

LIFTING THE VEIL

***A Report Analyzing Grassroots Lobbying in New York State
and Recommending Amendments to the
Lobbying Act***

June, 2011



Acknowledgements

This report was written by Brian Paul and Susan Lerner of Common Cause/New York, based on research conducted by Brian Paul and Common Cause Interns Josh Blankenbeckler and Alex Turek.

In any given year, in any given state, the battle over the budget is always a highly contested political debate as competing interests converge on the capital and vie to influence elected officials and public opinion. During times of economic recession, these battles reach fever pitch as governors and legislators struggle to decide if and where to cut spending and procure additional sources of revenue.

In the classic view, powerful, moneyed interests engage in direct lobbying by hiring professional lobbyists to meet with politicians on their behalf, while citizens' groups and good government organizations engage in rallies, petition drives and the like.

But in recent years, the competition for influence in Albany has intensified. New York has seen an exponential rise in statewide spending on lobbying; from \$66 million in 2000¹ to more than \$210 million in 2010². While traditional direct lobbying continues to dominate – with more than 30 registered lobbyists for each state legislator - there has also been an increasing shift in lobbying tactics. The rise of grassroots, election-style campaigning by powerful interest groups to support or oppose legislation, particularly around the state budget, has resulted in an exponential increase in reported advertising expenditures. While lobbying clients reported spending slightly more than \$6 million in advertising expenditures in 2009, the reported advertising expenditures in 2010 jumped almost 500% to just under \$30 million.³ Without a doubt, this shift in tactics has resulted in a greater public awareness of these advocacy efforts.

Large-scale election-style grassroots lobbying in New York began in the late 1990's when interest groups like the 1199/SEIU healthcare workers union, the Greater New York Hospital Association (GNYHA), and New York State United Teachers (NYSUT) began running coordinated campaigns using advertising, canvassing, phone banking, rallies, and other grassroots techniques to fight Governor George Pataki's proposed budget cuts.⁴ In 2005, Cablevision (owners of Madison Square Garden) and the New York Jets faced off on the issue of the proposed West Side Stadium and set a precedent for competing special interests to engage in multi-million dollar advertising wars on issue-specific legislation.⁵

Since then, grassroots campaigning has grown in sophistication and is increasingly taking place through third party coalitions with names like "Alliance for Quality Education"⁶ and "New Yorkers for Fiscal Fairness."⁷ Until very recently, union-affiliated groups have held a near monopoly on this kind of grassroots lobbying on fiscal policy in New York. The organized business community remained focused on traditional direct lobbying and campaign contributions where they have long held a fiscal advantage over the unions⁸.

In 2006, the upstate business community began to experiment with grassroots lobbying on fiscal policy with an anti-tax campaign called "Unshackle Upstate." In 2009 and 2010, grassroots lobbying reached new heights when business organizations in the beverage and grocery industries adopted election-style tactics in the debate over Governor Paterson's proposed "soda tax" and the sale of wine in grocery stores and spent over \$20 million. 2010 also saw the teachers' unions engage in a grassroots lobbying battle with "Education Reform Now," a nonprofit backed by charter school advocates, over the issue of teacher seniority with over \$9 million spent on competing advertisements.

And in 2011, upstate and downstate business organizations united behind "The Committee to Save New York," supporting newly elected Governor Andrew Cuomo's⁹ objective to reduce New York's deficit "without raising taxes or borrowing."¹⁰ Spending over \$7.4 million in January-April 2011 on advertising, canvassing, voter direct mailing, and social media, the Committee to Save New York marks the full engagement of business interests in the new tactics of election-style grassroots campaigning on legislative issues. In response, the unions organized

a new group called the “Strong Economy for All Coalition,” with a reported \$5 million budget dedicated to grassroots advocacy.¹¹

Since votes are the ultimate currency in politics, a strong push from public opinion is one of the few forces capable of pushing a contentious budget or other piece of legislation through the maze of special interests in Albany. New York’s largest business and labor groups are now set to engage in an escalating battle to influence public opinion on fiscal policy, and special interests are increasingly turning to grassroots campaigning to fight for or against any legislative proposal that might affect their bottom line.

These campaign-style battles are being waged through an increasing number of “veiled actors” -- third-party coalitions with misleading names that ask voters to “Save New York” or fight for “Fiscal Fairness” without revealing the powerful interest groups behind these messages.

If the business community, labor groups, or any other powerful interest believes their preferred policies can “Save New York” or ensure a “Strong Economy for All” they should have no need to hide their real names behind political catchphrases. Unless steps are taken to require proper disclosures and transparency of third-party coalition campaigns, New Yorkers will find themselves ever more confused, misled, and excluded from meaningful political participation.

In this report, we examine New York State lobbying data to show how the increasing use of third-party coalitions and grassroots campaign-style tactics has played a growing role in shaping political outcomes and furthering the power and influence of special interests at the expense of the public. Just as lobbying practices have evolved, so must the laws dealing with lobbying change to keep pace with the increasing use of election-style practices designed to influence public opinion and move public policy. In the final section of this report, we make specific recommendations for statutory changes to address this changing lobbying landscape and allow the public to fully evaluate the advertising and campaign claims made by the special interests and seek to shape public opinion and influence public policy.

KEY FINDINGS

- **While over-all lobbying expenditures by individual corporations and business entities is consistently greater, cumulatively, than total spending by unions and related interests, from 2005 to 2010, organized labor as represented by the state’s largest unions and union-backed groups, outspent the state’s major business groups by almost eight-fold.^a**
 - o From 2005 to 2010, the state’s largest union groups outspent the state’s major business groups \$80 million to \$11.8 million.^b
 - From 2005 to 2010, more than two thirds of union group spending went to advertising and other grassroots strategies (canvassing, internet, phone/ mailing costs, and funding third party coalitions).

^a Throughout this report, “business groups” and “business lobbies” refers to the Business Council of New York State, Partnership for New York City, Buffalo-Niagara Partnership, Rochester Business Alliance, and Unshackle Upstate, the Bankers Association and Real Estate Board of New York. These groups were chosen to represent “business groups” because they are the major groups involved in lobbying for improvement in the overall “business climate” (i.e. lower taxes, fewer regulations). They are also the major groups behind the Committee to Save New York. These figures do not refer to total lobbying by all individual businesses in New York State, and do not include the entities involved in the 2009-2010 campaigns on the soda tax and wine in grocery stores, which are addressed separately in a sidebar.

^b To place these amounts in context, total reported lobbying expenditures for the same time period totaled \$1.08 billion.

- From 2005-2010, less than 10% of business group spending went to advertising and grassroots strategies, while more than 70% went to staff compensation.
- **In 2011 the balance between union and business group spending abruptly shifted, with business-backed groups outspending union-backed groups thanks to the arrival of the Committee to Save New York.**
 - In January through April 2011, business groups outspent union groups \$7.8 million to \$4 million and shifted from traditional lobbying to grassroots campaign tactics of advertising and direct constituent outreach.
 - More than 90% of business spending in January-April 2011 came from the Committee to Save New York.
- **Powerful interests are increasingly using third party coalitions and other “veiled actors” to engage in election-style grassroots campaigns.**
 - Spending by third-party coalitions has skyrocketed from \$2.2 million in 2008 to \$18.8 million in 2010, and is on track to match that record in 2011 with over \$8.5 million in spending thus far in the first four months of 2011.
 - The 2009-2010 battles over the soda tax wine in grocery stores, and “last in first out” teacher seniority policies illustrate the growing trend of special interests affected by specific legislative proposals engaging in multi-million dollar grassroots campaigns to sway public opinion by attacking or defending the proposal.¹²
- **Since New York’s lobbying laws lack clear regulations for third-party coalitions and grassroots lobbying, reporting of funders in lobbying reports is inconsistent.**
 - For example, while most (but not all) unions clearly report their contributions to groups like New Yorkers for Fiscal Fairness and Alliance for Quality Education, business interests such as the Real Estate Board of New York and the Business Council of New York State do not declare their reported contributions to the Committee to Save New York.¹³
- **Since New York’s lobbying laws lack clear regulations for third-party coalitions, powerful interests are free to spend millions of dollars on grassroots campaigns to influence public opinion and legislative outcomes while hiding behind these groups.**
 - Third party groups like the Committee to Save New York and New Yorkers for Fiscal Fairness are not required to disclose the organizations, companies or individuals that fund the group on advertisements, mailings to voters/constituents, and other campaign materials or messages.

RECOMMENDATIONS

- **Advertisers should voluntarily provide information on all messages and any related websites in order to allow members of the public to understand who is trying to “artificially stimulate”¹⁴ communication with officials on legislation or matters of public policy.**
 - All advertisements, websites, and other campaign materials should display/announce the full organization name instead of an acronym.
 - Each advertisement should disclose the organization’s name at both the beginning and end of the advertisement.

- At the end of each advertisement, the name(s) of the organization or entity(ies) placing the ad should be at least equally prominent to any other organizational names or website addresses displayed/announced.
- The organization's full name and partners/funders (if a third-party organization) should be clearly available on the website's home page.

If advertisers do not voluntarily adopt such measures, then they should be required to do so by statute and regulation.

