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STATE PARTIES:
A NEGLECTED PATH TO HEALTHIER POLITICS

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P R O C E E D I N G S

MS. KAMARCK: Good afternoon, everyone. My name is Elaine Kamarck. I'm a senior fellow here at the Brookings Institution and the founding director of the Center for Effective Public Management. We are really pleased to welcome you here today and to welcome our C-SPAN audience today to a panel called "State Parties: A Neglected Path to Healthier Politics."

State parties, political parties in general, have always been the ugly stepchild of American politics. Voters never liked them. Everybody tells you they vote for the person not the party, and they've been doing that for decades now. And yet, people with absolutely amazing regularity vote for the party.

And so today we want to explore these parties as institutions. Parties are completely essential to a functioning democracy, and today I think we've got people up here who are going to talk about that, and talk about the pros and the cons.

So let me introduce them, and then I'm going to hand the floor over to Jonathan and to Ray, who have written a paper which if you haven't gotten it is out there. And then we're going to have a discussion, and we will also include the audience eventually as well.

To my immediate left is Jonathan Rauch. He's a senior fellow in Governance Studies Program here at Brookings, and a contributing editor of the National Journal and The Atlantic. He has written a lot of books, and a lot of papers, but my favorite is a paper which -- or a sort of eBook which I encourage you to find called "Political Realism: How Hacks, Machines, Big Money, and Backroom Deals can Strengthen American Democracy." And if that doesn't get you interested, right, nothing will.

To his immediate left is Ray La Raja, who is an associate professor of political science at the University of Massachusetts at Amherst. Ray also has a new book out called, "Campaign Finance and Political Polarization: When Purists Prevail." And Jonathan and Ray are the co-authors of the paper that we'll be talking about today.

To his left is Jason Perkey. Jason is the executive director of the South Carolina Democratic Party after three years serving as the ED of the Kansas Democratic Party, and he also has the distinction of being the executive director and he's the president of the Association of State

Democratic Executive Directors. So he speaks for all the professional people who run political parties, or, at least, Democratic political parties.

To his left is John Phillippe. He is the chief counsel for the Republican National Committee where he oversees all the operations of the Counsel's Office. And this includes federal and state campaign finance compliance and, very interesting, the 2016 Republican presidential nomination process, which keeps him really, really busy. (Laughter)

And then at the end of the panel is Eliza Newlin Carney. She is senior editor at the American Prospect where she manages their website. She also writes a weekly column on money called "Rules of the Game," and she contributes to magazine features. She is also most famously known for coining the term, "Super PAC," which we now all have as an easy part of the political lexicon.

So this is a great panel. They have interesting things to say. And I'm going to turn it over first to Jonathan and Ray to talk about the work they did in preparation for this panel.

MR. RAUCH: Thank you, Elaine. Thank you all for coming on this beautiful day. It's good to see some old friends in the group here. And thanks, of course, to Ray, my co-author. And, also, I need to recognize Sam Stoddard, he's here with us today, who is a research assistant and all-purpose analyst and friend working on this paper. Extremely helpful. We couldn't have done it without you, so thank you, Sam.

It's chaos out there both in the campaign and on Capitol Hill, and Ray and I don't need to belabor that point. So what we decided we would do is go actually out there in the country and look for some knob that we could actually turn that's still connected with something that might, perhaps, reduce over the long term the amount of sheer chaos and frustration in American politics.

We think we found such a knob. We think it's hidden in plain view, and that it's the state parties, that it's time to refocus on those, and that, actually, this is low-hanging fruit. We believe that there is actually a lot that can be done with bipartisan support that isn't really very difficult that would make significant inroads against political disorganization and chaos.

So what we did is we did a bunch of things. First, we sent a survey to all 100 of the Republican and Democratic state parties. We got back 56 of those in time to use, which is quite a lot.

Second, we compared those survey results with earlier surveys from 1999 and 2000, one of them by Ray. We also interviewed 15 state party executive directors, and a few chairs were part of that group, in some detail about their responses, and we collected national data to look at funding and other such questions.

And then we tried to put all of that together in what I hope is the most coherent picture of what's going on at state parties that you'll find at the moment. And what we found are interesting.

I'll focus on our findings about conditions, and Ray will focus on policy and recommendations. So two findings I'd like to focus on. The first is that state parties are actually very much alive. They are still very much unique and important as political entities. And they have the aspect of something we call a public good. So let me try to unpack all of that a little bit.

There has been in recent years a kind of trend in political science to view parties in general, and state parties in particular, as just sort of masses of people in networks, you know, interest groups and politicians and what not.

And then there are other people who have said parties don't really do much anyway anymore. We found that's not true at all actually. State parties have a distinctive culture. They have professionals who take a long-term view of things. We found that they do some things that are really important in politics.

One is they are integrative. They look across races at every level simultaneously. They look across hierarchies, so they integrate the national parties with the county parties. They stand in the middle of all of that. And they also integrate across time.

So one of the things that's most important about them is they're durable institutions, so unlike a candidate who can, you know, slash and burn, or an outside group. As one of them put it, we are the stewards of the brand, we're the ones that exist forever. So they need to be accountable for long-term results and for reputation.

And they do things like, for example, we talked to one ED of a Democratic Party in a deep red state who said they were spending time and money running up turnout in safe Democratic congressional districts which had all been, you know, packed in. And we said, well, why are you doing

that? Isn't that like a waste of money? And she said, no, because we need to worry about turnout for state offices, and this is where we're going to get it, in our safe urban districts. And I thought, ah-ha, no candidate or interest group thinks like that, only a state party would.

They also do something that's a little bit like gardening. We were very keen to find out under what circumstances state parties will actively endorse a candidate, put its thumb on the scales early on and say we pick this one and favor a candidate. They almost never do. We can talk about why.

You'll find at the back of the paper, the survey results are all there, you can see for yourself, but they just almost never do that. So they used to be gatekeepers back in the day. Someone like Donald Trump could never have even been on the ballot. But they're not anymore. But what they still are is kind of gardeners. They still operate through jawboning and education and encouragement. They'll go to a candidate and say, you know, you're a good candidate. Might you run for this office instead of that office? We think you might have a better shot. So they kind of shape the landscape to try to make the races more winnable, and try to make the candidates a little more reasonable.

They also virtually all recruit. That's an absolutely key function of state parties we find, and so they're building their bench for the future, which is also something candidates and interest groups don't worry about.

They develop capital stock of knowledge, data, volunteers. These are all information and people that you can pass on to the next candidate. It's cumulative and that's very important.

And finally, they're depolarizing to some extent. Ray and his colleague Brian Schaffner have a new book out, Elaine just mentioned it, which finds that in states where the parties are stronger, legislatures are less polarized, and that was consistent with our finding.

For example, we talked to a state executive director who had come from a conservative advocacy group, and told us how much his perspective had changed once he got into the party and was out telling his old colleagues do you really need to whack so and so for being a rhino. We need to keep that seat.

So for all of those reasons and others, which you'll hear, state parties perform a lot of functions which are important, actually, to society. So we think they're a public good. They've got a lot of

positive spinoff.

But as you all know from Econ 101, what's the sad fact about public goods? They tend to be underfunded because no one is capturing all of the value that they put out. So we decided to try to find out how they're doing. The answer is they're struggling.

You'll find in the paper Charts 1 and 2 and 3 show what's happening, but the bottom line is this. In absolute terms since McCain-Feingold passed in 2002, they're sort of flat. Republicans took a nosedive but kind of built back in terms of money and spending. Democrats are kind of flat since then.

We also looked at function, what they do, and who they employ, also not a great deal of change, actually, over the last 15 years, size of staff, for example, and activities. What is different is the competition is running circles around them.

