LYNNE ABRAHAM'S PLAN FOR REAL REFORM: NO MORE BUSINESS AS USUAL

As we approach the most important Mayoral election in decades, Philadelphia is a city poised for greatness, but stymied by a system that perpetuates the status quo: Dysfunctional government stifled by entrenched special interests, underperforming schools, unsafe neighborhoods, unacceptable levels of poverty, a static job market and a tax structure that drives away businesses and good-paying jobs. One of the biggest reasons: Politicians doing their own business and serving vested interests – rather than doing the people's business.

Lynne believes "We have an opportunity for change, to make the hard decisions, to shake things up, and if necessary -- to break some china along the way." Lynne has a new message for the people of Philadelphia. **No more business as usual.**

The Abraham six-point plan:

- Rid Philadelphia of "Big Money" Politics
- Demand Transparency in <u>All</u> Campaign Donations and Spending
- Stop City Council Pay-to-Play
- Draw a Bright Line Against the Use of Public Service for Private Enrichment
- Shine Light on Politicians' Official Conduct and Outside Connections
- Advocate for Merit Selection of City Judges

Rid Philadelphia of "Big Money" Politics

In recent years, Philadelphia has enacted campaign finance reforms to shut down the pipeline of unlimited special-interest campaign cash to our City's elected officials. Unfortunately, these rules have been upended due to the rise of "independent expenditure" Political Action Committees, outside groups that don't have to play by City election rules and -- thanks to loopholes -- can sometimes even hide the names of their donors. These so-called "Super PACs" – "Big Money" – are taking donations of a million dollars or more from a single person or group and spending tens of millions to influence Pennsylvania elections.

These groups and the candidates they support claim to be independent of each other. But how can they be when so much money is being contributed by special interests with the intention of electing a candidate who will do their business? As a result, Big Money makes a mockery of campaign reform. Our campaign finance laws have become a joke and are an embarrassment to our City.

Philadelphia deserves better. That's why Lynne Abraham is the first -- and only -- candidate for Mayor to propose that she and all candidates all take a "People's Pledge" to prevent independent expenditure groups from trying to buy the Philadelphia Mayor's race.

• Adopt a "People's Pledge" to hold politicians accountable and block unlimited Super PAC money. Patterned on the successful model pioneered by Elizabeth Warren and her Republican rival in the 2012 Massachusetts race for United States Senate, and replicated elsewhere since, Lynne's plan provides a way for candidates to effectively dissuade Super PACs from getting involved in a race. Specifically, each candidate agrees that in the event an outside group spends money on advertising aimed at helping their election, that candidate must forfeit an equivalent sum from their own campaign account. The effect is to make it counterproductive for a Super PAC to throw its weight around, since they know their spending will financially undermine the very candidates they are trying to help.

Sad to say, all the other candidates for Mayor have refused Lynne's call for a People's Pledge to protect voters and taxpayers. Maybe that's because at least two of them, Jim Kenney and Anthony Williams, already have special interest funded Super PAC allies lined up and airing television ads to help them.

Demand Transparency in <u>All</u> Campaign Donations and Spending

They say that in politics, if you want to know what someone wants, follow the money. But in Philadelphia that's gotten a lot harder lately due to the flood of barely-regulated Big Money spending made possible by the United States Supreme Court's misguided decision in *Citizens United*. Big Money accounts for a large and growing share of the money spent in Mayoral and City Council races. Yet, at the same time, our city and state disclosure laws haven't kept pace with the new reality. Outside groups can hide behind bland names that give no hint whatsoever of their real agendas and keep donation information secret until after the election (or sometimes forever).

The best solution is to get these independent expenditure groups out of Philadelphia elections altogether. But, until this happens, Lynne believes voters have the right to know what these outside groups are up to and who's giving the money, before they go to the ballot box.

• Require that Big Money groups name their biggest funders right in their advertisements. Lynne's plan would ensure voters' right to know who is behind the advertising supporting one candidate or attacking another. The plan would mandate that any advertisement paid for by a group allegedly outside of an official candidate's

official committee and mentioning a registered candidate's name disclose the identity of its five largest donors, in legible type for television or other visual mediums or in narration for radio. Additionally, for television and radio commercials, an audio disclaimer must also be delivered by a representative of the group's single largest donor stating "I [name or name of PAC] was the largest funder of this advertisement."

