

**BRENNAN CENTER FOR JUSTICE  
CITIZENS UNION  
COMMON CAUSE/NY  
LEAGUE OF WOMEN VOTERS/N.Y.S.  
NEW YORK PUBLIC INTEREST RESEARCH GROUP**

## **MEMORANDUM IN SUPPORT OF A.4**

**IN ASSEMBLY, BILL NUMBER 4. INTRODUCED BY MEMBERS OF ASSEMBLY  
SILVER, WRIGHT, PHEFFER, WEINSTEIN, TOKASZ, SANDERS, NORMAN, ET AL**



### **SUMMARY OF PROVISIONS:**

This bill is a sweeping and comprehensive overhaul of New York State's campaign finance law. As you know our organizations are "grading" reform issues this year. We grade it three "thumbs up" out of three. The bill strengthens New York's campaign finance law by, among other changes:

- Dramatically lowering campaign contribution limits and caps spending. Candidates for statewide office, legislative office and any constituted committee would not be able to receive contributions in excess of \$2,000. Contributions to party committees would be most dramatically affected, dropping from the current limit of \$84,400 to \$25,000.
- Banning "soft money" donations (a.k.a. "housekeeping accounts").
- Closing the corporate loophole that allows businesses to circumvent the current \$5,000 aggregate contribution limit by funneling the money through subsidiaries.
- Requiring the names and addresses of employers and any "intermediaries" – bundlers.
- Requiring that independent advocacy advertising clearly state the name of the entity paying for the communication.
- Banning campaign fundraisers within 40 miles of the Capitol during the legislative session.
- *And most importantly*, creating a voluntary system of public campaign financing for primary, general and special elections for statewide and legislative offices. Public funds would be generated through a voluntary \$3 check-off on state income tax forms. To qualify for public funds, candidates must meet thresholds of support for both number and aggregate amount of private contributions from state residents. Participating candidates must agree to abide by spending and contribution limits.

Contributions to participating candidates of \$500 or less from individuals would be matched by \$2 in clean public resources from the New York State Election Campaign Fund, overseen jointly by the state Comptroller and Commission of Taxation and Finance. Being eligible to receive \$4 for each \$1 of matchable contributions protects participating candidates whose opponents are non-participants or who spend one third of the limit or \$250,000 of their own money. Moreover, counties, cities, towns and villages would have the option of enacting local campaign finance programs.

- Please Turn Over -

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### STATEMENT OF SUPPORT:

As more and more money flows into politics, public office is in jeopardy of slipping from the grasp of most private citizens. Meanwhile, lawmakers are distracted by the endless burden of fundraising, spending a significant amount of time trying to raise the large amounts of money deemed necessary for increasingly expensive campaigns.

Fundraising in Albany during the legislative session has reached fever pitch. During the 2004 legislative session, lawmakers hosted 200 Albany-based fundraisers. Holding these fundraisers in Albany during session provides incumbents with a substantial advantage over their out-of-town challengers. In light of the *status quo*, it's not surprising that a *New York Times* poll found that 79% of the public believes that special interests control government.

Since 1976, when the Supreme Court struck down campaign spending limits in *Buckley v. Valeo*, voluntary programs that include spending caps have been the only avenues to rein-in the spiraling costs of running for office. Campaign finance programs, such as the one proposed in this bill, provide public matching funds for candidates who *voluntarily agree* to limit their campaign spending. Voluntary spending limits encourage candidates to seek smaller contributions from a greater number of real people.

Public campaign financing is an idea whose time is long overdue in New York State. The New York City system – with its \$4 to \$1 match – has been described as a model for the nation. This bill is clearly modeled on that system and such public campaign financing--voluntarily provided through a tax-form check off--will go a long way to restore public confidence in its government.

As the New York State Commission on Government Integrity noted in 1988

. . . public funding strengthens the relationship between candidates and the public they represent, and will allay the cynical belief that current campaign fund-raising practices are a form of "legalized bribery."

The bill goes beyond public financing and comprehensively overhauls campaign finance law. A.4 lowers contribution limits, bans soft money, improves disclosure and strengthens enforcement. This bill deserves your support.

### OUR ORGANIZATIONS STRONGLY URGE YOUR SUPPORT OF A.4.

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