You'll find in Figure 3 in the table, if you look at it, we looked at independent spending versus party independent spending, outside groups versus party in six states. And you'll see the parties just become minuscule compared to the resources that outside groups are now throwing into campaigns.

And what they would tell us are things like this. I quote, "We believe we're fighting for our lives in the current legal and judicial framework and the super PACs and (c)(4)s really present a direct threat to state parties' existence."

The problem is not that they are falling behind in absolute terms. It's that they're falling behind in relative terms. That's a problem because outside money is much less transparent and accountable than party money. Their interests are much more parochial and extreme. They're interested in a particular agenda, a particular race, but they may not stick around. They tend to be polarizing. They tend to be extreme.

So that's problematic if this public good is declining.

I'll now turn it over to Ray, who will talk a bit about policy factors and what to do about them.

MR. LA RAJA: Okay. First, I want to thank Brookings for providing resources for this project, and to my co-author, who I really enjoyed working with, and to Sam Stoddard again for his research.

So our basic argument is that the rules disadvantage state parties relative to other groups. And what happens is the rules shackle parties from doing more of what they do best, and that is grassroots voter engagement across the party ticket.

Second, the rules make it harder for them to sponsor TV and they lack the resources. They leave this to outside groups. So starting with the grassroots activity, by far the biggest complaint we heard is that McCain-Feingold law federalizes core grassroots activities at the state level. Okay. That is their bread and butter work, the essence of the public good that Jon was talking about, and federal law just makes it harder.

Parties must raise and spend federal money in complex ways to pay for this, and it diminishes what they do, and their Byzantine rules that affect even how parties use volunteers to canvass voters, to register them, to get them to the polls.

I mean, lawyers like Neil Reiff in the audience, John Fildy, they make a good living off this. Alright? But I know we want to encourage more volunteers and they do, too, and we could change some of these things.

And the nub of the problem is this thing called federal election activity, this definition. It's very broad and it captures basic grassroots work which is intended to help candidates in local and state elections. And because of this, the parties have to spend this regulated money on traditional grassroots work.

And the report quotes directors who tell us they cut back all the time. For example, we were told that simply telling voters vote on November 8th at Precinct 12 counts as federal election activity, and so you leave off the part about when and where to vote when you're talking to voters. Okay.

This is exactly -- we want parties to be doing this. We want them to be getting voters to the polls. In our view, parties could do even more of this if they had more money. And why does it have to be restricted to these McCain-Feingold rules?

So beyond the grassroots work, Jon also mentioned the public good aspects it's providing. And the public good is combining candidates under a party brand and interest, and the brand makes candidates accountable to one another. And a renegade candidate like Trump at the state level,

he hurts the party brand, and we can talk about chairs and directors who talked about this. And if you're organizing together, you're going to push back against a sense of such renegades.

But the fact is the laws discourage party ticket campaigning, the kind of campaign that encourages this mutual accountability, because broad appeals for the party ticket fall under this rubric again of federal election activity. You need to use these high-cost federal dollars.

So what happens? In some states the leaders, state party leaders choose to focus on a few candidates in competitive races rather than the full slate. Jonathan gave you an example of when they weren't doing that, but they often do that, and it makes the party act more like a super PAC and encourages political fragmentation.

So in sum, the party has been careful to circumscribe its activities because of regulations, fewer resources, complexuals. They stay in their lane. That's what we heard a lot of again and again. This is our lane. Grassroots activity, direct contacts, TV, that's their lane, the super PACs. Okay.

So parties cope by specializing. And our surveys and interviews, as Jon mentioned, they focus on two big things: voter data, voter mobilization. And voter data today, that's the holy grail of American politics, okay, and parties seem to dominate here. However, they still face more and more competition, and that could be good and bad.

And I'll just offer some of the bad. On the GOP side, we heard concerns about the I-360 Program that's supported by the Koch Brothers' network. They don't always share the data that they collect the way the parties do. The parties provided this as a public good to all their candidates, and I-360 we hear hasn't been doing that.

So let me turn a little bit to the TV side of things. The lane strategy means parties aren't big players here. They're broadcasting lots of groups, and we show you those independent spending numbers. In our survey, half the parties said they advertise on TV and radio sometimes or often, okay.

We also asked the directors. Here's something that was really fascinating. We asked them to assess the environment for independent spending, okay, and here's what we found. There are stark differences in independent spending in states that give parties more free access to money.

If there are no limits, for instance, on contributions, their big difference -- this is state laws

now. Here's a problem with state laws, not federal laws. It's simple math. If you restrict the party, you get more independent expenditures by nonparty groups.

So, one statistic. In states that have contribution limits, 65 percent of the respondents said independent groups sponsor more than half or all of political ads in those states. States without those contributions, only 23 percent said this. That's about one-third as much. In states with contribution limits, 65 percent of our state party respondents said independent expenditures is often a key factor in governor's elections, while less than half said that in the other states.

So we don't particularly like this division of labor. It's not accountable. Super PACs are rarely in the campaigns for the long haul. They're like a tent circus of campaigns, here today, gone tomorrow.

In this report, we also mention the way, you know, this division drains talent, wastes resources. So we think it's time to restore some balance, okay. And based on some premises that we laid out here, the parties provide the public goods, which we think are being undersupplied. State parties, even if they're not disappearing, are falling behind competitors who don't face these advantages.

And then finally, some people might not like this, we think that super PACs and dark money is here to stay, so why -- what's the point in handcuffing the parties at this point? We're very realistic about this.

So here's our recommendations. Raise or eliminate contribution limits to the parties. This could do what Brian Schaffner and I describe in our book as building canals, not dams. Okay. So you want to divert -- money is going to fall into politics. Divert it towards the most accountable venues, and we think that's the parties.

Two, let parties coordinate with candidates and aggregate their spending as much as possible. It makes no sense to restrict parties from coordinating. It's exactly what state parties should be doing, integrating campaigns.

Three, we recommend tax subsidies because parties provide an underperforming public good. Now, we haven't thought through all of the implications here, so we're just putting this out there for discussion. But if state parties are already treated like nonprofits for mailing purposes, we talk about this

in the report about how that mail discount is really good for them, why not for tax purposes as well? You know, if you can make tax deductions to places like Yale or other nonprofits, why not for parties which are performing this vital public good?

Four, basic regulatory changes. We agree with the Brennan Center, as well as the Association of State Democratic Chairs, to roll back the federalization of state and local activity by narrowing, not getting rid of it, but narrowing the amount of activity that must be paid for with federally-compliant funds. Let state parties be really state parties. This is federalism.

So let me conclude by saying there's no magic bullets that we're offering here to strengthen them and improve the campaign environment. We are realists, but we need to start somewhere. We need to start creating -- eliminating some of the disadvantages that the parties face, especially at a time when politics seem so fragmented.

And helping state parties, as Jonathan said, is the low-hanging fruit. Okay. We don't even think -- there's not even a great risk in making these efforts, even if they don't achieve all the things we say they might achieve, and it's certainly less risky than changing -- trying to amend the Constitution or some of these very complex public financing schemes.

So a realistic set of changes to help make the system more balanced and accountable. Let me stop there.

MS. KAMARCK: Okay. So you can see we've got quite a provocative paper here with even recommendations. So let me turn it over to our discussants now.

Jason, you want to go first?

MR. PERKEY: Sure. Thank you and thank you, Ray and Jonathan, for bringing to light something that truly is a bipartisan issue. This is something that Republican parties and Democratic parties alike are dealing with. My counterpart in Kansas and I spoke about this all the time. My counterpart now in South Carolina talk about this as an issue. We are all facing this every day.

At the end of the day, state parties, I think, and most of my colleagues believe, provide three core functions. We're a large organization in some states. In Florida, a multimillion-dollar organization, in South Carolina much smaller, in other states even smaller, but we really -- it boils down to

doing three things.

