



New York COMMON CAUSE

Holding Power Accountable

**Join Us for our *I Love an Ethical New York*
Awards Reception 2007**

By Emily Dekin and Danielle Sporkin



Mark your calendars! The 10th Annual *I Love an Ethical New York* Awards Reception is quickly approaching and planning is already underway to make this year's event one of the best yet. The reception will be held at the *Rainbow Room, Pegasus Suites* at 30 Rockefeller Plaza on November 1st, 2007 from 6:00 to 8:30PM. The event will include cocktails, hors d'oeuvres, an awards ceremony and a silent auction.

The *I Love an Ethical New York* event celebrates New Yorkers who have made a significant difference over the past year. This year, Justin Rockefeller and Adrian Talbott, founders of **Generation Engage**, a youth-led civic engagement organization, will be receiving our first ever *Andrew Heiskell Youth Democracy in Action Award* to honor their efforts to engage young

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Letter from the Executive Director

Goodbye!

By Rachel Leon

After a decade as Executive Director of Common Cause/NY, this will be my last column. I first of all want to thank you, the members of Common Cause, because it is due to your activism and support that we have been able to build such a great operation in New York State.

When I started back in the 1990's, the New York operation was bare bones, lacking resources and significant programs. With hard work, great staff, and even greater volunteers and interns, and with our members and volunteer board, we have been able to build an organization in New York that is a force for change. We've had many victories, and have kept the battle for reform on the front burner.

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Mark your Calendar for November 1, 2007: I Love an Ethical New York!

Join us for this fabulous event!

To learn more and to RSVP, check out page 4 of this newsletter.

Cntd from front

We've won important legislative battles under my tenure, including strengthening lobby laws; improving sunshine and disclosure of campaign contributions; protecting and enhancing the public financing system in NYC; winning pay to play victories; closing loopholes; improving Freedom of Information Laws, and more, but much more remains to be done.

John Gardner, the founder of Common Cause said, "everyone's organized but the people," and he set out to change that by building Common Cause. That quote hangs in the front office of Common Cause/NY and it permeates everything we do. During my tenure in NY, I have tried to organize New Yorkers and with your support we have much to be proud of.

Common Cause/NY has led the Charge for change in Albany with our coalition partners. We created and organized an annual Reform Day for the last three years that has gotten bigger and more influential each year. We created a signature Connect the Dots Research and outreach program that documents how money in politics impacts issues New Yorkers care about. We've co-chaired a coalition with NYPIRG on Voting that's worked with hundreds of organization and achieved real results in improving elections in New York City and beyond. Our Archibald Cox Lecture Series brought influential thinkers on ethics and democracy to our members drawing several hundred citizens to each of our lectures. And our I Love an Ethical NY Awards Reception, has not only raised significant funds for New York's research and outreach but has become a must attend event for New Yorkers who care about democracy. Our honorees from Walter Cronkite to President Bill Clinton to this year's wonderful roster are a credit to their state and country.

When I leave, that phrase "everybody's organized but the people" will still hang in the lobby of the NY office and will guide the work of the next generation.

Gardner believed deeply in democracy. He believed in citizens getting involved, in being active in their local communities and nationally, and in shaping their own destinies. He spent decades working toward that end. After one decade, I am leaving to keep working on bettering democracy, but from a different vantage point.

New leaders will bring new energy, and strategies and I look forward to continuing to see Common Cause/NY in the forefront of the democracy movement. I look forward to continue reading about Common Cause/NY on the front pages of news dailies calling for change; and calling out our leaders on what is lacking in the struggle for government reform. New leaders will continue to keep the signature pieces that have made New York Common Cause important alive and growing.

I wish new staff the best; and to our members I urge you to stick with this fight. John Gardner also said Reform is not for the short-winded. This is a never ending struggle to keep government accountable and responsive, and we are only as strong as your engagement. So my deep gratitude to you all from one end of the state to the other, you are our common Cause. Stay active; keep supporting; and the movement will keep growing!

Welcome New Staff!

