported this proposal, or would it not make a difference?

California 10	More Likely 50%	Less Likely 17%
Colorado 06	More Likely 47%	Less Likely 20%
Kansas 03	More Likely 41%	Less Likely 25%
New Jersey 05	More Likely 50%	Less Likely 20%
Utah 04	More Likely 43%	Less Likely 24%
Wisconsin 06	More Likely 42%	Less Likely 19%

All polls commissioned through Public Policy Polling -- Arizona by the Progressive Change Campaign Committee and others by Mayday.