## Opponent Testimony on SB 137

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The effort and intent of SB 137 is baffling to me as a long-time Ohio Republican and political observer. It goes against conservative principles of limited government and local control. And while ranked choice voting is party-neutral, it can advance strong local Republican candidates and lead to wise policy positions that result in lower taxes, reduce the opportunities for corruption that we have seen on Cincinnati and Toledo City Councils and create a greater voice for Bob and Betty Buckeye.

I first learned about ranked choice voting about eight years ago when I was asked to co-author a book about the potential of using the *Bridges Out of Poverty* model and the *Getting Ahead* program to combat poverty with both individual initiative and public policy.

The more I looked at the problem of poverty, the more I became convinced that the divisive state of our politics was keeping solutions from realization. In our current divisive political environment, candidates are incentivized to assault the airwaves with endless attack ads against their opponents and avoid serious discussion of the issues.

That eventually led me to ranked choice voting as a solution. I believe that ranked choice voting (RCV) would empower many communities in Ohio to tackle many of the deep-seated political and social issues they face today. Ranked choice voting upholds majority rule, addresses the "spoiler" problem, leads to more positive and issues-focused campaigns<sup>1</sup>, strengthens nominees emerging from party processes, and

<sup>&</sup>lt;sup>1</sup> <u>https://fairvote.org/resources/data-on-rcv/#increased-campaign-civility</u>

voters like it. RCV is particularly popular with young people, and in Minneapolis, the adoption of RCV resulted in a ten-percent increase in voting turnout.<sup>2</sup>

Here's how this fairly simple change works. Instead of choosing just one candidate, voters rank candidates for a particular office in order of preference – first choice, second choice, and so on. We rank things every day; even the Republican National Committee urges their partisans to rank candidates.

Under ranked choice voting, if a candidate is the first choice of more than half the voters, that candidate wins the election. But if no candidate gets a majority of first-choice votes, the candidate with the least amount of support is eliminated. Voters who ranked that candidate Number 1 have their votes count for their next choice. This process continues until one candidate wins with a majority. These types of campaigns tend to drive the candidates into discussions of policy. These campaigns also tend to be less nasty, as the candidates want the people who vote for their rivals to also grant them their second-place votes, thereby utilizing insights from game theory.

While there are benefits for voters and elected officials alike with RCV, the biggest problem with SB 137 is its threat to governmental innovation. The state trying to meddle in how municipalities run their elections – in this case, by threatening their state funding if they pursue reform – violates conservative values.

One of the most basic principles that our republic was founded on is the idea that power should be vested in governments that are closest to the people they serve.

<sup>&</sup>lt;sup>2</sup> <u>http://eamonmcginn.com.s3-website-ap-southeast-2.amazonaws.com/papers/IRV\_in\_Minneapolis.pdf</u>

As James Madison explained in Federalist 39 why you should not be messing with the local governments too much:

...local or municipal authorities form distinct and independent portions of the supremacy, no more subject, within their respective spheres, to the general authority, than the general authority is subject to them, within its own sphere.<sup>3</sup>

For politicians in the Statehouse to come in and punish voters who elect their local officials the "wrong" way runs counter to this fundamental idea. And if Statehouse politicians can micromanage at this level, the social engineering won't stop there; the camel's nose is now under the tent. If you are going to touch RCV in Ohio, rather than passing SB 137 as written, I would suggest you do what the General Assembly has done for decades; form a study committee to examine the history and impacts of RCV.

SB 137 is also a short-sighted political strategy for Republicans – RCV can help conservatives. Recently, Ohio native Dr. Kevin Kosar of the conservative American Enterprise Institute published a report on election reform that concluded: "There is ample evidence that the present first-past-the-post, partisan primary system contributes to poor governance, unrepresentative candidates, and gratuitous partisanship."<sup>4</sup> Dr. Kosar was very complimentary of RCV in his study.

For validation of the success of RCV, from a political and policy perspective, we can look a few states away to Virginia or an ocean away to the nation of Ireland.