• Update disclosure laws to require outside groups to open up their books before an election. Lynne advocates for updating Pennsylvania state campaign finance laws and those of the City of Philadelphia to require that Super PACs file comprehensive campaign finance reports online, following the same schedule as candidate committees, showing all donors and all expenditures. Under current rules, outside groups often need not disclose this essential information until weeks or months after the election, depriving voters of their right to know.

Stop City Council Pay-to-Play

Today, the concerns and well-being of Philadelphia's residents frequently take a backseat to special interest deals and narrow agendas, thanks to a system driven by the needs and dictates of political giving. Some attempts at reform have been made, but the problem persists.

"Pay-to-play" comes about when elected officials rely heavily on political donations from well-heeled special interests that need public officials' support to advance their financial interests.

Lynne's plan to end pay-to-play combines steps to control influence of outside spending groups, as above, with new rules to tackle the outmoded phenomenon that accounts for the biggest single share of the problem: "Councilmanic Privilege." Here's how it works. The City is divided into ten separate "Councilmanic" districts, in effect ten boroughs. Each District Councilman is the lord or lady of their domain. When a project is proposed in a District that requires Council approval, the Councilman decides whether it is a "go or no-go." Sixteen other members of Council defer to the single District Councilman, and take little or no part in reviewing the merits of the project.

This occurs no matter how important or controversial the project. The other, 16 District Councilman, were elected by voters as a whole to serve the City as a whole, but they usually turn a blind eye to the wishes of the District Councilman where a project is located in the district. As a result, in order to get support for a project, developers and lobbyists feel obliged to make contributions to the Councilman to see projects through. The money received by District Councilmen funds their war chests and makes it difficult for a challenger to mount a campaign during an election year, which is one reason why so few District Councilmen are challenged on

Election Day. Not every developer contributes; not every District Councilman insists. But there is an expectation, and it is toxic. Developers feel pressured; community groups feel left out.

Of course, the influence of money on politics isn't confined only to private-sector development. Opportunities to raise revenue for the City, such as the proposed PGW sale, for example, are not even allowed a hearing because entrenched interests -- this time unions and others opposed to the transaction -- so often set the terms and frame the debate for the legislative process.

• Bar Councilmen and their political committees from accepting contributions from developers during periods in which they are seeking City approvals. Lynne favors legislation to cut off contributions by developers seeking to move a project through the approval process in the City of Philadelphia. Specifically, Lynne proposes a new ethics rule: no developer may make a contribution to a Councilman for a period commencing twelve months **before** submission of an application for approval and continuing until twelve months **after** such a permit is issued.

Draw a Bright Line Against Use of Public Service for Private Enrichment

Corruption in Philadelphia politics is often taken to mean cases of a City official caught taking a bribe, or committing some similarly outrageous criminal abuse of their public office. Yet, much of what erodes public trust in our City government involves ethically questionable practices that, as things currently stand, may fall into legal gray areas or may even be perfectly lawful. The revolving door between City Hall and the ranks of private-sector lobbyists is one prime example.

Lynne believes this has to change, which is why her plan would:

- Mandate a two-year cooling off period in which former city officials are banned from lobbying Philadelphia government. Lynne proposes to ban municipal lobbying by any former city employee or elected official for a period of twenty-four months following their final paycheck from the City.
- Bar elected officials and their households from receiving income tied to a city contractor, beneficiary or petitioner over which they may have influence. Lynne's plan would bar elected officials, including members of City Council, and members of their immediate households from receiving income from a source that has City business, receives City funding, or lobbies City government, where such official has actual or the appearance of influence over the source's interest in City government.

Shine Light on Politicians' Official Conduct and Outside Connections

Lynne strongly supports existing ethics and transparency initiatives like retaining the offices of Inspector General and Chief Integrity Officer, as created under Mayor Nutter. But watchdogs can only be as tough and effective as the laws and rules they have to work with -- and, right now, our City's rules need to be strengthened.