We as an organization have to grow, and so we go out and try to register as many voters as we possibly can. From there, we try to figure out a way to talk to voters in a meaningful way, keeping them engaged either during the election cycle, but especially during the off years so that folks know and they're up to date on the issues that are important to us as a party, and important to the communities and the state and the nation.

And the last thing that we do is we try to turn out as many folks to vote as we possibly can. Now, believe it or not, all three of those separate things are all considered federal activities. Everything that I just -- everything that spawns off of them also is considered a federal activity.

And as a result, the funds that we have to use in order to pay for any programs that come about as a result of trying to focus on any of those things, we need to use federal funds. And we're sitting with a pile of -- a limitation on the amount of funds that we can use for it versus our nonfederal funds that are also in a separate bank account that, hopefully, we could use for the purposes of electing some of our state legislators or some of the folks that are down ballot or maybe even doing some nonfederal activity within our states.

The truth of the matter is that over a period of time, as a result of super PACs and a number of other things like the McCain-Feingold Act, state parties have been boiled down to having basically two pieces of political capital.

We served as a mail bank for folks. We ran a lot of mail through our state parties as a result of being able to pay for mail at a much reduced rate. And then secondly, we served as a place to -- as a data house. The Democratic Party has far and away the best data on voters and on communities that any candidate would ever want to go after.

And so we served as, essentially, those two things. And over a period of time as staff and as chairs and organizations, what we try to do is come up with more added value to our organizations, to our states, to our candidates, and we did that by creating trainings, by working closely with our county parties in order to figure out different ways to communicate and ways that we could grow and ways that we can turn out voters.

But at the national level, we're really fortunate at the Association of State Democratic Chairs to have a leader in Ray Buckley, who also serves as the chair of the New Hampshire Democratic Party, who saw this as an issue that all state parties are facing. Again, not just Democrats, not just Republicans, but all of us. And as a result, in 2013, we put together a plan in order to address them.

What we also did, what he also did is directed a staff at the ASDC to put together a series of trainings for the purposes of understanding exactly what the impact of McCain-Feingold had on state parties, because, believe you me, the last thing that you want is to get bopped over the head by the FEC for using incorrect funds in order to pay for something.

And so through the leadership of Jonae Wartel, who is the executive director; Vanna Cure, who is their training director; and Amy Littleton, who serves as the operation director of the ASDC, they've set up a training program for state parties to learn all of these -- to learn the ways of the FEC.

And while Neil, I think he's going to put his kids through college as a result of the legal work that he's done for state parties, we don't pay him enough in order to make sure that we stay out of trouble. And then when some states do, we feel really fortunate to have someone like Neil, who has relationships with the FEC, in order to work with us on any issue.

But what I really want to stress with regards to the study is what I started with, and this is the idea that it's not just Republican state parties that are dealing with this issue. It's not just Democrat state parties that are dealing with this issue. We both are.

And what I would hope that what would happen at the end of the day is that our federal legislators, our members of Congress, would hopefully start to sit down with us more often in order to have a conversation about the impact that their state party that may have recruited them to run way back when whenever they first entered Congress and continues to get them reelected and serve the Democrat or Republican parties within their states, hopefully, can hear the challenges that we're facing on a day-to-day basis, and do something about the laws that Ray just referred to.

Look, we agree that an issue of the contribution limits is an issue for us. We agree that being able to coordinate more allows us to spend money more effectively and wisely during the course of a campaign. Making the contributions tax-deductible is an issue, especially for some of the larger donors

that are looking for a way to spend their money at the end of the year.

And then, obviously, the regulatory rollbacks are something that, hopefully, if we start working more closely with our members of Congress that we can face and address.

MS. KAMARCK: Great. Thank you. John, from the other side of the aisle.

MR. PHILLIPPE: Sure. Thank you. It's a pleasure to be here, and I want to thank Ray and Jonathan for their work, and Brookings for hosting what I think is a very important program. And I'm delighted, as Jason is, that there is more attention being focused on the plight of state parties in today's day and age.

And I think there's a lot of room for common ground, as Jason said, but it's not just bipartisan. I mean, it could be ideological as well, and it could be among people who have different goals or see different problems in the system right now.

For instance, a lot of folks think that there's too much money going to less transparent, less grassroots-oriented groups, as the authors mentioned. Well, if you've got a problem with that, then one way to counteract that is to create reforms that will strengthen the most transparent, most accountable, most grassroots-oriented organizations in the system.

And one of the specific reforms they talk about, and we can get into those and other specific ideas, is raising or eliminating contribution limits. Now, a lot of people will say, well, that's just more money into the system, and that, to begin with, isn't true. Keep in mind. There's not a dollar that cannot go into the system now that would be in the system if state parties could raise more money for themselves. It's just a matter of where it's going to go.

Secondly, increasing contribution limits could have the sort of ironic effect of increasing the strength of low dollar -- an influence of low-dollar donors, because what you'll see is state parties are much more driven by low-dollar donors than super PACs are and (c)(4)s are. And now, certainly, the mix would change as more high-dollar money comes to state parties, but it's still going to be a mix. It's not going to be 100 percent high-dollar donors.

And the other thing you need to look at in that respect, too, I think, is the national committees have pretty high limits compared to state party committees, but that doesn't mean we don't

raise low-dollar money. The fact is it costs a lot of money to raise low-dollar money, and money that could come in the door from high-dollar contributors could be used to build out low-dollar fundraising programs, and the state parties just don't even have the resources to do that right now. So I do think increasing or even eliminating limits could have a very positive effect on state parties.

A couple other points I'll make, and one of the things that you may be wondering is, okay, why is the guy from the national party committee here? We do -- well, two reasons I think that that are important for the discussion.

One is the party committees are very well integrated. The system is not just a matter of national parties, state parties, and local party committees. I think we all need to be strengthened. But the process or the regulations in place have drawn fissures between the different levels of the party committees.

And so, for instance, as is mentioned in the paper, national party committee officers cannot even raise money for state parties, state accounts, or for state candidates, local candidates.

People can't believe it. Reince Priebus, the chairman of the Republican National Committee, a former state party chairman himself, is banned by federal law from raising a single dollar for a state candidate or a local candidate or a state party committee's state account to help state and local candidates. And so some measures such as rolling back those kind of restrictions could really help the state parties.

The other reason I think I'm here from a national party perspective is we're set up a little bit differently on the Republican side than the Democrat side, and I work with state parties all day every day. We don't have a separate state parties association, and so I get questions from state parties all the time. And as I read this paper, one of the things that really struck me was how much, how much of what I was reading was reflecting the kinds of questions I get, the kind of sentiments that I hear from the folks on the ground every day, the frustration, the confusion.

You know, I teach election law to state parties on a fairly regular basis. A lot of times it's very complex. I tell them, and I believe it's true, they're the most highly regulated entities in the political system and they're the least equipped to deal with it because they're so highly regulated and because

there are so many structural biases against them. So I try to walk them through the rules of federal election activity that have been talked about a little bit, and how to allocate costs between state and federal accounts.

And, you know, it's a lot of blank stares at first. Hopefully, not exclusively due to my lack of charisma or my flawed teaching style, but, actually, hopefully, and I believe partially due to the complexity of the laws which they have to deal and all they want to do is basic grassroots activity. They want to do mail, they want to do phones, they want to engage with voters, and they quickly find out they can't do that without employing lawyers and accountants and spending a lot of times not on actual voter contact and grassroots activity, but, instead, on mere compliance.

And so I think there's a lot of room for reform, and, again, I think there's common ground. And I appreciate Brookings and the authors of the paper for their work.

MS. KAMARCK: Thank you. Eliza, go ahead.