<sup>&</sup>lt;sup>3</sup> https://avalon.law.yale.edu/18th\_century/fed39.asp

<sup>&</sup>lt;sup>4</sup> file:///C:/Users/Owner/Documents/Conservatives-Should-Look-More-Closely-at-Systemic-Election-Reforms.pdf

In Virginia, Republicans used RCV to nominate Glenn Youngkin for Governor in their 2021 convention, thereby blocking a radical extremist candidate who could not win the general against Terry McAuliffe. Virginia Republicans hadn't won a single statewide seat since 2009. Many thought the Old Dominion had become a deep blue state. In 2021, Youngkin led the Virginia GOP to a successful election.

For a recent Congressional special election to fill a vacant seat, the Virginia GOP used RCV and had this to say; (The) "Republican Party of Virginia announced it will use (instant runoff) ranked-choice voting to pick its nominee at its own party-run primary, saying the ranking method will help elevate 'the candidate with the broadest base of support."<sup>5</sup>

Farther afield, Ireland has used RCV for one hundred years to ensure majority rule as well as minority voice. After independence, the new Irish Republic was wary of Great Britain using possible mistreatment of the English minority as an excuse to invade and re-establish hegemony. The Irish knew that RCV protects the voices of minorities and encourages their participation, so they installed it to preclude the Brits from sailing across the Irish Sea again.

Because RCV brings about a broad consensus in governing, Irish politicians are not beholden to narrow special interest groups; they spend their money to benefit the majority of Ireland. They have no "Bridges to Nowhere." This has led to an interesting situation in Ireland.

<sup>&</sup>lt;sup>5</sup> https://www.virginiamercury.com/2022/12/14/virginia-republicans-are-using-ranked-choice-votingagain-democrats-still-arent/

The tax-to-GDP ratio is a measure of a nation's tax revenue relative to the size of its economy.<sup>6</sup> If taxes are high as a proportion of GDP, it means that spending is too high.

Taxes as a percent of GDP can indicate a more efficient government. The lowering of US taxes as a percent of GDP to 19% or 20% has long been a goal and guiding star of many fiscal conservatives in Congress. The politicians elected under RCV in Ireland have managed to just about achieve this goal, keeping their country's tax rate 21.1% of the Gross Domestic Product, compared to 26.6% here in America.<sup>7</sup>

Recently the conservative magazine *The Economist* labeled Ireland as the most financially successful country in the EU.<sup>8</sup> Currently the big controversy in Ireland is what to do about their budget surplus of about ten billion euros<sup>9</sup>, which is equal to about 11% of their total expenditures<sup>10</sup>. There are calls to cut taxes, subsidize housing, or improve infrastructure, all with cold hard cash. Not a debate we have here.

This is important for you to consider, as large metropolitan areas are largely where the wealth is being created, yet we need to make sure they are well run and fiscally lean to attract the jobs and businesses that in turn can, help fund the other areas of the state. Once again, look to the experience of Cincinnati, that went from the most corrupt, and corruption wastes citizens money, to the best run using RCV.

RCV also has a history closer to home. It served some of our cities well in the mid-20th century: Cleveland, Cincinnati, Hamilton, Toledo, and

<sup>&</sup>lt;sup>6</sup> <u>https://www.investopedia.com/terms/t/tax-to-gdp-ratio.asp</u>

<sup>&</sup>lt;sup>7</sup> https://www.oecd.org/tax/tax-policy/revenue-statistics-highlights-brochure.pdf

<sup>&</sup>lt;sup>8</sup> https://www.economist.com/europe/2023/10/12/our-european-economic-pentathlon

<sup>&</sup>lt;sup>9</sup> https://www.nytimes.com/2023/09/15/business/ireland-fiscal-budget-surplus.html

<sup>&</sup>lt;sup>10</sup> file:///C:/Users/Owner/Downloads/236053\_e0ec55a5-f9bc-4d8c-b132-70560ca9fbe5%20(2).pdf

Ashtabula. Again reminding you, Cincinnati implemented RCV in 1925 and went from being voted the most corrupt city in the nation to the best-run thirty years later. RCV ensured majority rule and minority representation. Ultimately, party bosses hated it because they couldn't use government to reward their friends, aka corruption, and together with the KKK, led the successful fight to overturn it, often in September elections after multiple attempts. *Proportional Representation and Election Reform in Ohio*, by Kathleen L. Barber, further details our history in Ohio with RCV.

Up until she lost on November 7<sup>th</sup>, only one Republican was elected to any position in any of the eight largest cities in Ohio: Liz Keating in Cincinnati. Despite the fact that 30-40% of voters in these eight cities cast their ballot for the Republican in the 2018 governor's election, they have almost no representation in their local government. Because RCV gives those in the minority a voice, it could actually help some Republicans get elected in those cities.