- **Grassroots lobbying campaigns should be expressly defined and regulated by the state's Lobbying Act.**
 - Our research shows that different organizations and coalitions have interpreted their obligation to register as lobbyists for their grassroots campaigns differently, even though the courts have made it clear that grassroots lobbying is covered by laws regulating lobbying. Given the increasing use of expensive lobbying advertising and campaigning to voters/constituents in New York, the law should be strengthened with an express definition of grassroots lobbying and specific regulation reflecting the growing use of this strategy.
 - Language proposed in the Special Interest Lobbying and Ethics Accountability Act of 2005 as originally introduced in Congress or statutory language from Washington State serve as useful models.
- **Disclose the identities of those who own or fund lobbying clients, including any non-profit entities.**
 - As our research shows, New York, like other states, is experiencing the rise of "veiled political actors": organizations, subsidiaries, or coalitions with names unrelated to their objectives that are used as vehicles for hiring lobbyists or conducting grassroots lobbying campaigns. Under current law, only the name of the new entity has to be disclosed on lobbying disclosure forms, rather than the name of the parent organization or interest group. This practice effectively shields the lobbying activities of the true actors from public view and subverts the purpose of the Lobbying Act.
 - All major entities involved in multi-layered lobbying structures should be disclosed, including non-profits. The identities of any organizations or individuals who own more than a token interest in any lobbying client or who provide more than \$5,000 for the lobbying expenditures of the lobbying client should be fully disclosed as part of the lobbying clients' on-going lobbying disclosure requirements.
- **Identify the leading funders for any large grassroots lobbying campaign on all advertisements, websites, and campaign materials.**
 - The public should be provided with information that clearly identifies those organizations, companies or interest groups who are actually behind large expenditures for grassroots lobbying at the time at which the information is most meaningful to the public – when they receive the lobbying communication.
 - The identities of the top five contributors who provide \$10,000 or more towards the cost of any grassroots lobbying campaign costing \$100,000 or more should be disclosed on any material distributed directly to the public as part of the lobbying campaign. Such disclosures should appear on print, internet, and broadcast advertisements, mailers and other printed materials.
 - California statutory language requiring disclosure on advertising regarding initiative campaigns provides a useful model.

- **Require uniform reporting**
 - Our analysis shows that there is no uniformity in how different lobbyists report similar expenditures. This makes it difficult for the public and interested organizations to fully analyze the disclosures to obtain meaningful information.
 - Statutory language should detail the reporting obligations for grassroots lobbying expenses clearly, to insure uniformity of reporting.
 - Regulations and/or an improved website with pull-down menus should be adopted to insure that all lobbying expenditures are reported uniformly so that the public and interested organizations can interpret and compare the lobbying activities of various entities.

- **Provide lobbying data in a format that allows it to be easily analyzed.**
 - The current website maintained by the Commission for Public Integrity represents a good beginning for making lobbying disclosures available to the public. It does not, however, satisfy all of the desirable criteria and should be upgraded to reflect current standards of transparency and usability of data.
 - The website on which lobbying disclosures are made available to the public should present the information in a form that: a) is fully searchable, b) downloadable in formats used by common spreadsheet and data programs, c) permits cross-reference, and d) is user-friendly.

ANALYSIS AND DISCUSSION: GRASSROOTS LOBBYING’S GROWING ROLE IN SHAPING NEW YORK STATE FISCAL POLICY

FROM 2005-2010, ORGANIZED LABOR OUTSPENT ORGANIZED BUSINESS BY ALMOST 8 TO 1.

Business groups focused on traditional lobbying while union groups engaged in election-style campaigns with advertising and grassroots constituent outreach.

In October 2010, as he was heading into the home stretch of an uncompetitive race with Carl Paladino (R), Democratic gubernatorial candidate Andrew Cuomo was already looking ahead to strategize how to achieve his campaign promise of balancing the state’s budget with “no new taxes or borrowing.”

In an interview with New York Times reporter Nicholas Confessore, Cuomo revealed a plan to bring business groups back into prominence in state politics to counter the influence of New York’s unions:

“You have four, five, six special interests in Albany who are all but dominant...They are primarily labor unions...historically you had labor and you had business and there was sort of a balance. So you have to bring other people into the political mix in Albany.”¹⁵

Governor Cuomo is correct that when you compare lobbying by associations or coalitions, Albany’s largest and most politically active labor unions – the 1199/SEIU healthcare workers union (who collaborate with the consortium of hospital owners, the Greater New York Hospital Association or GNYHA), New York State United Teachers (NYSUT), United University Professions (UUP), Public Employees Federation (PEF), and Civil Service Employees Association (CSEA)—have vastly outspent the state’s major pro-business organizational lobbies in prior years.^c

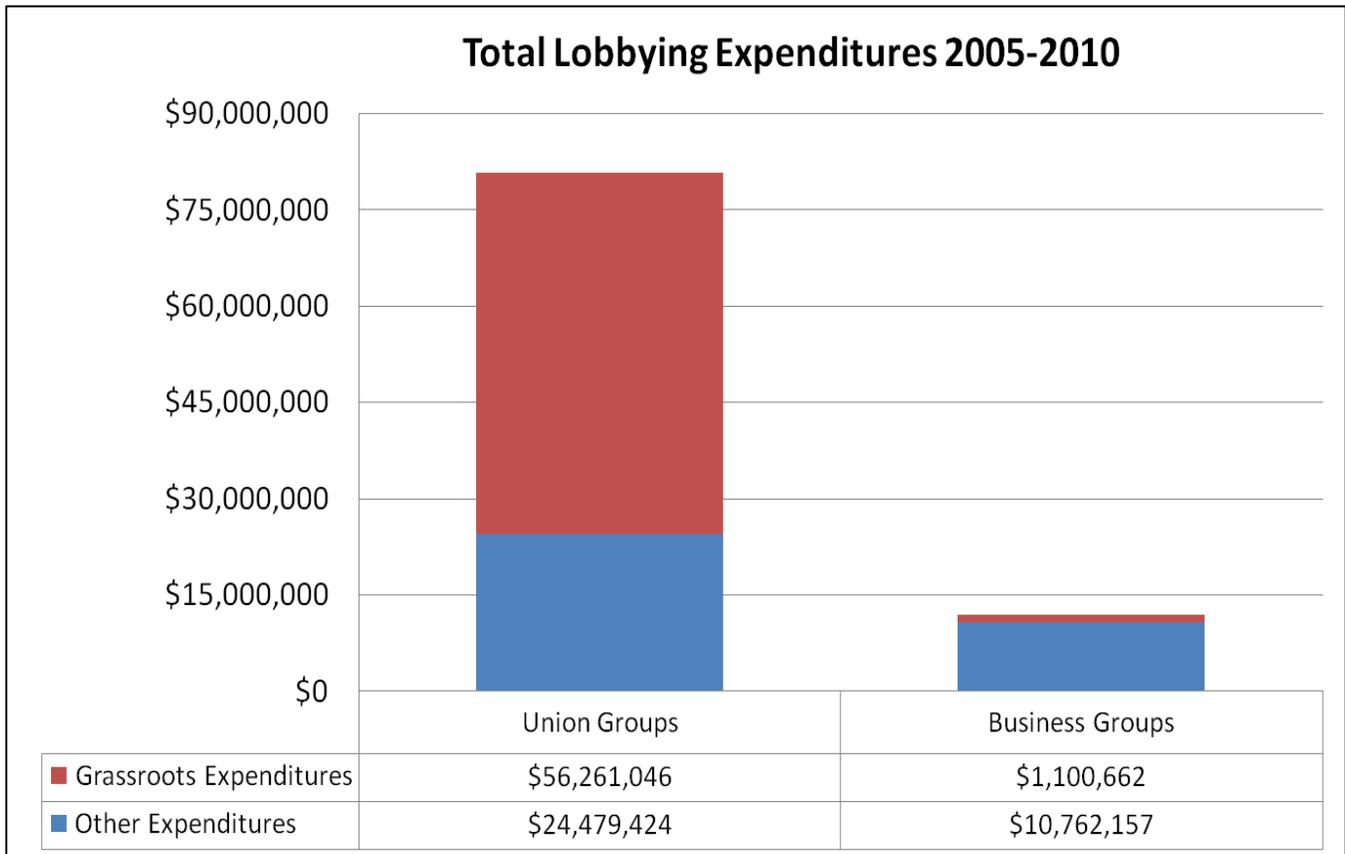
From 2005-2010, these unions and the third-party campaigns they supported– the Alliance for Quality Education and New Yorkers for Fiscal Fairness – spent over \$80 million on lobbying, out of the total of \$1.08 billion spent by all lobbying entities in the state. Over half of this spending went to grassroots campaign-style tactics, mostly advertising. The 1199/SEIU & GNYHA Healthcare Education Project was by far the largest spender at over \$36 million with NYSUT second at over \$17.5 million. The other unions and coalition groups each spent less than \$8 million over the five year period.^d

From 2005-2010, the state’s major organized business lobbies—the Business Council of New York State, Bankers Association, Real Estate Board of New York (REBNY), Partnership for New York City, Buffalo-Niagara Partnership, Rochester Business Alliance, and a coalition of upstate business interests called “Unshackle Upstate”—spent roughly \$11.8 million combined.