MS. NEWLIN CARNEY: Thank you. Thank you to Brookings for having this event and thanks to Ray and Jon for this smart and lucid paper, and for taking this issue seriously.

The goals set forth here are all the right ones: civic engagement, accountability, transparency. I'm here in part to voice a note of caution. Some of these ideas are excellent and I support them. Others I would say we need to be very careful in crafting our solutions so that we don't bring about the opposite of what we intend and actually have the effect of weakening the state parties by exciting voter anger at big money, which is a major force in politics right now.

It wasn't too long ago that we had deregulation of the parties in the form of soft money. Before the 2002 McCain-Feingold law took effect, we had a series scandal involving the Lincoln Bedroom and Buddhist monks. Elected officials were the ones who were raising unlimited money for the parties from interests with business before their committees. The donors were rewarded with ski vacations and getaways and exclusive access, and some of them got what they wanted.

You know, anyone who needs reminding about the problems of that era can look at the *McConnell v. FEC* record. That was a Supreme Court ruling that upheld that law. You know, what that record showed, among other things, is that nobody was happy. The donors weren't happy. They felt

shaken down. The politicians felt that the system had gone awry. The voters were increasingly upset and that's why that law was enacted.

So, you know, I just want to say we shouldn't forget that. That wasn't too long ago, and there were some dangers that occurred when parties were deregulated that it would be a shame to replicate. A huge mistake, actually.

One feature of that era that really speaks to this paper is that at that time there were elected officials who set up so-called leadership PACs, their own personal political action committees in the states. They were taking advantage of the fact that the states had different or sometimes no contribution limits. And that is something that I think is a little bit of a red flag here in this paper because it proposes revoking the ban on national party officials raising money for state parties. So I would be very careful in crafting that to ensure that those types of abuses didn't take place once again.

There are a couple of contradictions here that I'm going to quibble with a little bit or feel the need to challenge. You know, on the one hand, state parties are presented as somehow pure or virtuous, and outside groups are kind of secretive and polarizing. You know, state parties are forwarding the goals of establishing infrastructure, and setting up a lasting brand, and they're described as less corruptible than candidates.

But let's not forget that it's actually elected officials who are running for office, who were themselves candidates, who are running these state parties. They're the ones who are going to be tasked with raising this money.

And so to say that the state parties are less corruptible than the candidates is a complicated argument to me. I don't really see how that works given the very clear role that elected officials and candidates play in running and raising money for these parties.

You know, the paper also does say that these parties and outside groups are competing to hire the same people, duplicating messages and tasks, going after the same donors. I think if anything that illustrates the fuzzy line between parties and outside groups, and we see that in this election where the Republican Party is very -- some established leaders in the Republican Party are very concerned about Donald Trump. And the one group that came out first against Trump was none other than the Club

for Growth, an outside group that is of the type that's criticized in this paper as sort of meddling in primaries, but they were the first to actually do what the established party leaders wanted to have done in the general election here.

So it's a fuzzy line, and I don't know if we can really say that state parties or parties in general are that separate from outside groups. I think often they have similar goals. And as I've noted, I don't really think that they are less corruptible.

There is a strong question raised in my mind by the statement made in this paper that corruption is less important than moderation. I think that's strongly at odds with the anger that voters feel right now. I think voters think corruption is a huge problem. In fact, it's turning up in poll after poll as being at the top of the list of things that are of concern to voters.

And again, it points to the danger that if parties become perceived, rightly or wrongly, as being driven by special interest donors or big money, then, again, voters might go further away from the parties instead of kind of becoming part of that grassroots army.

There's also a perception that if we kind of move money from one place to the other, we'll have more transparency and accountability. The danger there is that, and I will acknowledge there is some evidence here that in states with less regulation that's happening. There's a little bit of a danger that there'll just be more money. That tends to happen in politics. We have more and more and more money, and if the problem is that outside groups are not disclosing, maybe we should just focus on disclosure, which, after all, is something that both Republicans and Democrats support and that really virtually unanimously the Supreme Court, even the conservative Supreme Court, upheld in the *Citizens United* ruling.

Having said all that, I want to say that there are some really great ideas presented here, too, and these include the idea that contributions should be tax-deductible. In fact, I would go further. I would say if you're going to allow a tax deduction for contributions to parties, you should do it for candidates as well. I think that's something that is actually of interest to Republicans as well as Democrats. And I would use as an example a Tea Party reform group run by a guy named John Pudner called Take Back Our Republic supports tax credits. So I think that's a really strong possible area of

common ground.

I also agree that it's really way overdue for us to let the parties coordinate with their candidates. I think that's something that you could practically enact today, and I can't imagine anyone who would argue against that. I know there are dangers to that. There probably would be people who would argue against it, but I think a lot of leading thinkers and lawmakers would rally around that.

And I definitely agree that we could narrow the definition of federal activity by state parties, but with that caveat that I said it needs to be done with extreme caution so that elected federal officials don't turn state parties into sort of personal slush funds the way they did before McCain-Feingold.

So just in closing, I'd say let's make sure we talk not just to one another, but to voters in this process. You know, I do think that there is an alternative model for strengthening the state parties. It's been proposed by Congressman John Sarbanes on Capitol Hill that we match low-dollar contributions to candidates with public funds. I think that's a model that could be applied to the state parties. I actually think that would be probably more calculated to strengthen them because I think once people make a small contribution, they're invested in the process. They get even more invested and that really serves the goal of grassroots engagement.

And the final note I would say is that the federal parties at least already do have quite a bit more access to unrestricted money as a result of the McCutcheon, the FEC ruling in 2014, which without going into too much turgid detail allows joint fundraising committees to raise much larger contributions, and this is actually happening. Elected officials on Capitol Hill, particularly Republicans, are setting up joint fundraising committees. They're raising contributions of $300,000 at a time to give to the political parties for new special accounts that were created by a "cromnibus" spending bill late last year that allows the parties to operate special accounts with much higher contribution limits for buildings and conventions and recounts.

So that money is coming in. I don't really see a dramatic change in the strength of the parties. So, you know, it's a very complicated political landscape we're operating in and I do think we need to proceed with caution.

MS. KAMARCK: Thank you very much, and thank you to everyone. I thought maybe I

would give Ray and Jonathan a couple minutes to respond to the comments before we go to the audience.

MR. LA RAJA: Sure. I guess I'll start with Eliza. You should feel free at some point, as well, to respond to those comments. I want to point out one thing. What we're talking about is state parties here, so some of the stuff you were talking about, Eliza, about national parties. And on the Lincoln Bedroom thing, I still think, you know, it's almost quaint in some ways that that was our biggest worry, the Lincoln Bedroom. I mean, you can only fit one couple in the Lincoln Bedroom at a time, and we knew who they were. There was a guest list. And that's not true anymore.

You know, trust is a funny thing, too. I mean, during the height of soft money there was more trust in Congress and the government than at any point than in the 10 years before that and the 10 years after that. And I'm not sure that people make the distinction between all this money that go to super PACs and all this money going to the formal parties. I don't think they do. So our point as realists is if they're not making the distinction, at least give it to the parties who are going to be more accountable. They're the people who have to govern eventually. Okay. My friend Nate Persley says, you know, put as much money as possible through the one who are going to face the burden of actually having to govern and face the people. So that's our point there.

They're not really the same people. Some of them are, yeah, their party. But just as one example, I mean, why do you think Senator McConnell faced so much difficulty pushing in a rider from the Tea Party because he wanted to have more money to coordinate with it? Because they know it's giving the party, the formal party, more power. So there are differences out there.

And I think one of the most telling stories that we had was it depends on where you sit. We had this one executive director, who was working for a very conservative group. His perspective changed entirely when he was sitting -- my job is to get Republicans elected, not conservatives right now. Okay? When I was doing that, that was my job, get conservatives elected. So this equation that they're all the same is problematic for us.