Christina Bottego will serve as our new Manager of Grants and Programs. Ms. Bottego is a recent graduate of the Wagner School of Public Service at New York University, having earned a Masters of Public Administration in Non-Profit Management and Policy Analysis. As a part of her coursework, Christina conducted extensive research in the field of New York City housing policy, particularly pertaining to expiring-use Section 8 properties, as part of a management evaluation for the Abyssinian Development Corporation. The project culminated in a final report entitled New York City Housing Policy and the Non-Profit Acquisition Process of Distressed Properties. Prior to joining Common Cause/NY, Christina served as Senior Program Assistant and Project Manager for Community Resource Exchange, a non-profit technical assistance organization. There, she conducted program evaluations for various New York City based non-profits. Christina holds a BA in writing with a minor in women's studies and literature.

Krystyna Davenport will serve as the Associate Director of Special Events and Outreach. Ms. Davenport comes to Common Cause from New York University where she served as the Associate Director of Alumni Relations for the School of Continuing and Professional Studies. At NYU, Krystyna managed five alumni boards and planned fundraising events including the Real Estate Evening of Monopoly, which raised over \$250,000. In her previous position at New York-Presbyterian Hospital, Krystyna planned all events for their \$1 billion capital campaign including the Seymour and Vivian Milstein Family Heart Center Groundbreaking with special guest William J. Clinton. In addition to event planning, Krystyna managed smaller fundraising campaigns including the NewLeaders, a new initiative to bring younger donors into the Hospital. Krystyna received her B.A. in English from Fordham University, and is currently pursuing an M.P.A. with a focus on Public Policy at Baruch College of the City University of New York.

I Love an Ethical New York Awards Reception 2007

Cntd from front

Americans in civic dialogue regarding critical issues and to bridge the gap between youth and their political leaders. The *Working Together to Forge a Better Democracy Award* is being awarded to Kathryn Wylde for her efforts and leadership on behalf of **The Partnership for New York City** for their coalition with a diverse group of public officials and leaders of labor, civic and community-based organizations in support of Mayor Bloomberg's Sustainability Initiative. There will also be a special salute at the event to outgoing Common Cause/New York Executive Director Rachel Leon. Past receptions have honored such exemplary individuals as President William J. Clinton, Lewis Cullman, Walter Cronkite, Larry Rockefeller, Ossie Davis, Charlie Rose, Margaret Fung, Dr. John Brademas, Andrew Heiskell (in memoriam) and Seymour Hersh. Joining us at this year's event is special guest Bob Edgar, Common Cause's National President.

In addition to honoring New Yorkers who have made a difference in our democracy, we will also hold a silent auction to help support our research projects and activities. For those of you who have not had the opportunity to participate in our silent auction during previous years, here is the simple way in which this part of our event functions - on the day of the event, auction items will be on display along side a list that indicates their starting bid.

Anyone interested in purchasing a particular auction item may place their name and bid on the list. At the end of the night, the person with the highest bid wins the item! In preparation for the silent auction, we have contacted over 500 potential donors, requesting everything from theater and sporting event tickets, to spa treatments, dinners, and week-

end getaways, as well as autographed books, gift certificates, and baskets of items for kids and pets. Past donors to our silent auction have included Nobu, the Chamber Music Society at Lincoln Center, Chelsea Piers, Ritz Carlton at Central Park, Air Tran, Morgenthal Frederics, Me&Ro, New York Times Archives, Affinia Hospitality Hotels, Maximus Spa and Salon, Mirabeau Inn & Spa in Skaneateles and the Pulitzer Prize winning cartoonist Matt Davies. Proceeds from the silent auction helps fund all of the educational/non-lobbying activities of Common Cause/NY. So be ready to bid on some wonderful items and help support the important work of our organization.