^c Although New York’s top union groups dominate the top of the list of spenders from 2005-2010, it is important to note if total statewide spending for *all* unions and individual businesses is compared, businesses actually outspend unions roughly 3 to 1.

^d See appendix for full record of lobbying and campaign contributions for each of these organizations.

Most of this spending came from the three statewide organized business lobbies, the Business Council, the Bankers Association, and REBNY. Regional business lobbies like the Partnership for NYC and the Buffalo Niagara Partnership spent comparatively little, and upstate and downstate business groups did not coordinate their efforts through any third party-coalitions. It is particularly striking how little the organized business lobbies spent on advertising in comparison to the organized labor groups during this time period.



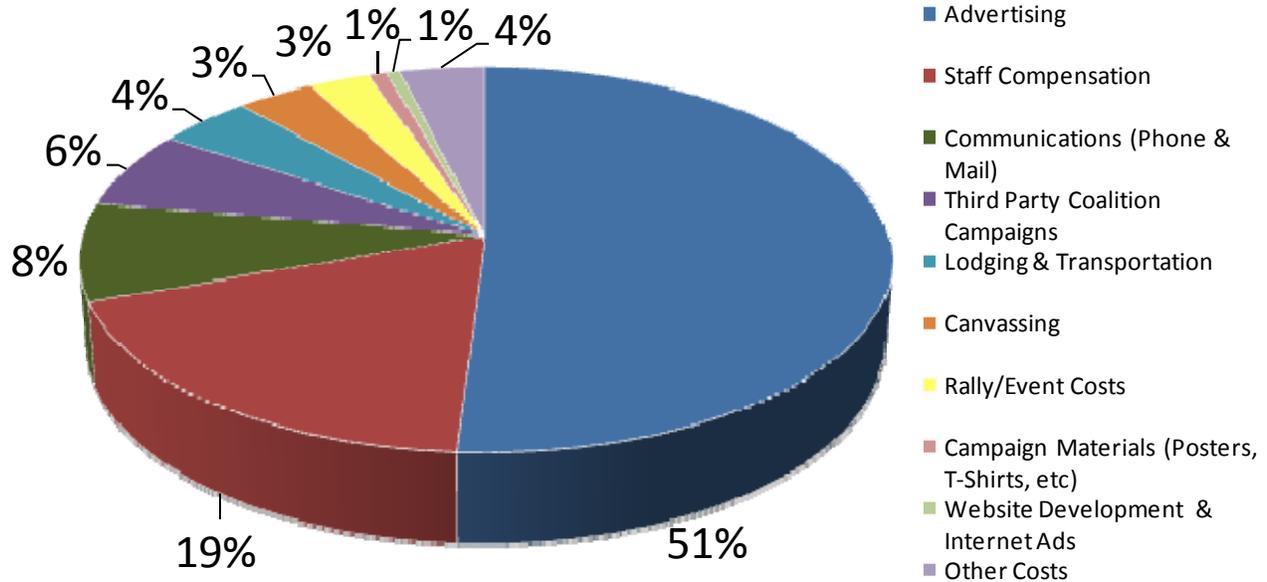
* "Union Groups" includes 1199/SEIU & GNYHA Healthcare Education Project, United Teachers (NYS) United Federation of Teachers (NYC), United University Professions, Public Employees Federation, Civil Service Employees Association, and two third-party coalitions that received funding from these groups: the Alliance for Quality Education and New Yorkers for Fiscal Fairness

** "Business Groups" includes the Business Council of New York State, Bankers Association (NY), Real Estate Board of New York, Partnership for New York City, Buffalo-Niagara Partnership, Rochester Business Alliance, and a third-party coalition funded by upstate business organizations called "Unshackle Upstate".

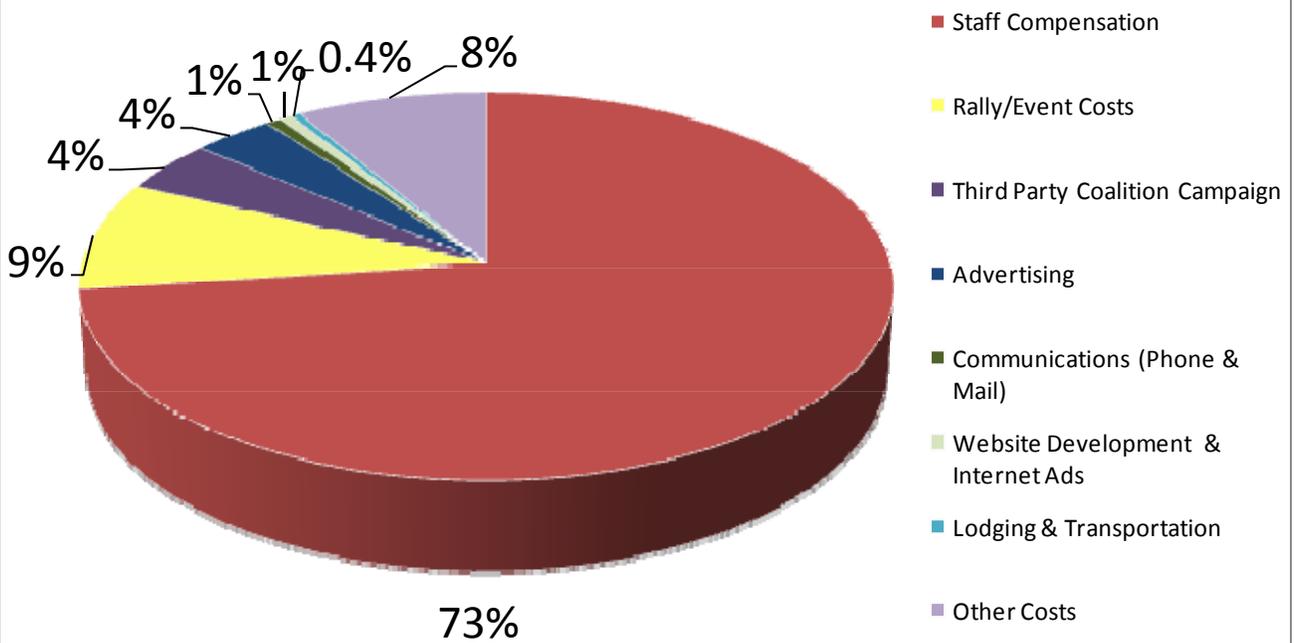
*** "Grassroots Expenditures" includes advertising, funding third party coalitions, canvassing, internet, and phone/postal costs.

Breaking down the spending patterns further, organized labor's lobbying expenditures from 2005-2010 reflect a diverse array of election-style grassroots campaign strategies at work. Just over half of the spending went to advertising while 19% went to staff compensation, a category that represents traditional lobbying. The other third of the labor spending went to a variety of other activities including voter direct outreach via mailing and phone banking, funding third-party coalition groups, canvassing, and holding large rallies in Albany.

Union Groups: Expenditures by Type 2005-2010



Business Groups Expenditures by Type 2005-2010



In contrast, more than 70 percent of business group spending from 2005-2010 went to staff compensation. This indicates a continued reliance on the traditional methods of direct lobbying: hiring well-heeled lobbyists to meet with legislators and the executive. The second highest category of business spending – 9 percent on “rally/event costs” – is almost entirely accounted for by the Business Council of New York State’s annual conferences and dinners, another more traditional form of lobbying through special access to officials.

The small amount of business group advertising from 2005-2010 is mostly due to the efforts of the Buffalo Niagara Partnership, Rochester Business Alliance, and smaller upstate business groups to organize the “Unshackle Upstate” campaign beginning in 2006.¹⁶ Unshackle Upstate seeks the typical goal of a business-backed campaign: an improved “business climate” through reductions in allegedly burdensome taxes and regulations. The campaign’s methods, however, were hardly typical for organized business lobbying in New York State. The group spent over \$400,000 on advertising and over \$200,000^e to develop a sophisticated grassroots presence through rallies and social media, making it a forerunner to the statewide business community’s united effort behind the Committee to Save New York.

2011: ORGANIZED BUSINESS ENTERS THE FRAY

In 2011, the organized business lobbies adopted the strategies of election-style grassroots campaigning through the Committee to Save New York and outspent union-backed groups \$7.8 million to \$4 million.

“This isn’t about rolling the Legislature. It’s about persuading the public to your side...Cuomo’s side and all sides in the upcoming budget debate will be making their case to the public, using every tool they have -- running ads, generating stories and blog hits, mobilizing their constituencies, engaging voters. It’s the reality of doing these fights now.”

- Valerie Berlin, Berlin Rosen Public Affairs¹⁷

In the first four months of 2011, New York State business organizations abruptly shifted from a longstanding focus on traditional lobbying to adopt grassroots advertising and campaign techniques through a new third-party coalition, the Committee to Save New York.

Although his spokespeople deny that Cuomo engages in “direct coordination”¹⁸ with the Committee to Save New York since becoming Governor, it is clear from reported statements made during the campaign that the Committee was organized largely at his behest as a means of countering the perceived power of the unions.