Anyway, let me stop there. Maybe Jonathan wants to add a few things.

MR. RAUCH: Well, first of all, thank you all for the excellent comments, especially Eliza.

Very challenging remarks there. Of course, all these dangers are worth thinking about, and if we had absolute magic bullets with no downsides, then life would be a lot easier.

But on some of the things Ray didn't mention, yeah, it's possible if you lighten the contribution limits on parties that more money will flow in. I'm not sure we think there's anything wrong with that if it's flowing to the right places. We think money flowing to parties could actually strengthen their relative clout in the system, and if you've looked at the presidential race right now, you might think that strengthening their relative clout might be a good thing. So we urge you not just to look at the amounts, but look at where it's going.

I would second Ray's observation that it's not enough just to look at the individuals and the names and say, well, it's all the same people. The incentives are very different depending whether you're an insider or an outsider, whether you have a long-term stake in elections, winning elections again and again, in which case you're likely to look to the median voter or whether you're just in for the short haul, and so on. I often worry that our reform community has lost sight of that and sort of boiled everything down to a simple kind of follow the money rubric.

The idea of matching low-dollar contributions to state parties is interesting. We didn't really evaluate it for this paper, but it could use evaluating. But we also think it's probably a lot less likely to happen. You know, if you go out to the American public and say should we match all your contributions to parties, I think they'll give you probably a resounding no. We think a tax break might be more practical, but, yeah, it's certainly worth a look.

So thank you all, though, again for your wonderful and challenging comments.

MS. KAMARCK: Let's see. Did Jason, John, any thoughts? Go ahead.

MR. PHILLIPPE: Sure. Well, I guess I'll respond to Eliza just a little bit in terms of what McCain-Feingold did, what it was designed to do, what problems existed at the time, and what were merely speculative at the time. And we could talk about Lincoln Bedroom and all that sort of thing, but as has been pointed out, those were about national party committees.

The restrictions on state party committees were driven by mere speculation that national parties and federal candidates would use state parties to circumvent the national soft money ban without

any evidence. We're in a different time now and a different system with a lot more groups involved who have been freed up to be more involved by *Citizens United* and some other decisions. And I think there's every reason to take a look back and see what's been the experience since McCain-Feingold passed, and is the mere conjecture about circumvention that existed at the time enough to still keep state parties so restricted in this new day and age. So I'd really encourage a reexamination of that.

MR. PERKEY: Yeah, the way in which I'd drill down a little bit further is on the coordination. We have state level candidates that are on the ballot almost every two years no matter what state you're in. And the idea that we can't coordinate with them because there's also a U.S. Senate candidate on the ballot or because there's a congressional candidate on the ballot, and the inability to participate in a coordinated way despite the fact that we're all Democrats or all Republicans seems absurd.

It also seems absurd that a state party can't put out a mailer that we could use state funds that lists all of those candidates that are running for office on the Democratic side without necessarily being forced to just use one set -- one type of funds, one type of activity. That just doesn't seem logical to me. It also seems very restrictive and something that's unnecessary.

So we are an added value to all of the candidates that are running for office, whether or not it's at the municipal level, the county level, the state level, state legislative level, all the way up to the presidential level. We can provide that added value, but these laws restrict the added value that we're actually able to provide.

And so these recommendations I think that Ray and Jonathan set forth at least start the process for us to be able to be more engaged in order to also then get more people engaged in the process because if we are restricted in the ability to do voter registration, less people will get registered to vote.

If restricted in the way in which we can communicate in a meaningful way with voters, less voters could be substantively engage. If we're restricted in the way in which we turn out voters, well, less people are going to vote. And those are three things that I think everyone would agree we should be doing more of. More people should be registered.

We should be having important conversations with one another about the impact of laws and regulations on our lives, and more people should turn out and vote in order to express their voice and share their voice with the American people or with their communities.

MS. KAMARCK: I thought I'd take the prerogative to enter my two cents here, too, since this a topic near and dear to my heart. One of the things we will shortly see when the general election begins is there will be people in many, many states of the United States who don't get a presidential campaign. The candidates will simply not go there. Okay. They won't go to Hawaii. They won't go to Alaska. They're far away. But they also won't go to the safe states. Okay, they'll just simply stay away from all but about 10 states.

And there's a lot of speculation that over time the polarization, which is the result of lots of things, people moving to where they're near people like them, gerrymandering, et cetera, there's some speculation that there's just so many states where your vote doesn't matter. If you live, you know, if you live in the middle of Nebraska and you're a Democrat, your vote probably doesn't matter. Maybe you don't bother to vote in the presidential race.

And because there are more and more people who feel like that, it's got to have an effect on participation. And everybody in the country no matter what they are, Democrats or Republicans, or conservatives or a third -- Green Party people, I mean, everybody believes in maximizing participation. And yet, the institutions which do that are consistently, as we've been hearing, sort of hobbled in their ability to do that.

I go back to when Howard Dean was chairman of the Democratic National Committee, and he ran something called the '50 state strategy.' The first thing he did was there were some states that were in such bad shape that they couldn't even afford a lawyer or an accountant to get them out of trouble that somehow they had gotten in with the FEC.

So he did simple building block infrastructure things like that.

And the second thing he did was he looked for blue voters in red states, which I thought was really -- that was really a big, big change. And most people now think that his building of the party helped the Democrats get out of their slump to take over the Congress in 2006 and the presidency in

2008.

So I think that there's some evidence that parties really can increase participation and increase that connection to elections in a way that, frankly, the super PACs can't. And I agree with Ray, now that you think back on the scandals, the Lincoln Bedroom? You know, compared to dark money, compared to the Koch Brothers' many, many, many different organizations and what they're doing, you know, I think that there's bad things that happen all the time, and I think we might be looking at a sort of much, much lesser of two evils.

Other comments. Eliza, do you want to come back to you and then we'll open it up.

MS. NEWLIN CARNEY: Just briefly. I do want to go back to this idea of corruption and the risk of corruption, the appearance of corruption, because I think justified or not, if voters see that parties are raising the kind of big money that's going to super PACs, they may perceive corruption. And that's what I worry about, that I love the parties just as much as everyone else and I endorse civic engagement just as much as everyone else and I would hate to see voters turn away from the parties because they perceive them to be doing this.

MR. PHILLIPPE: Could I just respond quickly because I agree with that, but I would point to a problem which I think is, you know, there is a very well-funded lobby for what is termed "campaign finance reform," but it is, frankly, folks with a position that they want less money in politics and they are pretty much hell bent on convincing the public that money equals corruption. And, frankly, that's just not the case. And so that appearance of corruption could be there not because corruption is actually there, but because D.C. lobbyists who have a stake in that game are convincing people that money equals corruption. So I'd be very wary about paying attention or giving too much credence to those sorts of arguments.

MS. KAMARCK: Great. Anybody else? Any other comments?

Okay. Well, why don't we go to the floor? And I think there is somebody back there with a microphone. Who's got the mic? Okay. Why don't we start in the back of the room? There's two hands and let's start with them. See them? Right. Okay. And please state your name when you stand.

MR. AUSLANDER: Yeah, Mr. Joe Auslander. I don't know if the panelists saw the

article, the op-ed in The New York Times several days ago, “Can the Sanders Campaign Go Local?” I wonder what the role of the state parties would be in allowing insurgents to play a role in the campaign?

MR. RAUCH: We asked them that and, obviously, it was on our minds and it was on their minds. And what they say is it’s not our job to prevent insurgents. We don’t block anyone from running. We give our data to essentially anyone who asks who is a candidate. They tend to have an open door policy, except in extremely unusual and extreme circumstances when they feel they have absolutely no choice but to step in. We asked them why they took the policy of staying so completely hands off virtually all the time and the exceptions that they named were truly outlandish, crazy, you know, unsustainable.