This year will also commemorate Common Cause/NY's thirty-third year of fighting for an accountable and honest government in New York State. This high-profile event is very important to us, as it raises over one-third of our total budget, without which we would not be able to work towards promoting changes in city and state governments or provide our projects with the funding necessary to keep the public informed and involved in our cause. The "Connect the Dots" money in politics research, Archibald Cox Memorial Lecture Series, and Election Reform Research are just a few examples of the programs that money from this event helps to fund (see page 5 and 6 of this newsletter). This year's event will prove to be a great night, so be sure to attend and participate in our silent auction. Look out for our Save the Date cards in the mail and for more information regarding tickets – Hope to see you there!

SAVE THE DATE FOR CC/NY'S ANNUAL *I LOVE AN ETHICAL NY EVENT!*

Justin Rockefeller and Adrian Talbott will receive the *Andrew Heiskell Youth Democracy in Action Award*. We will also be honoring **Kathryn Wylde**, who will receive the *Working Together to Forge a Better Democracy Award* on behalf of the Partnership for New York City.

The awards ceremony, including a silent auction, will be held on a November 1, 2007 in Manhattan. For further information, please visit our website www.commoncause.org/newyork.

Common Cause/NY's I Love an Ethical New York



New York
COMMON CAUSE

November 1, 2007 - The Rainbow Room, Pegasus Suites

Name/Organization _____

Contact person & Job title _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Email _____ Website _____

Sponsorship Levels:

- Benefit Chair (\$25,000 – Head Table seating ten, top listing in all printed materials & full-page ad)
- Co-Chair (\$10,000 – One Table seating ten, program listing & half page ad)
- Sponsor (\$5,000 – Four Tickets, program listing & quarter page ad)

How would you like to be listed? _____

Tickets:

Host Ticket (\$1,000 – One Ticket & program listing)

Individual Ticket (\$250 each) Indicate number _____

Celebration Journal: To place an ad, please check the appropriate box:

- Inside Front/Back Cover (\$4,000 each)

- Full Page (\$2,500)

My message is: _____

- Half Page (\$1,000)

- Quarter Page (\$500)

(Or fax/ email us a copy-ready ad)

Donation: I am unable to attend but would like to donate \$ _____

Payment Options: Please enclose a check or complete credit card details below:

Credit card: Visa MasterCard Total Amount Authorized: _____

Name on Card _____ Card Number _____

Expiration Date _____ Signature _____

Billing Address _____

City _____ State _____ Zip _____

Note: Checks/credit card authorization should be made out to **Common Cause Education Fund/I Love an Ethical NY Event**

Your contribution, less \$150, may be considered charitable for tax purposes

*Thank you for participating in the 2007 Awards Reception. We greatly appreciate your support. All contributions will fund C3 New York work-Making your vote count in New York State: before, during, and after the election. Completed forms may be sent to **Common Cause Education Fund, I Love an Ethical NY Event** c/o Astic Productions, 850 Seventh Avenue, PH-B, New York, NY 10019 or by fax to 212-581-1442. For further information, please contact Astic Productions at 212-581-1400 or nicole@asticproductions.com.*

For additional information on Common Cause New York, please visit our website: www.commoncause.org/newyork.

Analyzing the 2006 Senate and Assembly Elections in New York State

By Jonathan Zellner

How much money was spent on political campaigns in the 2006 election cycle? How many incumbent politicians failed to win re-election? And what were the average margins of victory for election winners? These are only a few of the many questions Common Cause/New York is addressing in its ongoing analysis of the outcome and public financing of the 2006 Senate and Assembly elections in New York State.

For the past several months, Common Cause/New York has been working on an important research project that will integrate data and observations on the cost and results of the 2006 Senate and Assembly elections into an informative report for public use. The goal of this venture is to help explain whether previously observed trends in areas such as campaign spending and the ability to win re-election, among others, have continued to exert an influence on the outcomes of state legislative elections.

To date, Common Cause/New York's analysis has uncovered considerable evidence to suggest that past election trends persisted into the 2006 election. For instance, the 2006 election, like every other legislative election held in New York State over the past twenty-five years, was characterized by very low incumbent turnover and little change in major party advantage in the Senate and Assembly. This pattern appears attributable to almost invariable enrollment advantages in Senate and Assembly districts and a lack of districts with even or near even enrollments for both major parties.