From lobbying reports filed by the Business Council of New York State, it appears that planning for the Committee may have begun in early 2010. After never reporting any significant spending on consultants, the Business Council reported an expense of \$121,644 to DKC Public Relations, a firm whose managing director John Marino is identified in press reports as a member of Governor Cuomo’s “inner circle.”¹⁹ The Business Council also brought in well-known conservative campaign strategists Joseph Coletti²⁰ and Korinne Kubena, a former aide to Karl Rove at the Bush White House.²¹

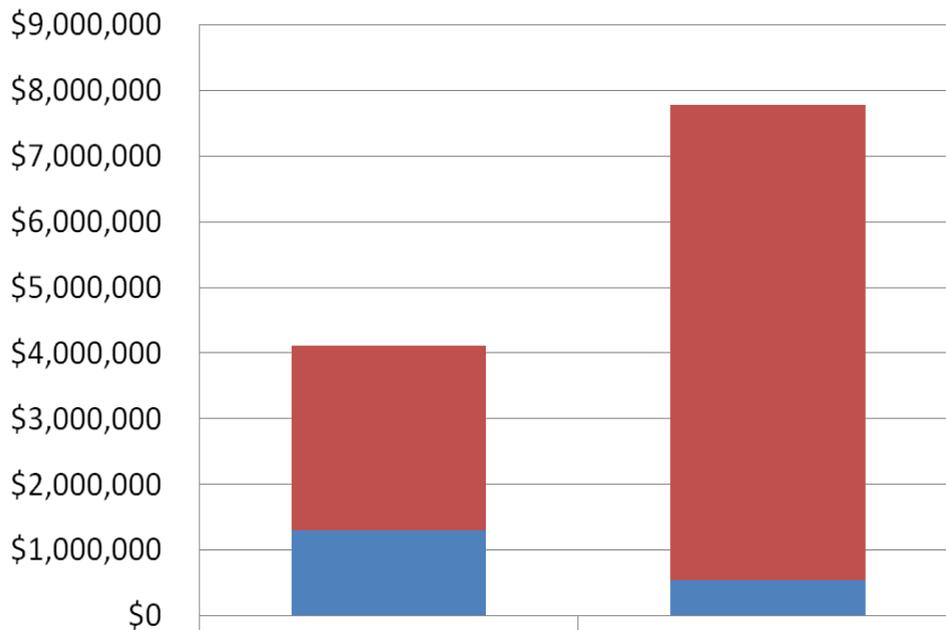
^e From 2006 to 2008, the Unshackle Upstate campaign’s expenditures were reported through the filings of Buffalo Niagara Partnership and Rochester Business Alliance. In 2009, Unshackle Upstate registered as an independent lobbyist and began reporting its own expenditures.

In an interview with Crain’s New York Business, Kenneth Adams, then President and CEO of the Business Council of New York State,²² described the Committee to Save New York as a \$10 million “war chest to have the resources so we can do advertising and communicate this message across the state that these reforms have to happen now....Everybody wants to get together to promote the reform agenda of Gov. Cuomo.”²³

The Committee to Save New York united the upstate business interests that already had experience in third-party coalition campaigning through the “Unshackle Upstate “ effort with powerful New York City business lobbies like the Partnership for New York City and Real Estate Board of New York. Representatives of individual corporations like Tishman-Speyer and CB Richard Ellis sit on the board of directors and are reported to contribute financial support to the Committee.²⁴

The impact of the Committee’s entry into New York’s political scene is dramatic. Business groups outspent union groups \$7.8 million to \$4 million during the January-April 2011 budget season.

Total Lobbying Expenditures January-April 2011



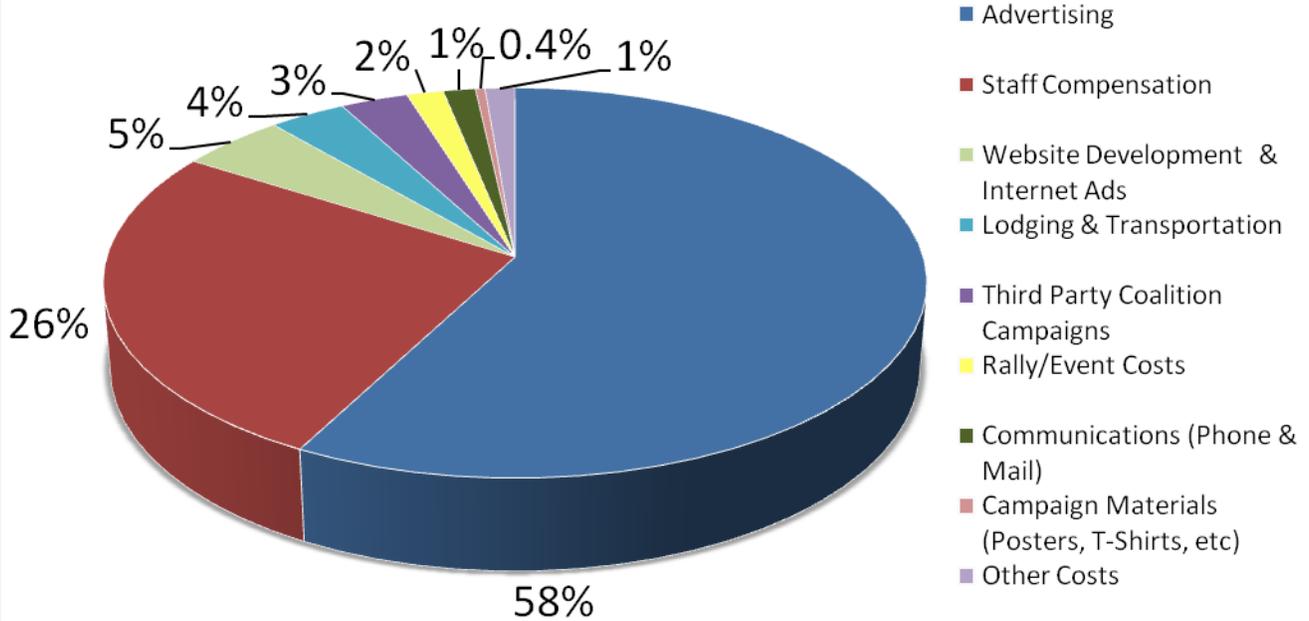
	Union Groups	Business Groups
Grassroots Expenditures	\$2,807,306	\$7,250,332
Other Expenditures	\$1,304,612	\$536,863

“Grassroots Expenditures” includes advertising, funding third party coalitions, canvassing, internet, and phone/postal costs.

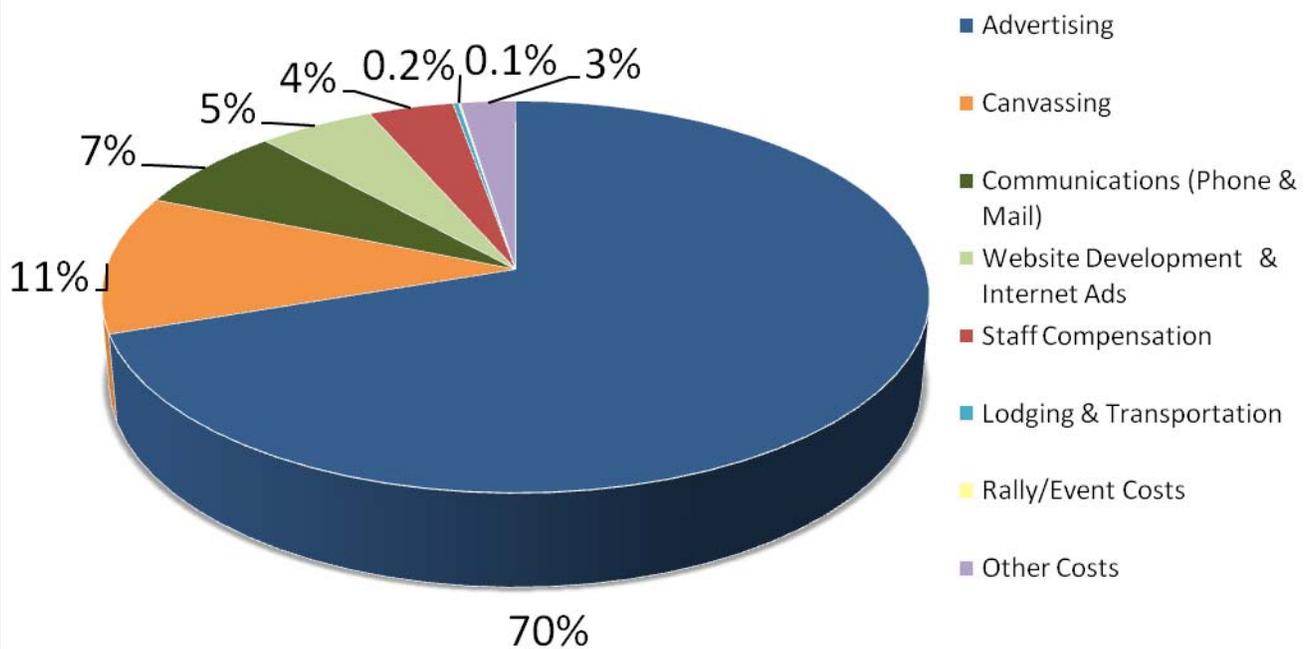
* “Union Groups” includes United Teachers (NYS) United Federation of Teachers (NYC), United University Professions, Public Employees Federation, Civil Service Employees Association, and two third-party coalitions that received funding from these groups: the Alliance for Quality Education and New Yorkers for Fiscal Fairness.