For example, today, email is often the single most important single medium for decision-making and the transmittal of records, including in municipal government. Yet the City's weak email policies mean that crucial information the public and ethics regulators are entitled to know can disappear even before its value is realized and records requested. Likewise, the annual "Statements of Financial Interest" filed by elected officials and senior appointees does not currently require filers to disclose sufficient detail about outside affiliations they may maintain, such as the amounts of income received from second jobs or roles held with non-profits.

Lynne's plan would expand disclosure for top City officials and ensure proper retention of key municipal records.

- Expand mandatory financial disclosure for elected officials and senior administrators, to shed more light on outside jobs and roles in non-profits. Lynne calls for toughening required disclosures on the annual Statements of Financial Interest filings made by elected officials and top city managers. Elected officials who choose to hold outside employment would be required to disclose the amount of such income from each source, and how it was derived, including the number of hours typically worked and duties and services rendered. Filers would also be required to disclose any position they or members of their immediate family hold with a not-for-profit organization.
- Require that official City email accounts be archived and retained for a period of not less than one to two years as opposed to a current policy that is vague and uncertain. Lynne would require that municipal email records in her administration be archived and retained for a period not less than 24 months from date of creation for official accounts belonging to senior city officials and 12 months for all other employees (or for any longer period or permanently, where so required by state or municipal law). "Records summarizing the origin of major policies and programs" would continue to be retained "indefinitely."

Advocate for Merit Selection of City Judges

• Move Quickly to Change State Law to Require Merit Selection of Philadelphia's Common Pleas and Municipal Court Judges. Philadelphia elects judges in a system that rewards political loyalties and insider connections and stifles honest and talented judicial candidates. The results are unworthy of a modern city. We have created a cottage industry of corruption and incompetence.

Confidence in our court system is the basis of civilized society. We count on our judges to be fair, competent and unbiased. Yet, in a city as large as Philadelphia, our judicial candidates enter elections largely unknown to the voters. Party endorsements and ballot position mean everything. This process yields two toxic results. First, too many unqualified judges are elected to the bench. Second, even qualified candidates feel obligated to make substantial cash contributions to ward leaders and petty entrepreneurs to get their names on ballots distributed at the polls. Payments upwards of \$30,000 and more to Election Day operators are commonplace. This is no way to select judges, the bulwark of our justice system. This has got to stop.

Philadelphia Bar Association Chancellor Albert Dandridge said it well in <u>The Philadelphia</u> Inquirer, Sunday, April 5, 2015.

The city Democratic Party yet again has betrayed the trust of voters by endorsing judicial candidates based on cronyism rather than merit ("Top judge candidates miss bar's approval," March 31). * * * [T]he Democrats endorse[d] three judicial candidates given "not recommended" ratings by the Philadelphia Bar Association * * *.

As a former ward leader, I know how dependent voters are on the candidate information given out by the party. As a past chair of Americans for Democratic Action, I also know how much the voters need guidance in judicial elections. Merit selection is the answer for picking judges. Standards and high expectations are the answer for endorsing other candidates.

In smaller communities, voters know their judges, but given Philadelphia's size, merit selection is the only way to safeguard the integrity of the system. Lynne will advocate for a merit-based judicial selection process to assure that Philadelphia judges are highly qualified men and women representative of all the people and communities of our diverse City.

Conclusion

In 1903, crusading journalist Lincoln Steffens exposed municipal corruption across the nation and found Philadelphia "the most corrupt and most contested." Where we stand today in the list of cities is not important. What is important is that we can do much better. Mayor Nutter has taken the City to a better place in transparency, but our campaign finance reform has failed because of the Supreme Court decision in *Citizens United*. Big Money seeks to buy power for vested interests to the detriment of our people and our future. And we tolerate corrosive forces like Councilmanic Privilege and electing judges in a system of "cronyism" as called out by Bar Chancellor Albert Dandridge. If we are to be the "Next Great American City," this needs to change. Lynne Abraham: "I'm Nobody's Mayor but Yours."