Common Cause has also found that the average margins of victory for winning Senate and Assembly candidates, especially incumbents, varied little from the lopsided margins in 2004. In 2004, winning big often resulted from outspending the opposition to the greatest extent possible. Incumbents who won re-election in particular outspent their opponents by sizable margins, and were typically the top individual spenders among all major party candidates. Common Cause observed that these trends from 2004 repeated themselves in 2006, as election winners again far outspent election losers and incumbents again tended to be the biggest spenders.

At present, both the analysis and report are underway, and will be made available sometime in the early fall (a small sampling of our data is previewed below). In reading this report, constituents will receive a thorough and accurate examination of many of the factors that influenced the outcome of last year's legislative election. Constituents will also get a clear idea of what to expect in future New York State elections if previously identified trends are to continue unobstructed. Lastly, Common Cause/New York will provide recommendations on how legislative elections in New York State can be made fairer and more competitive, focusing especially on campaign fundraising and expenditures.

Total Expenditures By Office and Major Party (2004 and 2006)

Office and Major Party	2004 Total Expenditures	2006 Total Expenditures
Senate Democrats	\$7,384,313.90	\$9,976,630.18
Senate Republicans	\$18,646,579.37	\$25,375,076.49
Assembly Democrats	\$14,477,175.31	\$15,817,868.16
Assembly Republicans	\$5,681,586.05	\$7,117,187.71
Total	\$46,189,654.63	\$58,286,762.54

LEAVING A GIFT OF LEGACY TO COMMON CAUSE

By including Common Cause in your will, you ensure that we have the resources to make each vote count and each legislator accountable.

There are several ways to provide a gift to Common Cause/NY that will endure beyond your lifetime - include a bequest to Common Cause/NY in your will or living trust; name Common Cause/NY as a beneficiary of a life insurance policy, a retirement account or IRA; or through Life income gifts that involve making a gift to Common Cause/NY and receiving income for life or for a term of years.

We would be happy to help you structure your estate to best meet both your personal and philanthropic goals. Many of the plans listed above can provide significant tax and financial advantages. Your gift will help ensure a legacy of democracy...for today and tomorrow.

For more information, please call us at 1-800-300-8707 or email us at cocauseny@aol.com.



The Bid for New York Racetracks

By Carly Katz

Some businessmen have big ideas for New York's major thoroughbred racing tracks, and they won't stop running—or spending—until their business plans are realized. The four bidders for the Belmont Park, Aqueduct and Saratoga Racetracks franchise have already spent more than \$2 million on lobbying and campaign contributions in their quest for control of the tracks, seeking the influence that money too often has in Albany.

The lucrative operating rights of the state's three major racetracks is up for grabs after a 52-year tenure by New York Racing Association. After years of corruption during its stay as operator of the race tracks, NYRA's contract will expire on December 31, 2007. The organization is now competing with three other groups to win control over the tracks for as long as twenty years.

Each of the competing business groups—Capital Play, Inc., Empire Racing Associates, LLC, Excelsior Racing Associates, LLC, and NYRA—is comprised of powerful individuals and corporations, for whom the benefits of holding the franchise far outweigh the costs of attaining it. Aside from the official competition, which includes proposal presentations and an integrity review, each group and its members engage in lobbying activity and make significant campaign contributions to politicians.

Belmont, Aqueduct, and Saratoga were once major institutions of thoroughbred horse racing and tourism in New York, but, in recent years, attendance has dropped and facilities have deteriorated. NYRA, a nonprofit business, has been their principle operator since 1955, but has come under fire in recent years as its integrity has been questioned. NYRA filed for bankruptcy under Chapter 11 on November 2, 2006 and is now fighting to retain the right to operate all three tracks.