** “Business Groups” includes the Business Council of New York State, Bankers Association (NY), Real Estate Board of New York, Partnership for New York City, Buffalo-Niagara Partnership, Rochester Business Alliance, Unshackle Upstate, and the Committee to Save New York

Union Groups: Expenditures by Type: Jan-Apr 2011



Business Groups Expenditures by Type Jan-Apr 2011

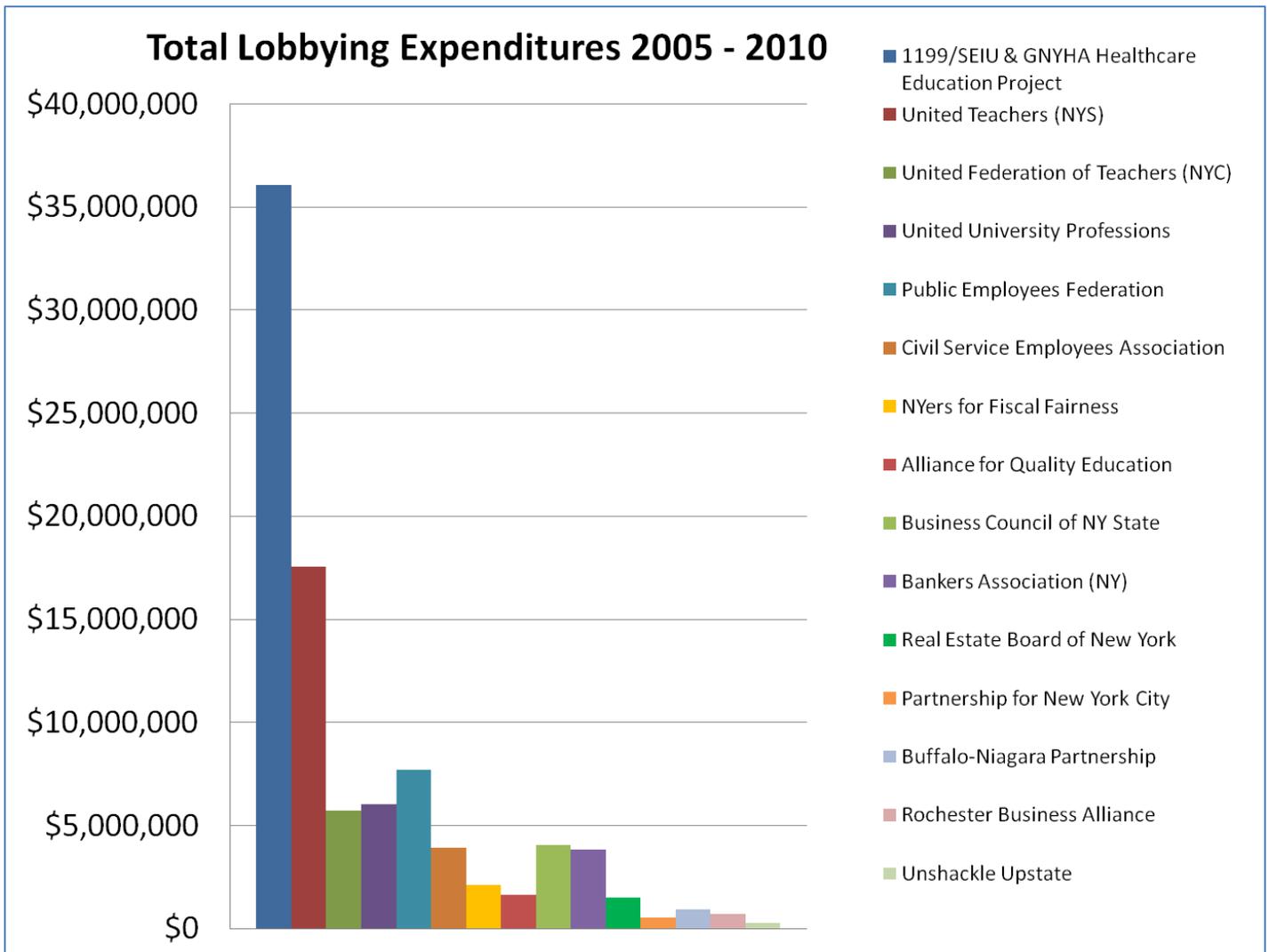


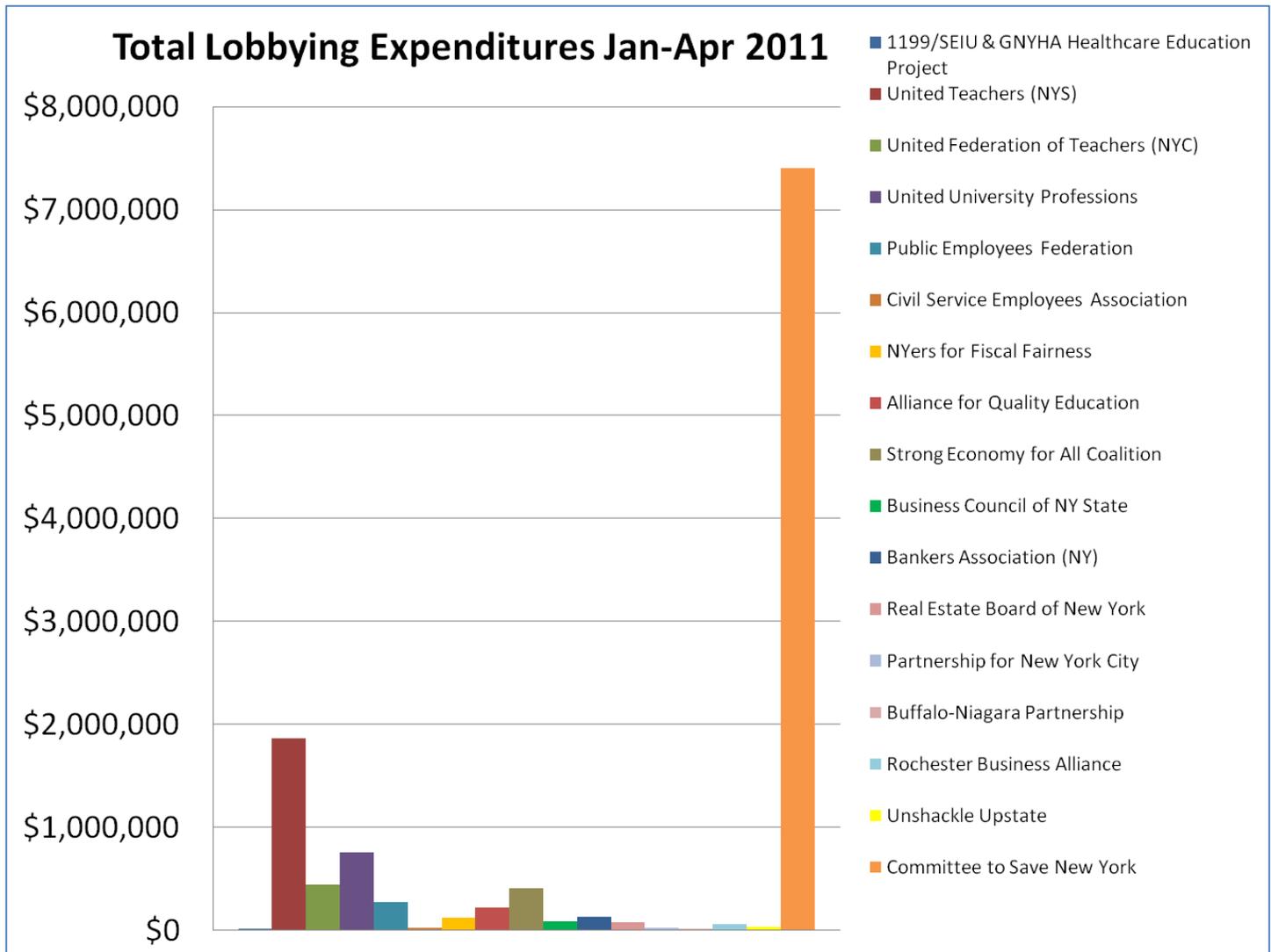
More than 90% of this surge in organized business spending came from the Committee to Save New York as organizations like the Business Council and REBNY seem to have reduced their individual lobbying, perhaps refocusing their efforts through the Committee.

Another factor in the shift in the spending balance was Governor Cuomo’s strategic move to “flip” the 1199/SEIU & GNYHA Healthcare Education Project to his side by working with the groups on the Medicaid Redesign team to craft healthcare cuts that will limit the damage to their interests.²⁵

Looking deeper at the spending patterns in January-April 2011, it becomes clear that the Committee to Save New York represents a paradigm shift in lobbying by the statewide organized business community. From 2005-2010, organized business overwhelmingly focused on traditional direct lobbying but in January-April 2011, following the lead of organized labor, the majority of spending went to advertising and a third went to grassroots base-building strategies of canvassing and internet social media.