This is important politically; the GOP has now lost the inner ring suburbs, and the outer ring suburbs are melting. The cities are where wealth is being created, and from wealth often flows power.

One more aspect of SB 137 that should give you some pause; bonding. There are only eleven people in Ohio who understand how we are put together as a financial construct. Last year I brought up to one of the eleven the issue of how SB 137 could impact the muni bond market in Ohio, and we had a half hour discussion on that issue, with no clear conclusion. Last month I brought this topic up with another member of the eleven and his instant reaction was it would make our muni market only agreeable to Michael Milken. This is another reason to go slow, and study the issue further. (For those of you under 40, Milken specialized in junk bonds back in the 1980s.) I believe the historical opposition to RCV comes largely because it results in a more diffuse power structure, where the people, as a group and in general, hold the power. Therefore, it is much harder for corruption to take root. An empathetic word about how this corruption hurts the innocents. While this is a surprising statement, when Coingate happened two decades ago, about 30 people had their lives ruined. Not all of them were found guilty in a court of law; indeed, the vast majority of them were merely close enough to the corruption that it tainted them. I've checked with folks familiar with HB 6, including those who have insights as to how the Southern District thinks, and we have a consensus that about 120 to 130 people will have their lives ruined as a result of HB 6, many for the sin of being just too close to the fire.

I predicted on TV in October of 2019 that the FBI would be making arrests in regards to HB 6. The levels of corruption in Ohio are not a surprise and are inevitable under our current system. After all, I remember Vern Riffe very well.

However, I do want to take the time to address some of the concerns raised by opponents of RCV.

Some folks say that RCV is too new, little used, and is confusing.

Last Thanksgiving when we were over at our eldest daughter's house, she asked me what I was working on. When I started to explain what RCV is, she interrupted me by telling me that she knows all about that: that's how they choose the homecoming queen!

I do hope that this bit of information will not lead the sponsors to engage in more social engineering by cutting the funding of school districts that elect homecoming courts using RCV. But if we can use RCV for homecoming courts, we can probably use it for other elections, as it seems to be understandable to high schoolers. In fact, exit polling in Alaska indicates that 85% thought ranking candidates on their ballot was simple.<sup>11</sup>

In addition to homecoming queens, it has come to my attention that in higher ed, there are many cases where the election of department chairs occurs via RCV. Will this bit of data now cause the sponsors to want to cut off the state funding for institutions of higher ed that use RCV in this capacity?

Sometimes the mudballs being thrown at RCV have nothing to do with RCV and everything to do with how a specific city or state decides to handle the vote-counting process.

Some have made a great deal of noise about Alaska and delays in generating results. As a policy, Alaska election officials wait until seven days after the election to start counting absentee ballots. Given that many of these ballots have to be flown in from extremely remote areas by bush pilots, Alaska has long allowed these ballots to be received up to 15 days after the General Election Day<sup>12</sup>. Most cities elsewhere in the country using RCV release results the night of, or day after, Election Day.

New York City is a hot mess about many things, and delays in their election process are also not new.<sup>13</sup> "Some staffers read or watch Netflix at the office, while others punch in and then go shopping or to the gym, current and former employees said."<sup>14</sup> They could adopt the ancient

<sup>&</sup>lt;sup>11</sup> <u>https://alaskansforbetterelections.com/wp-content/uploads/2022/08/20220830\_AK\_Polling\_Data-combined.pdf</u>

<sup>&</sup>lt;sup>12</sup> https://www.elections.alaska.gov/Core/alaskavotecountingsystems.php

<sup>&</sup>lt;sup>13</sup> https://www.nytimes.com/2020/10/26/nyregion/nyc-voting-election-board.html

<sup>&</sup>lt;sup>14</sup> Ibid

Greek method of using broken bits of and black and white pottery shards and probably still screw it up.