Despite declining attendance, the three racetracks still receive \$2.7 billion in bets each year. Besides continuing with horse racing, each group wants to install video-lottery terminals

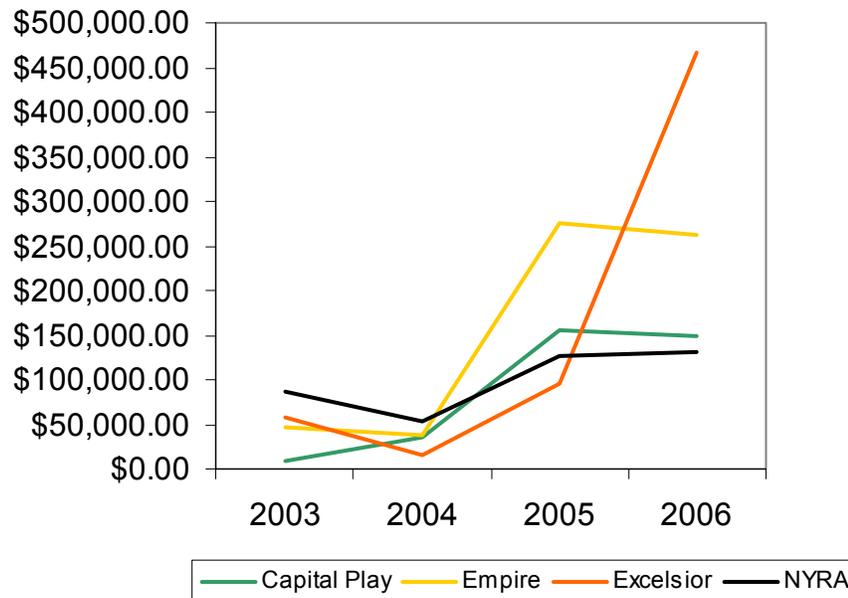
(VLTs) at some or all tracks, depending upon the legislature's approval. VLTs essentially function as digital slot machines and would increase traffic and profits at the racetracks. Money earned from VLTs would help fund education in the state, and could bring New York State as much as \$55 million in gross profit.

Although the Ad Hoc Committee on the Future of Racing, formed last year by Governor Pataki, recommended that Excelsior be given the franchise, Governor Spitzer announced in March that he would open up the playing field once again. Spitzer created a panel to evaluate the candidates through an integrity review process. This included interviews and background checks (which the bidders had to pay for themselves, costing \$3 million collectively) as well as the submission of a business plan proposal for the three tracks, including improvements and how they would increase interest in thoroughbred racing.

But the bidders aren't stopping there in the race to the finish line. Altogether they've spent over **\$2million** on lobbying and campaign contributions made from various names, addresses, and LLCs between 2003 and 2007, **over 50%** of which was funneled into the political system between January 2006 and the first few months of 2007.

As they continue to attempt to influence the state legislature—which will make the final decision—the outcome is still unknown. In July, Governor Spitzer announced that he would require the bidders to submit new proposals because of additions and departures within groups. There is also the possibility that the franchise will be split, with one group operating gaming and the other operating development and racing.

Total Campaign Contributions by Bidders and Affiliates, 2003-2006



Intro 586: A Positive Model for State Wide Campaign Finance Reform

By Jonathan Zellner

On Tuesday, June 5, Mayor Michael Bloomberg and New York City Council Speaker Quinn introduced an important new campaign finance reform bill, the latest step in what has historically been an ongoing process of strengthening the city's campaign finance program.

The legislation, also known as Intro 586, seeks to minimize the influence of corporations and special interests in city politics, particularly those who “do business” with the city. Contributions from individuals and entities “doing business” with the city accounted for over twenty percent of all contributions in both the 2001 and 2005 election cycles, according to a 2006 report issued by the NYC Campaign Finance Board.¹

In order to improve the city's campaign finance program, Intro 586 would:

- Reduce the cap on campaign contributions from government contractors, lobbyists, land use applicants, and other individuals and entities who “do business” with the city—from \$2,750 to \$250 for council races, \$3,850 to \$320 for borough-wide races, and \$4,950 to \$400 for citywide races.
- Make contributions from those “doing business” with the city non-matchable under the public financing program.
- Broaden the definition of “intermediaries” to encompass not just those who physically deliver contributions to candidates, but those who solicit them as well.
- Create a six-to-one public funds match for contributions of \$175 or less to replace the current four-to-one match for contributions up to \$250.
- Limit contributions for transition and inaugural expenses.
- Make clearer what constitute permissible and impermissible expenses by enacting a strong and lucid restriction on the use of campaign funds for personal expenses.
- Close a loophole that exempted limited liability companies and limited liability partnerships from the ban

on corporate campaign contributions by banning LLC and LLP contributions.