Comparing the expenditures of the state’s largest union and business-backed organizations from 2005-2010 and from January-April 2011 reveals that Governor Cuomo’s strategy to organize the business community was strikingly successful.





The state's largest spender from 2005-2010 – the 1199/SEIU & GNYHA Healthcare Education Project – dropped from the equation in January-April 2011. The 800 pound lobbying gorilla is now not a union organization but the business-backed Committee to Save New York.

The rise of the Committee to Save New York marks an escalation in the already inflated scale of lobbying and the use of sophisticated campaign-style tactics. The business community's adoption of the third-party campaign coalition strategy adopted earlier by the unions, and on a smaller scale, by non-profits, such as environmental protection groups,²⁶ demonstrates how it has become an increasingly common and effective way for powerful interests to influence legislative outcomes.

Organized labor groups are now seeking to match the Committee by increasing funding of their own third party groups, New Yorkers for Fiscal Fairness and Alliance for Quality Education,²⁷ as well as organizing a new group called the "Strong Economy for All Coalition."²⁸ With a reported \$5 million bankroll,^f the Strong Economy for All Coalition began campaigning in March with advertisements targeting specific state senators to support the extension of the millionaire's tax.²⁹ Like the Committee to Save New York, the group plans to engage in

^f \$5 million budget for the Strong Economy for All Coalition reported by New York Times reporter Nicholas Confessore.

advertising, canvassing, and social media to build a grassroots base to bring pressure on lawmakers to support or oppose specific legislative proposals.³⁰

The Strong Economy for All Coalition spent roughly \$400,000 in March-April 2011, less than what was expected considering the reported \$5 million in funding the organization received.⁸ This was likely due to the surprising speed with which the Governor and Legislature reached a deal on the state budget, which effectively cut off the coalition's opportunity to campaign after less than two weeks in action.

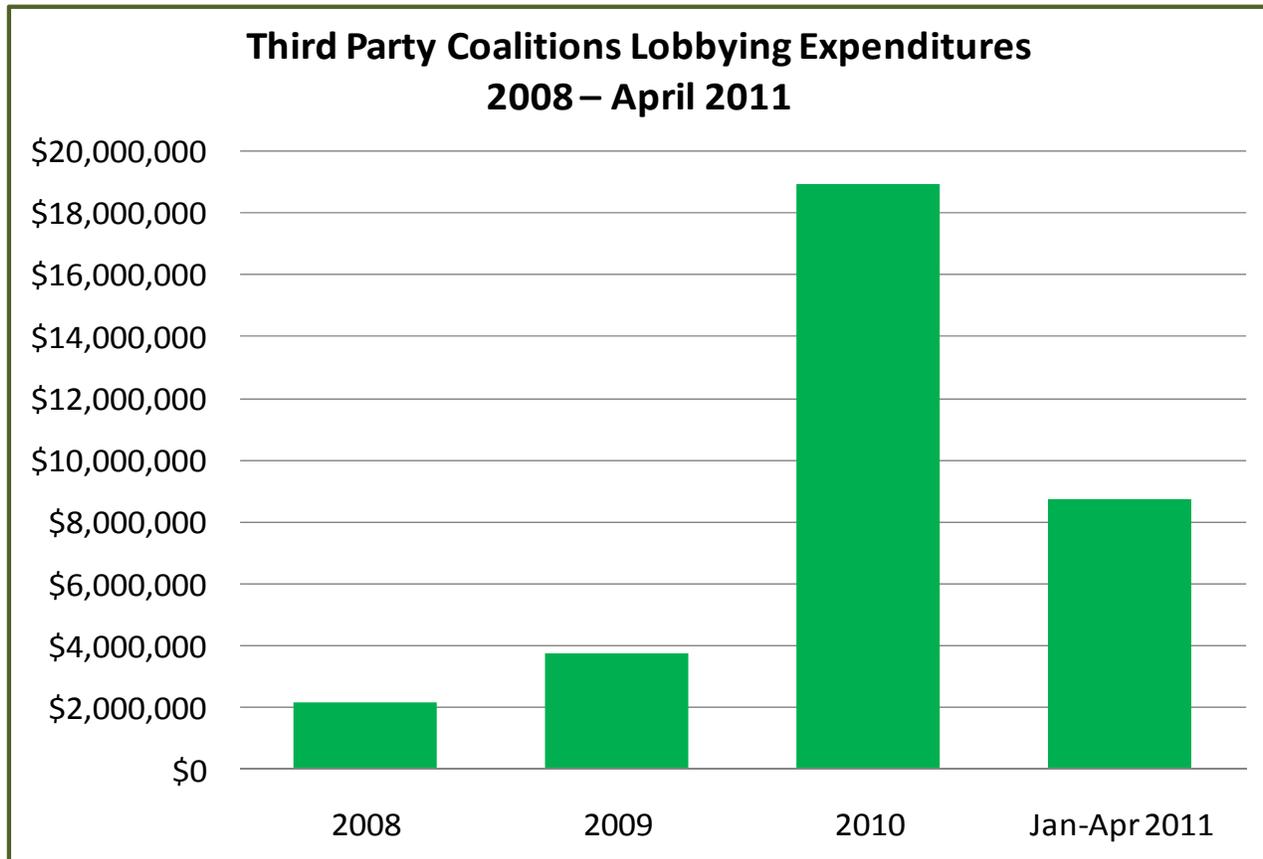
Like the Committee to Save New York, the Strong Economy for All Coalition is not required to disclose its funders on any of its advertisements or campaign literature. New Yorkers are completely in the dark regarding who is paying—and who stands to benefit from—these multi-million dollar grassroots election style campaigns that are now set to duke it out over the airwaves, the internet, the phone lines, and our doorsteps on an unknown number of future issues.

Overall, spending by third-party coalitions has risen tremendously from roughly \$2.2 million in 2008 to \$18.8 million in 2010. The huge jump in third-party spending in 2010 was due to massive lobbying battles over Governor Paterson's proposed budget measures of a soda tax and wine in grocery stores. Coalitions in support and opposition to these measures spent over \$17 million in 2010, as detailed in the discussion below.

Unlike these narrow industry-specific campaigns, however, the Committee to Save New York and Strong Economy for All Coalition are gearing up to be permanent election-style campaigns to influence public opinion and pressure politicians on issues fundamental to all New Yorkers: the structure of the overall state tax system and funding all aspects of state government (including social welfare programs, health, and education).

Third-party coalition spending for 2011 is on track to keep pace with the spending of 2010 even without the boost from an industry-specific tax/regulation fight.

⁸ In the spirit of full disclosure, Common Cause/NY collaborated with the Strong Economy for All Coalition as part of the "May 12th Coalition" that published a report and organized a large demonstration in support of revenue raising alternatives to New York City budget cuts.



*Includes expenditures by the Alliance for a Healthier New York, Alliance for Quality Education, American Beverage Association, Coalition for the Last Store on Main Street, Committee to Save New York, Keep NYC Congestion Tax Free, New Yorkers for Fiscal Fairness, SHARE Coalition, Strong Economy for All Coalition, Unshackle Upstate, and Wegman's Food Markets (see appendix for full annual spending figures for each group).

- Alliance for a Healthier New York was registered as an independent lobbyist in 2010 and lobbied for the Soda Tax (website no longer available)
- American Beverage Association sponsored a third party coalition against the soda tax called "New Yorkers Against Unfair Taxes" and reported the coalition's expenditures through its own filings (<http://www.nobeveragetax.com/>)
- "Coalition for the Last Store on Main Street" registered as an independent lobbyist in 2009, a statewide coalition of liquor stores lobbying against wine in grocery stores. (<http://www.lastmainstreetstore.com/>)
- "Keep NYC Congestion Tax Free" is a coalition of Brooklyn and Queens-based businesses, trade organizations, and community groups that oppose Mayor Bloomberg's plan to establish a toll for vehicles entering Lower Manhattan during the workday (<http://www.keepnycfree.com/>)
- The "SHARE" (Safe, Healthy, Affordable, Reliable, Energy) Coalition is a grassroots campaign undertaken by Entergy (the owner of the Indian Point nuclear power plant) to build support for nuclear energy as an alternative to fossil fuel power. The coalition claims support of 25 nonprofit groups such as the National Minority Business Council and South Bronx Board of Trade (<http://sharenyc.org/aboutus>).
- Unshackle Upstate's expenditures were reported through the Buffalo-Niagara Partnership from 2006-2008, then reported through Rochester Business Alliance since 2009.
- Wegman's Food Markets sponsored a third party coalition called "Vote Wine 2009" in support of wine in grocery stores and reported the coalition's expenses through its own filings. In 2010, the coalition was renamed "New Yorkers for Economic Growth and Open Markets." (<http://www.newyorkersforeconomicgrowth.com/>)