MR. KAMARCK: Lyndon LaRouche, but that was -- that’s the usual way.

MR. RAUCH: And certain to lose and everything like that. And they said it’s because, you know, if we’re seen as being stepping in and stopping people, there'll be blowback against us, and people will run against the party and it won’t be effective, which is why they said what we can do is just sort of talk to people and do this kind of gentle process of having a lot of conversations with a lot of people and trying to encourage people to run for the spots that made more sense and trying to educate people And they say will sort of -- if someone is completely hopeless, they’ll kind of be less aggressive in supporting that person around the margins. But it’s much more of a soft touch, soft power kind of approach that they use now.

MS. KAMARCK: Go ahead.

MR. PERKEY: So as the executive director of the South Carolina Democratic Party, I can give you tangible things that we did during this particular presidential primary as an early state. My deputy director is on leave working for Senator Sanders’ campaign. She was his state political director. She’s actually in Michigan today. They moved her from South Carolina to Michigan. So we have cultivated staff that wound up working on the campaigns, number one.

Number two, we provided an office space for both campaigns to do trainings of their volunteers, to hold press conferences, to have meetings with surrogates, to do any number of things in our offices.

The other thing that we do is we provide our lists and our databases to those folks. We do it in a completely even-keeled way. So over a period of time before Senator Sanders even announced or before Secretary Clinton or Governor O'Malley, Dr. Willie Wilson, who was on the ballot in South Carolina, they had access to all of that information equally and at the same time. They had access to all of those resources at the same time. They had access to information about party leaders at the same time. So there was no -- there wasn't an ounce of favoritism at all given to any of those folks which would lend itself to any type of campaign, whether it was an establishment one or an insurgent one.

MR. RAUCH: Just a brief addendum to that. In your answer, Jason, there's, I think, also an answer to Eliza's very powerful challenge, which is why should we think parties would be less corrupt than the individuals who make them up? And the answer to that is what you just heard. Where a party sits, it's much harder to favor a particular agenda or a particular group over all others because they're all your customers. So that means that the incentives are to be more evenhanded and more institutional, we think.

MS. KAMARCK: How about right over there? Yes.

MR. SKINNER: Hi. I'm Richard Skinner with the Sunlight Foundation, and this is for Ray and Jonathan. What did your respondents have to say about the role of national party organizations, like the Republican Governors Association and the Democratic Governors Association?

MR. LA RAJA: They do play a role, but we didn't ask about that. What were you thinking?

MR. SKINNER: Well, certainly, they're spending more money than they ever have before. I was wondering how many (inaudible).

MR. LA RAJA: Right. And probably, yeah, that's probably a function of the fact that the money is not going to the state parties, so they have to rely on these outside organizations to raise and spend that money, which is a deeply second best solution that you have to run state campaigns from Washington.

Was there anything else that you were alluding to with --

MR. SKINNER: Well, just simply that, you know, this is party money as well, and if you

have donors who care about politics all over the country, they're probably going to give to the RGA or the DGA, and care about influencing the governors' race in Michigan and in Pennsylvania and California, and so on. And I'm just curious as to, you know, you're talking a lot about the super PACs, but you're not talking a lot about these national party organizations, you aren't really talking about super PACs that are, you know, like House Majority PAC and Senate Majority PAC that are very closely aligned with party leaders.

MR. LA RAJA: We did run across that a little bit in one very interesting and important sense, which is that one thing people may say is if your route all this money through to the parties, you know, you'll get corruption issues.

What the parties, state parties, some of them are now trying to do, Jonathan could elaborate on this, is set up their own super PACs. There is now a court challenge underway. It's probably going to go up to the Supreme Court eventually over the extent to which they can do that, but they're finding themselves saying, okay, well, if we cannot raise the money inside the state party, we'll take like a former state party chairman or a current state party chairman, and they'll go set up a separate super PAC, and we can't coordinate with that group, but we know them, and they'll just rake in the dark money and spend it. And no one we talked to thinks that's a very good answer on any side of the equation, but that's where it's headed if we think if you don't open the doors a bit more to letting some more of that money in.

MR. RAUCH: Let me respond one more thing. You know, these are national constituencies of donors that are affecting races in different states. And so in that sense, I really don't think it's a great solution. I mean, we do have these principles of federalism.

But I want to point out one thing that often gets overlooked about how much money the parties are getting. When the amendments were made for the 1974 act, the parties could raise $10,000 for their federal accounts per year, so that's $20,000. Today, that would be $100,000, inflation adjusted. Okay?

The parties are still at $10,000 per year, okay. That is the equivalent of $4,000. So they're going backwards in terms of how much they can raise since 1974. A simple solution in McCain-

Feingold would be let's just set it at the value of 1974, $100,000. Even that would have been a better solution than -- and they still haven't adjusted for inflation as far as I can tell. Is that true, Neil? I don't know.

MR. REIFF: Well, they moved from 5 to 10.

MR. RAUCH: Okay.

MR. REIFF: McCain-Feingold.

MR. RAUCH: Okay.

MR. REIFF: Although to look at the index, they did not.

MR. RAUCH: Okay. They didn't even index, okay.

MS. KAMARCK: Did you hear? They did not index the limits. Okay. I just wanted to make sure everybody heard that, Neil. Yes, sure, Eliza.

MS. NEWLIN CARNEY: I just want to jump in and say, you know, that is kind of silly because they indexed the inflation for candidates, so that is a fix that I think in theory should have bipartisan support.

MS. KAMARCK: And let me just say a word about bipartisan support. In 2008, there was a big worry that we were going to start the presidential nomination system at Thanksgiving because there were many states trying to jump ahead of Iowa, jump ahead of New Hampshire. And if you'll remember, we did have Iowa caucuses two days after New Year's, which were not ideal.

And the two parties got very worried about that and had some formal and some informal coordination in the year since. And you'll notice that this year everything started in a much more civilized fashion in February, that both parties agreed on the first four states before we got into the big states.

So in this time of massive polarization where, you know, sometimes it seems that if the Democrats say black, the Republicans will say white just out of reflex, there has been a history of cooperation in order to preserve the prerogatives, in this instance in the nomination system. But I think it's very likely that you'll see a lot of cooperation among the parties as we move forward because every cycle, one of these super PACs does something that the candidates or the parties really don't like.

Mitt Romney at the end of 2012 complained about the super PACs. He didn't like their

ads. He thought they went off message. He thought they were detrimental to the message. So I think slowly the political establishment, if you will, is coming to say to themselves what really have we wrought here in the super PACs, and how can we constrain the growth and the activities of the super PACs?

Questions, more questions. Yes, right here on the end.

MR. SAMPLES: John Samples, Cato Institute. You just made my case for me in the sense that I sort of have a balanced view, or try to, of parties and outsiders. But it's long been my conviction that the whole point of campaign finance regulations, for example, or parties was to exclude outsiders, to suppress them.

So one of the things that is actually being done here when you suppress outside institutions is to, in fact, make it easier for insiders to not be challenged. Incumbents love that. Incumbent party people like that. That seems to be the whole point, it seems to me, of these kinds of regulations, or the primary point, the real meaning rather than the formal meaning.

Another statement made here that actually gives credence to that, I think, is that you equated the political activities of large and effective, or somewhat effective organizations, the Koch Brothers' organization, with corruption in itself. And I wonder exactly how it is that you expect there wouldn't be polarization when you think that, in fact, anyone not above -- not under or anyone under an 80 ADA rating is actually not a legitimate part of the political system.