Common Cause/NY supports Intro 586 and has urged its enactment by the NYC Council. As illustrated by the aforementioned provisions, the legislation will go a long way toward ensuring that New York City's campaign finance laws remain among the strongest in the United States. By passing Intro 586, the Council and the Mayor will prove themselves to be forward-thinking supporters and defenders of this important city program.

Nevertheless, there are some noteworthy reforms absent from the current bill. Intro 586 does not include unions in the ban on organizational contributions. Yet, the city Campaign Finance Board has observed that the five largest donors to City Council candidates in the 2005 citywide election were either unions or union affiliated political action committees.²

Additionally, as Common Cause/NY noted in testimony before the City Council on Tuesday, June 12, contribution limits for all citywide races should be lowered across the board as another way to tackle special interest influence. Individuals may give upwards of \$4,950 to a candidate for Mayor, more than they may legally give to a candidate for President (\$4,600) over the course of the primary and general elections. Lowering contribution limits for all citywide races would help to limit concerns that campaign donors, regardless of whether they satisfy the “doing business” definition, are able to curry favor through their donations.

These points aside, Common Cause/NY strongly supports Intro 586 and believes that this legislation will have a significant and beneficial impact on New York City's campaign finance program. The bill should serve as a positive example to the state legislature in Albany of the importance of campaign finance reform and the need to pass similarly forward-thinking statewide reforms.

¹ Gross, Courtney. “What the Campaign Finance Bill Would Do—and Not Do.” *Gotham Gazette* (June 11, 2007).

² *Ibid.*

Campaign Finance Reform in the 2007 Legislative Session

By Christina Bottego with Barbara Bartoletti

Reforming New York's shameful campaign finance laws has been a focus of civic groups for some two decades. Most recently, campaign finance reform gained increased attention in New York State when Governor Spitzer cited this issue as a key focus for his administration. The Governor noted in his inaugural address that "Some public officials may not want to face stricter ethics rules and more competitive elections, but all citizens will win when we finally get a government that puts the people's interests, openness and integrity first."¹

Campaign finance reform, along with budget reform and ethics reform, were the issues Governor Spitzer focused on during his first six months. While Common Cause and our Reform NY coalition members were generally in agreement with the budget reform legislation, the secret process that resulted in that agreement was roundly criticized. Those reform bills were negotiated behind closed doors and then announced as a three way agreement, which unfortunately, is status quo for this particular legislature. Common Cause gave Governor Spitzer the benefit of the doubt on the secret process for budget reform, but criticized him on the ethics bill as it advanced changes in law never discussed in public in any form.

Efforts to reform the state's campaign finance law became public on April 23rd, Reform NY Action Day. At that point Common Cause and coalition members were brought into discussions and the Governor asked for our groups' support. The initial proposal was sweeping and touched on key areas of reducing contribution limits, increasing disclosure, and improving enforcement.

Unfortunately the proposed reforms did not go as far as civic groups had hoped and some reforms were not included, including restricting personal use of campaign funds, which many elected officials are unwilling to give up, closing the LLC loophole where the Senate receives much of their major contributions via corporations, and curtailing political action committees (PACs) where the assembly receives their major contributions via unions.

With these options off the negotiating table, CC/NY and our colleagues had to essentially strip our position down to the bottom line; lowered contribution limits, better disclosure, and better enforcement (for a better sense of our

position on disclosure and enforcement, see "Statement of the New York Public Interest Research Group Before the New York State Senate Elections Committee" beginning on page 9).