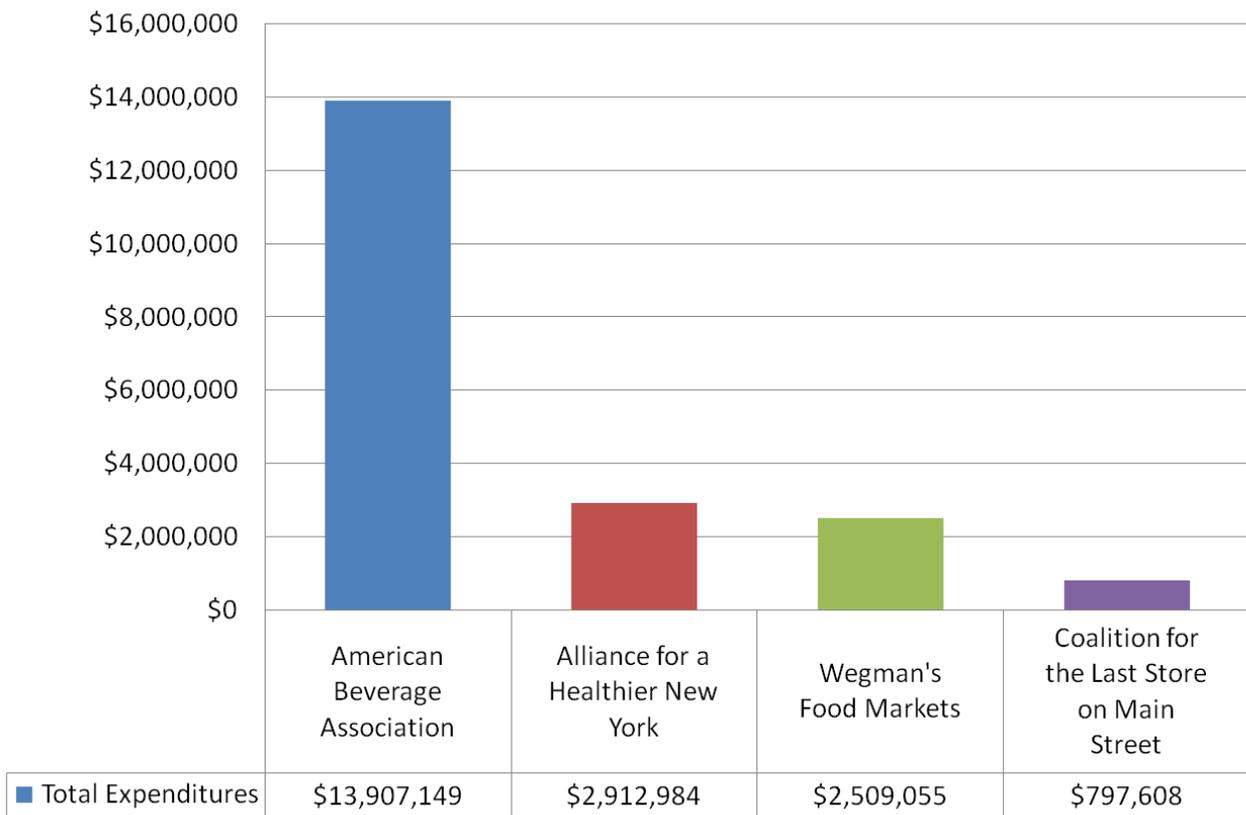
GRASSROOTS CAMPAIGN TACTICS INCREASINGLY USED TO PROMOTE OR ATTACK INDUSTRY/TRADE SPECIFIC LEGISLATION

GOV. PATERSON’S PROPOSED SODA TAX AND WINE IN GROCERY STORES, AND THE FIGHT OVER “LAST IN FIRST OUT” TEACHER SENIORITY

2010’s record spending by third-party coalitions was due to the battles waged over Governor Paterson’s proposals to establish a tax on soda and to allow supermarkets to sell wine. On the soda tax issue, the 1199/SEIU & GNYHA-backed “Alliance for a Healthier New York” supported the Governor, while the American Beverage Association campaigned against the tax under the name “New Yorkers against Unfair Taxes.”

On the wine in grocery stores issue, coalitions of supermarket interests sponsored primarily by Wegman’s Food Markets campaigned under the names “Vote Wine 2009” and “New Yorkers for Economic Growth and Open Markets” and faced off against a group called “Coalition for the Last Store on Main Street” backed by the state’s liquor stores.

2009- 2010 Soda Tax and Wine in Grocery Stores Expenditures

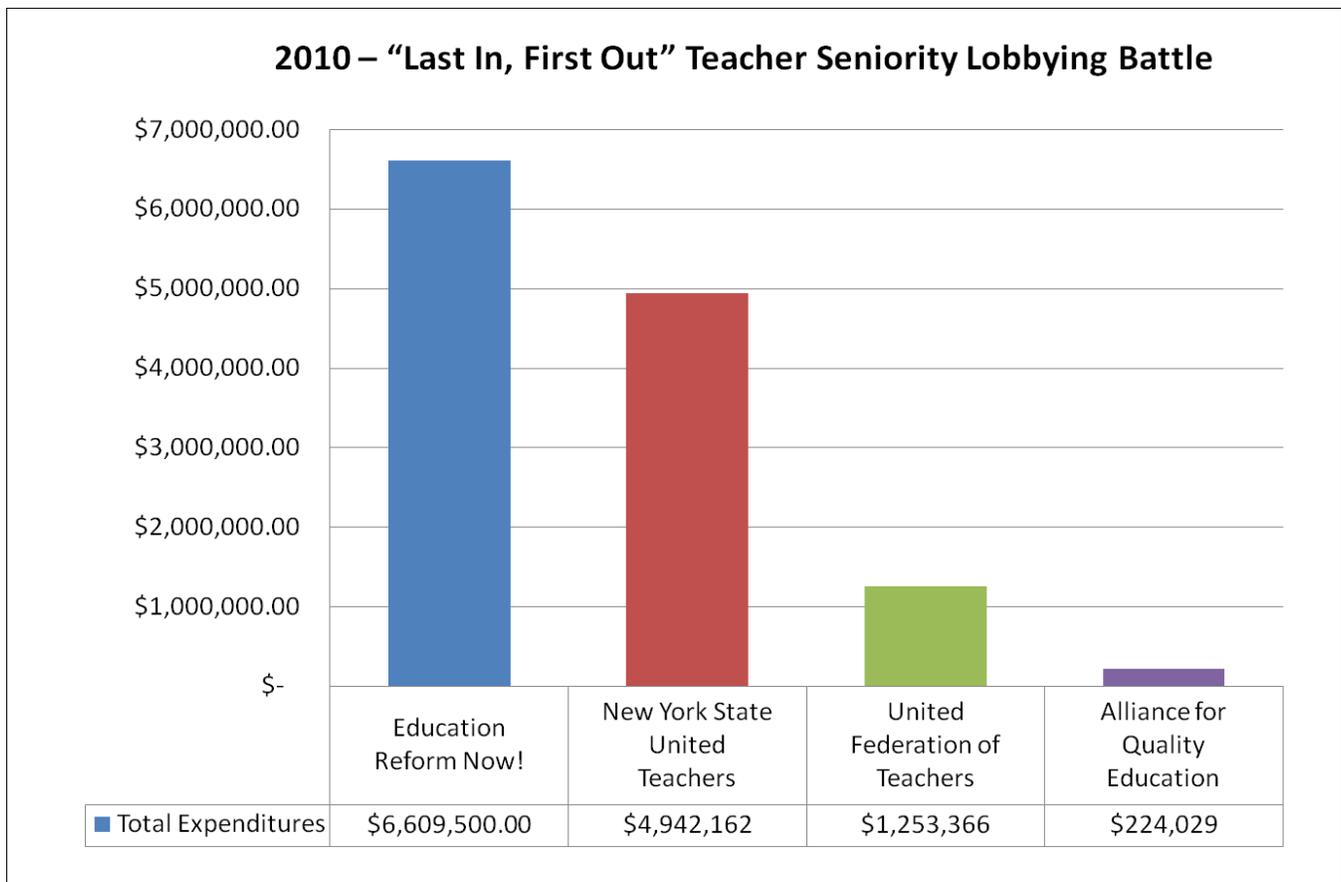


The battles over the soda tax and wine in grocery stores illustrate important trends for New York State politics. Rather than relying on traditional lobbying, the special interests that stood to lose/gain from specific legislative proposals each turned to grassroots campaigning to influence public opinion and disguise their true identity and motive behind an appealing third-party coalition name.

The second interesting aspect is the tacit encouragement of third-party coalitions by the governor to advance a legislative agenda. Although the effort was ultimately unsuccessful, the Alliance for Healthier New York was formed by 1199/SEIU and GNYHA to campaign in favor of the soda tax when Governor Paterson promised that revenues from the tax would go to offset cuts in state health care spending.³¹ A year later, Governor Cuomo employed the same strategy when enlisting the business community to organize the Committee to Save New York to advertise on behalf of his budget proposals.³²

The other major grassroots lobbying battle that helped fuel the record overall advertising spending of 2010 was the fight between the teachers’ unions and a nonprofit advocacy group called Education Reform Now over the issue of “last in, first out” teacher seniority policies. Education Reform Now is not included in the above graph of third party coalition spending because it is an independent nonprofit advocacy group rather than a coalition representing other organizations. Nevertheless, Education Reform Now can be considered a “veiled actor” because the group’s advertisements and campaign materials obscure the fact that it is funded by charter school supporters and those with a vested interest in the growth of charter schools. Responding to Education Reform Now’s advertising and grassroots blitz, in addition to fighting the annual battles against education budget cuts, NYSUT and the United Federation of Teachers spent more on lobbying in 2010 than ever before.