So is it the case, in fact, that we all should be wary of these kinds of rules and institutional changes because, in fact, they have decided insider things, insider ideas and interests?

MS. KAMARCK: Ray, would you like to --

MR. LA RAJA: I'll take the first question. Maybe I'll pass the second one to Jonathan. In terms of -- I see your point about protecting incumbents and that's one reason for these contribution limits. But of all the organizations that incumbents should fear the most, it should be the party, in my opinion, because the parties, they want to take control of the legislature. They're going to use their funds to get the other side. It's why incumbents don't like strong parties unless they're on the verge of capturing the legislature, then they need the parties. And now they're relying on these outside groups to do it for them.

So I'm for, you know, limits on the candidates, no limits or very high limits on the parties because that, to me, would be the best way of having competition in the system.

MS. KAMARCK: Anybody else want to -- yes, Jonathan.

MR. RAUCH: Well, elaborating on that, I see those, John, as kind of two versions of the same question, which is aren't we trying to favor the people we like? One of the nice things about Ray's idea of build channels not dams is we're not on board with the idea of saying the outsiders can't spend the money. And even if we were, we don't think it's enforceable.

We just don't see why the insiders should be so persistently and severely disadvantaged relative to the outsiders, so we'd like to knock down some of the dams and let them compete on a more level playing field and let the people out there who are making the everyday political decisions decide where that money should go on political rather than strictly legal grounds. To me, that's not engineering the system. That's de-engineering the system, and it's something that a lot of Libertarians, I would hope, would join us on.

Also on incumbent protection, there's a very interesting book that came out a couple of years ago by a pair of political scientists named Carson and Roberts, who discovered that back in the days when the parties rather than the public in primaries selected candidates, races were more competitive even in safe districts.

Well, why would that be? Well, it turned out the parties had more of an interest in recruiting strong challengers, and were able to fund their efforts to run and to put up a good fight without when the parties stepped out, you had, you know, witchcraft advocates stepping forward to run against incumbents.

So they point that, in fact, you got a much less balanced, less competitive system in many ways when you went to open primaries. So I'd also think, you know, think hard about where the incentives really lie here.

MS. KAMARCK: Back to the audience. Oh, right over here, the young man by the wall.

MR. FRIEDMAN: I'm young, I appreciate that. Elliott Friedman. Referring to Jason's comment earlier on people staying in their lanes, in the federal system, candidates are guaranteed by law

the best guaranteed rate for advertising time than the party committees, and then the super PACs pay a commercial rate. Was there any discussion in giving state parties through a federal -- by federal law a better guaranteed rate to let them go up on the air easier and spend money in a more effective way, making it a more attractive way for donors to spend their money than to a super PAC, basically a money ball principle?

MS. KAMARCK: Jason, you want to take that?

MR. PERKEY: I do not believe so, but let me tell you the single most attractive thing for donors to super PACs is anonymity. When I ask for contributions from people, the question is will my name show up somewhere, especially when I'm talking about large-dollar donors. And so our ability to raise the funds to go up on air regardless of the price point is incredibly impacted by the fact that I have to report those contributions from people who want to give to me.

These are folks who want to give so that we can grow our parties. We can add more people to the electorate. We can talk to folks in a meaningful way. They want to -- they want us to build more, better models so that we can turn out more voters, but the last thing that they want to have happen is being shown up on an FEC report or a state report. So that issue is the single biggest deterrent, I think, especially from large donors apart from maybe a tax incentive from them being able to get a deduction as a result of giving, but the price points I don't think was a -- it's something that's been afforded to state parties.

MS. KAMARCK: Go ahead, Eliza.

MS. NEWLIN CARNEY: Thank you. I just wanted to follow up on what Jason said. I think that a lot of people are going to give to the anonymous groups simply because they want to be anonymous. Even if you try to create channels, they're still not going to go to the state parties because they don't want their names disclosed. So that is something to keep in mind as well.

And, in fact, it's actually not the super PACs that don't disclose because they have full disclosure imposed upon them, but it's the politically active tax-exempt groups that aren't disclosing.

MS. KAMARCK: Let's see. Come on up right up over here by the wall, and then we'll go to you, sir.

MR. GROBE: Hi. My name is Stefan Grobe. I'm with Euronews, European television. Thank you for a fascinating conversation. I am from Germany where political campaigns are the most disciplined and best organized events possible. They're also by far the most boring events you can possibly imagine. (Laughter) The reason is because the political parties have total control over the nominating and recruiting process. And, you know, covering the United States, I've seen not only Donald Trump, but also on state levels candidates that would raise many eyebrows in Europe and in Germany.

Could you speak to the way state parties recruit candidates and what they actually do? Do they approach people or you wait for some billionaire to show up and, I don't know? (Laughter) Thank you.

MR. PERKEY: Well, yes. (Laughter) And we're waiting for Neil, our lawyer, who is our resident billionaire.

So we're going through this process right now in South Carolina. Our filing period is the middle of March until the end of March. And the process is not anything other than what you might think. We have a group of people who know a lot of folks, get in a room, and identify what races are up on the ballot this year. And we try to go out into the communities and identify the strongest candidate who will carry a message that enough people in their communities will believe in and get behind in order to win.

Now, some state parties get into it a little bit later than others. Some get into it very, very early. What I have found is those state parties that get into it earlier are able to cultivate a candidate better, be able to provide them with better resources, more training. Their name recognition will be better than the ones that get in late.

We also find that people who are getting in later are ones that can afford, perhaps, to run and finance their own campaigns because the amount of money that's necessary in order to win, and the amount of time it takes to raise $2,700 a clip if you're running on a federal level, or 500 or $1,000 a clip at the state legislative level.

But more than anything, it's just a group of people within our party or our community who would like to start winning races again or continue to win races at the party level, we just form a committee. It's really that simple.

MS. KAMARCK: John.

MR. PHILLIPPE: Thank you. In terms of candidate recruitment, I actually wanted to use that question to pivot to a related point which maybe the authors could comment on, but it was something that struck me when I was going through the survey and comparing the -- in the study comparing the '99 Aldrich study to the 2015 study. It looks like state parties do spend more on candidate recruitment now, and particularly the biggest jump looked to be at the local office level, yet their contributions to local candidates were down precipitously or at least a lot fewer state parties are giving to local candidates than used to.

And I wanted to highlight that and to see if there was anything behind that that you guys picked up. But also, because I think sometimes in D.C. we kind of lose sight of what's going on at the state and local level, and the state and local -- or excuse me, at the local level in particular where the local parties are having a lot of challenges themselves and they have very strict limits that they have to abide by in order to stay outside of the complex federal regulatory system. And it strikes me that it is problematic to be draining state party resources for among the reasons we've talked about, but if it means less resources for local candidates in an age where not only is there inflation, but campaign costs are going up regardless, there may be cheaper ways to reach voters than they're used to, but the media is so fractured now, there's so many different things you have to spend money on to reach the same number of voters, and to make the same kind of impression.

And then you factor in things like early voting and things that drag Election Day through the fall, it used to be maybe you could do one mail piece a few days before the election and recruit your friends to go out and work a polling place. You can't do that anymore as a local candidate because huge percentages of people have already voted, and so how many mailings do you have to send and how much media do you have to buy? And the state party, it appears to be, is less and less of a resource for those people who really need it.

MS. KAMARCK: Did you want to add anything to that, Jason, or the paper authors? Okay. Yeah, go ahead, Jonathan.

MR. RAUCH: Well, just to the specific question. I don't know, Sam, if you have a take on

this. We didn't ask why state parties are moving away from direct contributions and toward recruitment and other indirect. My guess would be it's because the latter is a lot less regulated and because it's the lane strategy, which is it's easier for them to compete on mobilization than it is on money because there's just so much more money out there would be my guess.