Not long after we began working with the Governor to design a proposal, CC/NY along with coalition members were asked to stand with the Governor on numerous occasions in support of the campaign finance reform proposal that was under consideration among the Governor and legislative leaders. Our organization, along with the League of Women Voters/N.Y.S., and the New York Public Interest Research Group (NYPIRG), made appearances in Syracuse, Rochester, and Schenectady in order to promote what appeared to be a promising beginning of reform of this issue.

As the legislative session drew to a close in late June, no action was taken on the campaign finance reform proposal. Campaign finance reemerged as an issue in the discussions of congestion pricing in July. CC/NY along with coalition members supported in concept the proposal described by the Governor's staff subject to our review of final bill language. As this goes to print, are awaiting bill language to review the results of any continued negotiations, and support a piece of legislation that at minimum meets our bottom-line requirements for reducing the influence of money, increasing information about campaigns and contributors and improving enforcement of the state's campaign finance laws.

¹ <http://www.ny.gov/governor/press/0101071.html>

**STATEMENT OF THE NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE NEW YORK STATE SENATE ELECTIONS COMMITTEE REGARDING
CAMPAIGN FINANCE DISCLOSURE, TRANSPARENCY & ENFORCEMENT
ROME, NEW YORK
JULY 27, 2007**

Good morning. My name is Russ Haven and I am Legislative Counsel to the New York Public Interest Research Group (NYPIRG). NYPIRG is the state's largest non-partisan, non-profit student directed political reform, consumer protection and environmental conservation organization. NYPIRG was organized in 1973 and since that time has sought to make New York's state and local governments more open, transparent and accountable.

A significant aspect of NYPIRG's work has been to monitor the state's campaign finance laws and the effectiveness of the state and local boards of elections. In addition to other reforms, we have long advocated for better disclosure, transparency and enforcement of state Election Law.

We appreciate this opportunity to share our views on the topics of campaign disclosure, transparency and enforcement. We view the outline of the campaign finance accord announced recently by the Governor, Senate Majority Leader and Assembly Speaker to be steps in the right direction in these areas. However, we believe that the campaign finance accord is only a first step and much more needs to be done.

Regrettably, since 1976 when post-Watergate reforms were enacted, the Legislature has failed to agree to update our laws in this area to fully bring New York in line with other states.

The series of reports by the New York State Commission on Government Integrity, which was established in Spring 1987 and chaired by then Fordham Law School Dean John Feerick, laid out fundamental problems with the substance and implementation of the state Election Law provisions with respect to campaign finance disclosure, transparency and enforcement. Not much has improved in the nearly two decades since the June 1990 report *Poughkeepsie '85: A Case Study of Election Law Abuses*.

Since 1990, soft money contributions are now reported and campaign filings are done primarily electronically and are available through the state Board of Elections website. While these are positive steps, much more needs to be done.

Disclosure

New York has recently taken some positive steps to improve disclosure requirements and access to the information. However, a recent report by the Campaign Disclosure Project ranked New York in the *bottom half* of the states (29th of 50 states) with the embarrassing overall grade of "D+" in the area of campaign finance law disclosures. The Campaign Disclosure Project evaluation looked at four areas: the strength of campaign disclosure laws; availability of electronic filing programs; the degree of public access to campaign finance information; and the usability of disclosure websites.

To be effective, disclosure laws must require timely and detailed disclosures that provide meaningful information to the public. New York's laws fall short of this standard.

New York's disclosure requirements are inadequate in the following ways:

- Fail to require that contributors disclose their occupation and employers.
- New York does not require that intermediaries who arrange and/or deliver campaign contributions, a/k/a "bundlers," disclose their role in fundraising, as is required under federal law. So-called "bundlers" are of par-

ticular interest because they are likely to be lobbyists or others with a more than passing stake in the outcomes of governmental decision making. These identities should be disclosed.