But RCV has largely worked in New York City. 73% of the voters approved the charter amendment in 2019 to bring about RCV in the party primaries. When New York City used RCV in 2021, Eric Adams became only the second Black mayor of NYC and 87% of voters ranked more than one candidate. In addition, the campaigns for these contests took on a much more positive tone than in years past, with many candidates working to create coalitions and cross-endorsing each other. Finally, the true diversity of New York City was better reflected under RCV, with 35 candidates of color (including Mayor Eric Adams) winning their primaries, as compared to 26 previously. On top of that, women candidates nominated under RCV went on to win 31 out of the 51 NYC Council seats, the most in city history.<sup>15</sup>

How I often explain RCV, and the many styles of it, is to use the analogy of ice cream. There are many flavors of ice cream and we all have a favorite, and there are very few bad flavors of ice cream, although licorice does come to mind.

In looking at Arlington VA, what the proponents proposed as a pilot program was an odd flavor. A primary RCV election to determine the top two, then to have a head-to-head in the fall? This would not be my personal favorite flavor of RCV, but after the June pilot election using RCV, they decided not to expand this process, and see if this is the flavor they want to serve. It is important to remember that "several board members said they still want to pursue ranked-choice voting in future

<sup>&</sup>lt;sup>15</sup> <u>https://fairvote.org/rcv\_in\_new\_york\_city/</u>

elections."<sup>16</sup> And that is what they did on December 19<sup>th</sup>, 2023, when they brought back RCV for their primaries<sup>17</sup>.

In the elections of November 2023 RCV won in six local contests in a variety of states to establish that option, and defeated an effort to repeal the RCV reform<sup>18</sup>.

Speaking of other states, deep-red red Utah has about a dozen communities using RCV. I recently had the pleasure of chatting with the former GOP Chair for Utah, Stan Lockhart, a proponent of RCV, who told me that RCV is hated by political operatives, and they will become RCV's most implacable enemy. It is because they have a business model that makes them money currently and RCV largely eliminates the incentive for negative advertising.

From my role as former Board Chair of the Ohio Consumers' Counsel, it is very important to note that RCV seems to dampen corruption, possibly by removing those choke points where a few key people can exert undue influence. RCV leads to a "flatter" power structure, with fewer individuals or organizations i.e. Tammany Halls, able to engage in regulatory capture. The whole of the defense of some of those caught up in the HB 6 is that they did nothing wrong, as what they did was normal practice in the Ohio Statehouse. While that is a true statement, what it accidently underscores is that for thirty years, many of us thought how things work around here was at best unseemly, or at worst, illegal. Now we know. How to stop it is the difficult rub, as with time, from what I've read and seen myself over these decades, almost any reform can be slowly undermined and perverted. And the more effective the watchdog

<sup>&</sup>lt;sup>16</sup> <u>https://www.virginiamercury.com/2023/07/18/after-being-first-in-virginia-to-use-it-arlington-hits-brakes-on-ranked-choice-voting/</u>

 $<sup>^{17}\,</sup>https://patch.com/virginia/arlington-va/arlington-makes-ranked-choice-voting-permanent-board-primaries$ 

<sup>&</sup>lt;sup>18</sup> <u>https://ballotpedia.org/Local\_ballot\_measure\_elections\_in\_2023</u>

organization is, the more likely it is to be destroyed, such as the Ohio Consumers' Counsel was almost destroyed by the regulated utilities in 2011until I bought several rounds of coffees and drinks for the utility lobbyists and explained what the world would look like without OCC.

But returning to the matter at hand, think about what entities are opposed to RCV, and why? I have strong suspicions that if you keep peeling that onion back you will find that there are certain groups intent on keeping a level of soft corruption endemic to Ohio, the most corrupt state in the Union. RCV inhibits corruption and looking at the history of Cincinnati, we have sufficient proof.

RCV is an innovation that changes the incentives by which people run for office, how they are elected, and how elected officials operate. As such, those deeply invested in the status quo – including out-of-state interests – are suspicious of RCV. But, as Reagan said, *status quo* is Latin for "the mess we're in."

We shouldn't care where the ideas come from; on the farm we don't care what the cat looks like as long as it can catch mice. Ranked choice voting locally can catch mice.

Below you will find a Twitter aka X posting from the Republican National Committee; a picture is worth a thousand words.

Remember that this is the only country to settle the issue of slavery via civil war, and that should keep you up at night. All political systems are to a degree self-correcting, and democratic republics claim to be the best at changing, and moderating that change. But we failed on the issue of slavery; why? Are we as a country that good at managing change? It may be time for a modest change so we can handle what comes our way, and not fail like the Roman Republic, which could not adapt.



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