Sam, did you have anything to add on that?

MR. STODDARD: I think one of the things we noticed overall is the types of activities that state parties are now gravitating towards to us feel like the activities that maybe have a little bit less influence in terms of creating a messaging and a reputation and building a brand for parties. And among those are the advertising, but then, also, the sorts of things that they need to do in order to recruit candidates is really important.

And so what you have then is state parties that find themselves serving the needs of candidates in these sort impartial ways that Jason has been talking about, but their ability to build brands to the extent that that's not on television or done in other means is less able, and they're also less nimble than the organizations that they're now being forced to compete with, right?

Here we have all these private organizations. We spoke to so many different state parties who deal with turnover and inconsistency in their own leadership or their own strategic focus. Private organizations are much more able to craft an effective strategy and those means, and that doesn't make state parties less valuable, but what it means is that in order for them to be able to support their own duty of bringing out healthy images of the brand, they really need to at least have more of a level playing field.

MS. KAMARCK: Good. I think the gentleman right here.

MR. CHECCO: Thank you. Larry Checco with the Accountability Center. I just wanted to go back a couple of questions, and there were comments made about the anonymity of big donors. And I think that that's what people are really against, this anonymity, and that bespeaks corruption. It may not be corrupt, but the perception is the reality. And I think that's where the voters get very angry.

And I once asked a couple of years ago right here at Brookings, there was a very prominent former senator here, and I posed the question to him. I said, Senator, do the people on Capitol

Hill really understand how angry, how angry the electorate is? And this is two years ago.

And, unfortunately, he gave me some mealy-mouthed political answer, like, oh, of course they do. But nothing changes and that's what the electorate is really angry about. The anonymity, the perception of corruption, and nothing changes. Thank you.

MR. PERKEY: I just want to make a very brief comment. The true irony for me about this issue is that they are engaging in the exact same activity as state parties, and yet they don't have to have the same reporting requirements that state parties do. They're doing the exact same thing. Those groups are doing candidate recruitment. Those groups are making sure that their candidates are getting over the finish line. Those groups are building a volunteer apparatus. The Americans for Prosperity is recruiting people to go door to door on their behalf in order to make sure that the bills that ALEC puts in front of state legislators are passed. They're doing the exact same thing, but they're not required to report the same ways that we are.

MS. NEWLIN CARNEY: I'll just say this disclosure issue is very difficult and very complicated. You know, when you ask politically active tax-exempt groups to subject themselves to federal election law, the danger is you're going to capture some groups that are legitimate advocacy groups that have a constitutionally protected right to engage in lobbying lawmakers.

So this is something that people are going to have to start talking about in a serious way. It's time to stop simplifying and name calling, and really get into the nitty-gritty of how can you craft some reasonable disclosure requirements that don't tread on free speech.

MS. KAMARCK: Next question. Right back there by the wall.

MR. DOGGETT: Yeah, my name's Drew Doggett with the Sunlight Foundation. And I guess I'm very interested in Jonathan and Raymond's ideas about pragmatists versus purists. And kind of speaking about perception amongst the public, I can't help but think about superdelegates. I know there is at least one superdelegate sitting on the panel right now. And I guess I'm thinking my question for you two.

What does it mean when a superdelegate for the DNC endorses a candidate outside of the party, such as an Independent? And what does it mean on the other side of the aisle when a

lawmaker endorses a rogue candidate? I'm not saying Donald Trump, but we may be thinking Donald Trump. (Laughter)

MS. KAMARCK: Well, since I'm the superdelegate on the panel, no, the EDs are not. State party chairmen are superdelegates. But, well, first of all, the DNC members who are superdelegates do get elected. Okay. So I could imagine, for instance, if I endorsed Donald Trump tomorrow that come time to elect a new Democratic National Committee, I suspect that maybe I wouldn't be on the slate. Maybe nobody would vote for me. Okay. So there's an accountability mechanism in there.

I think for the elected officials, I think for members of Congress who on the Democratic side are superdelegates, on the Republican side are not -- by the way, the Republican National Committeemen are all, essentially, superdelegates, but I think a congressman who did that, it would be big news and it would be big news in his or her district, and I suspect they'd get a primary challenge next time around.

So, you know, again, people, this is the power of parties. Parties, for all of their weakness, right, are still incredibly powerful. They organize democracies. And we've never had a democracy that didn't have political parties. As much as nobody likes political parties and is always dumping on them, that's how we organize ourselves in democracies.

So they're pretty powerful. There are accountability mechanisms. The voters take parties fairly seriously, and there's many, many avenues through which you can punish superdelegates who, you know, go endorse somebody outside the party.

Now, as for the narrower question that comes up a lot, right, would the superdelegates ever, you know, control the convention, there have been superdelegates in the Democratic Party since 1984. They have never voted differently than the public, the elected delegates. I mean, again, for the same accountability reason, right? They get elected themselves, and unless there were some very compelling reason, the superdelegates are going to vote the way the voters vote and the way the publically elected delegates vote.

Now, you can see a situation where maybe the voters didn't decide, okay, where you go

into a convention and there is a third, a third, a third of the delegates, nobody has a first ballot. Then, of course, they would have some power to make a decision, but it would be because the voters actually didn't decide as opposed to turning over the will of the voters, which I know there's a of talk about, but I really don't see happening.

One last question. One last question from some intrepid -- come on, there are more hands. There we go. Right there.

MR. CORRADO: Rosarios Corrado, retired. The entire panel seems to say that it's a good thing that we increase participation, but my understanding, perhaps misunderstanding, is that the Republicans particularly don't want increasing participating. How do I put those together, if I do?

MS. KAMARCK: I think that's for you.

MR. PHILLIPPE: Sounds like a question for me. (Laughter)

I will say this. As a Republican, as an employee of the Republican National Committee, I can tell you we are all very excited about the huge advantage we have in voter turnout in the primary and caucus season this year over the Democrats. So we are all for participation.

MS. KAMARCK: Anybody else? Yeah, go ahead.

MR. PERKEY: So the elections of our state legislative -- well, our state legislative elections are so important for the purposes of drawing maps. They're also very, very important for the purposes of laws that could be passed that would create voter intimidation and voter suppression within our states. And right now, we have a slew of secretaries of states who are writing laws that are inhibiting people from getting to the ballot box.

They're also not doing something very important which is educating voters on those laws. And here's an example. If there are new laws on voting on the books, a majority of Americans that live in a community in which those laws were changed have not been educated sufficiently about those changes. But if there's a change in the speed limit, you better be sure that there's a road sign out there that says that you can go 45 now instead of 55, so that you're educated on the change of the law. And in America, we've done such a horrible job of educating people about those changes so that when they show up at the polls they don't feel confused, they don't feel alienated, and they don't feel like their vote

won't matter.

And I think that's the issue. Right now as Democrats in these states where these laws have been passed, we're accepting it for what it is. We're hoping to elect people that might change those laws. But more importantly, what we're doing right now is putting a lot of pressure on those secretaries of states and the people who are running the elections to educate voters on the changes because, otherwise, we're going to see less and less voter turnout because of the confusion and because of the lack of education that exists there. And it's very important that we talk about this issue and educate more people about it so that more people will participate and more people will be engaged, and we can debate these things at a much higher level than we are right now.

MS. KAMARCK: Well, with that, I'd like to thank our panelists, Jonathan, Ray, Jason, John, and Eliza, for a great discussion. I'd like to thank our audience. And I'd like to point out to everyone that they should, if they want to look at this in more depth, go to the Brookings website and go to Raymond La Raja and Jonathan Rauch, "The State of State Parties and How Strengthening Them Can Improve Our Politics." You can get it for free on the Brookings website.

Thank you very much for participating today. (Applause)

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