- New York does not require reporting of expenditures owed but not paid at the time a service is provided.
- New York does not require disclosure of independent expenditures for political advertising for ads that do not expressly advocate the support or defeat of a candidate, so-called “electioneering communications.”
- New York does not require disclosure filings that capture activity during the legislative session. Disclosure reports should be added during the legislative session, *e.g.*, before and after the April 1st budget deadline but prior to July 15th semi-annual reports.
- Subvendor information should be furnished, *i.e.*, when money is spent on behalf of a candidate, there should be detailed information on how that money was spent, at lower thresholds than currently required. Current thresholds for reporting this information are too high: \$10,000 for statewide candidates and \$5,000 for all other offices.

Transparency

Transparency is the capacity to easily access, in hard copy or electronically, campaign finance information. For true transparency, disclosed information must be easily accessible to the general public in ways that maximize the usefulness of the disclosed information. Transparency is a function of the disclosure requirements, fidelity to those requirements, “user friendliness when accessing data, and enforcement when disclosures fail to adhere to the law.

The Campaign Disclosure Project gave New York State grades of “C-“ for access and “F” for usability in its 2005 national survey. While some improvements have been made, including access to a portion of local data and search capabilities for the Board’s website have been enhanced, more can be done. Transparency problems include:

- Committees confusingly and inconsistently identify transactions on their reports. For example, what one committee considers a “transfer,” another committee may deem an “expenditure.”
- The multiplicity of committees controlled by the same candidates or similar interests, makes it difficult for the public to get a full and accurate picture of political fundraising and spending activity.
- The Board of Elections does not provide easily understandable information on how the campaign finance and disclosure laws work and analysis of data and trends. In contrast, the Lobby Commission helps the public understand its data.

Enforcement

In addition to requiring better disclosure, among the areas under discussion, enforcement is the greatest concern. Not much has changed since the state Board of Election’s enforcement activities were roundly criticized by the Feerick Commission in 1990:

“The Commission also investigated the Board of Elections’ own investigation of the campaign. The Board’s fifteen-month investigation, which began in January 1986, is notable for its failures: the Board did not take certain basic investigative steps; the Board did not uncover important evidence; the Board relied on the uncorroborated, unsworn statements of Spargo; the Board failed to find a number of Election law violations established by the evidence it collected; and the Board ultimately decided to close the matter without uncovering all the facts or making a referral to the appropriate law enforcement agency for further investigation.”

Moreover, often the investigation of potential violations of the Election Law has been done by reporters and civic groups. For example, in May 2007 civic groups NYPIRG, League of Women Voters, and Common Cause/NY furnished a list of more than 160 businesses that may have exceeded the annual corporate contribution limit in 2006 in the aggregate by some \$239,000. The Board of Elections Campaign Finance Unit is currently reviewing the data and analysis supplied by our groups.

NYPIRG has recommended that a separate campaign disclosure and Election Law enforcement agency be estab-

lished as the best way to create an independent, vigorous enforcement entity. We also supported the concept of a fifth “tie breaking” Commissioner and creation of an independent enforcement unit within the Board. The independent enforcement unit proposal is part of the recently announced accord on campaign finance improvements.

Among the deficiencies of the Board of Elections:

- The Board of Elections lacks the independence to act as real regulator of the campaign finance and disclosure laws.
- The Board of Elections is gridlocked due to its evenly split bipartisan composition and the necessity of getting a majority vote to move forward on serious enforcement actions.
- The Board of Elections historically has lacked the resources to effectively investigate complaints. In its 2006 report, the Board noted that it had a single employee in its investigative unit.
- Enforcement is uncertain and fines that are levied often go unpaid.
- The Board of Elections, unlike the state Lobby Commission, does not audit campaign committees or multi-candidate committees (PACs) or conduct random audits to determine compliance with the reporting requirements and contributions limits.
- The Board of Elections typically has held committees or treasurers responsible for violations, not candidates.
- Reporting often is incomplete, sloppy and inconsistent. The Board of Elections permits poor reporting, in part because there is no prospect of audit.

We thank you for this opportunity to lay out some of our concerns about the statutes, regulations and implementation of the state’s disclosure, transparency and enforcement of state campaign finance laws.

We look forward to enactment of the recently announced campaign finance accord as an important first step and to continuing improvements in this area.

WANT TO LEARN MORE?

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