The exorbitant cost of these campaigns foreshadows the exponential rise in campaign-style lobbying expenditures and the use of third-party coalitions and other veiled actors that will occur if additional competing interests decide to adopt these techniques to promote or attack legislative proposals.



RECOMMENDED CHANGES TO NEW YORK'S LOBBYING ACT

New York's most powerful business and labor groups are now engaging in a grassroots campaign war to influence public opinion on fiscal policy, and all kinds of special interests are increasingly turning to grassroots campaigning and the use of deceptive third-party coalition front groups to fight for or against any legislative proposal that might affect their bottom line.

Organizations engaging in grassroots campaigning can voluntarily choose to lift the veil and end deceptive practices by providing disclosures on all advertisements, websites, and campaign materials in order to allow members of the public to identify the interest groups behind the message.

But these trends have rapidly emerged in New York politics during the past few years and the state's lobbying laws should be updated to adjust to this new reality. Case law makes it clear that grassroots lobbying is an appropriate area for regulation.

In 1954, in *U.S. v. Harris*, the U.S. Supreme Court held that expenditures that "relate largely to the costs of a campaign to induce various interested groups and individuals to communicate by letter with members of Congress on [] legislation"³³ were appropriately subject to disclosure under the federal Lobbying Act. In arriving at that conclusion, the Court expressly recognized that Congress could appropriately seek disclosure of those who spent money to put pressure on it through "an artificially stimulated letter campaign."³⁴ In the Court's words,

"Present-day legislative complexities are such that individual members of Congress cannot be expected to explore the myriad pressures to which they are subjected. Yet full realization of the American ideal of government by elected representatives depends to no small extent on their ability to properly evaluate such pressures. Otherwise the voice of the people may all too easily be drowned out by the voice of special interest groups seeking favored treatment while masquerading as proponents of the public weal."³⁵

The holding of *U.S. v. Harris* has expressly been applied to reject a constitutional challenge to the provisions of New York's Lobbying Law that cover both direct and indirect grassroots lobbying.³⁶

In proposing changes to New York's Lobbying Law to address the rise in campaign-style lobbying expenditures and the increasing use of third-party coalitions and other veiled actors, we are mindful of the following public policy goals of lobbyist regulation:

[C]arefully crafted lobbyist rules should address five concerns of great importance to democratic institutions. The rules governing lobbyists should ensure (1) that all persons have a fair opportunity to be heard by the government, (2) that government enjoys the confidence of the people, (3) that official decisions are based on accurate information, (4) that the citizenry knows how the government operates and (5) that the performance of public business benefits from the wisdom of the community.³⁷

PROBLEM # 1:

“We don’t have to report it, so why tell you?”

*Steven Spinola, President, Real Estate Board of New York, to New York Times reporter Charles Bagli regarding donations to the Committee to Save New York.*³⁸

Since New York’s lobbying law does not directly address grassroots lobbying, different entities have reported their grassroots lobbying campaigns differently or not at all.

Among the organizations reviewed for this paper, there is no consistency whatsoever regarding disclosures of contributions to third-party campaigns in New York State lobbying reports.

Examples:

- While NYSUT and the Public Employees Federation report their contributions to the New Yorkers for Fiscal Fairness campaign, the Civil Service Employees Association does not.
- The sponsors of the Committee to Save New York, such as REBNY, Buffalo-Niagara Partnership, and Tishman Speyer Properties, do not report their contributions to the organization.
- From 2006-2008, the Unshackle Upstate campaign’s expenses were reported through the filings of the Buffalo-Niagara Partnership. The Rochester Business Alliance reported its contributions to Unshackle Upstate as payments to Buffalo-Niagara. But in 2009, Unshackle Upstate was registered as an independent entity under the name “Rochester Business Alliance (FKA Unshackle Upstate),” and began to report its expenditures through this new entity. Buffalo Niagara Partnership and Rochester Business Alliance no longer reported any contributions to the campaign on their own filings.
- In 2010, the American Beverage Association reported its expenditures for the campaign against the soda tax entirely under its own name even though many of its advertising materials ran under the name “New Yorkers Against Unfair Taxes.” There is no mention of the name “New Yorkers Against Unfair Taxes” in American Beverage Association’s disclosures; the campaign expenditures are described only as “strategic advocacy” paid to the firm Goddard Claussen.

CURRENT LAW:

New York’s Lobbying Act, N.Y. Legislative Law §1(c) (c), contains an extensive definition of “lobbying”.

The statutory language is quite broad in covering “any attempt” to influence a long list of official actions. Federal and New York courts have interpreted lobbying to include both direct and indirect lobbying. [United States v. Harriss, 347 U.S. 612, 615, 620, 74 S. Ct. 808, 810, 813, 98 L. Ed. 989 \(1954\)](#); [Commission on Independent Colleges and Universities v. New York Temporary State Commission on Regulation of Lobbying, 534 F. Supp. 489](#), 3 Ed. Law Rep. 554 (N.D. N.Y. 1982) (applying New York law). Nevertheless, many entities have not registered or disclosed their grassroots lobbying expenditures. As noted above, all contributors to the Committee to Save New York do not disclose their expenses in their lobbying filings. And the Committee itself only registered as a lobbyist after being publicly chided to do so.³⁹

RECOMMENDATION:

With the increasing use of grassroots lobbying campaigns, expressly defining grassroots lobbying and specifically including grassroots campaigns within the purview of the Lobbying Act will re-enforce the importance accorded to the need for improved disclosure of this type of lobbying.

A particularly clear definition is contained in a federal lobbying bill from 2005, which defined grassroots lobbying as the following:

“...an attempt to influence legislation or executive action through the use of mass communications directed to the general public and designed to encourage recipients to take specific action with respect to legislation or executive action, except that such term does not include any communications by an entity directed to its members.” *Special Interest Lobbying and Ethics Accountability Act of 2005, H.R. 2412, 109th Cong. § 106(a); Lobbying and Ethics Reform Act of 2005, S. 1398, 109th Cong. § 106(a)*. Unfortunately, this bill did not become law.

The State of Washington’s laws require those who expend more than \$500 in grassroots lobbying to report their expenditures, defining a grassroots lobbying campaign as “a program addressed to the public, a substantial portion of which is intended, designed, or calculated primarily to influence legislation.” *Rev. Code Wash. (ARCW) § 42.17.200 (2011)*.

According to Connecticut law, “‘Lobbying’ means communicating directly or soliciting others to communicate with any official or his staff in the legislative or executive branch of government or in a quasi-public agency, for the purpose of influencing any legislative or administrative action...”

PROBLEM # 2

New York, like other states, is experiencing the rise of “veiled political actors,” organizations, subsidiaries, or coalitions with public relations-friendly names that are used as vehicles for hiring lobbyists or conducting grassroots lobbying campaigns.

Right now, only the name of the new entity has to be disclosed on lobbying disclosure forms, rather than the name of the parent organization or interest group. This practice effectively shields the lobbying activities of the true actors from public view and subverts the purpose of the Lobbying Act. Both organized labor and organized business coalitions have used this technique.^h

CURRENT LAW:

Since New York’s lobbying laws lack clear regulations for third-party coalitions, reporting of funders in lobbying reports is completely inconsistent as described above.

RECOMMENDATION:

The identities of any organizations or individuals who own more than a token interest in any lobbying client or who provide more than \$5,000 for the lobbying expenditures of the lobbying client should be fully disclosed as part of the lobbying clients’ on-going lobbying disclosure requirements. All major entities involved in a multi-layered lobbying structure should be disclosed, including nonprofits.

On the federal level, the Lobbying Disclosure Act requires the disclosure of "the name, address, and principal place of business of any organization" that "contributes more than \$5,000 toward the lobbying

^h See our “*New York State Grassroots Lobbying Campaign Advertising Disclosures Report Card*.” We have graded the disclosures made by the various entities that have engaged in grassroots lobbying campaigns.

activities" of the registered lobbyist. The proposed Public Integrity Reform Act of 2011 contains a similar requirement of the disclosure of any single source of funding of \$5,000 and above used for lobbying.

We believe that such a requirement is a good start, but that individual members of lobbying coalitions or associations that contribute \$5,000 or more to the lobbying campaign, or who maintain more than a 10% ownership interest of the named client organization, should be regarded as lobbyist "clients" and required to disclose their identity, as well as any individual or entity that provides money, directly or indirectly, that is used for the lobbying campaign.

Here, again, statutory language from Washington State is instructive.

“(2) Within thirty days after becoming a sponsor of a grassroots lobbying campaign, the sponsor shall register by filing with the commission a registration statement, in such detail as the commission shall prescribe, showing:

(a) The sponsor's name, address, and business or occupation, and, if the sponsor is not an individual, the names, addresses, and titles of the controlling persons responsible for managing the sponsor's affairs;” *Rev. Code Wash. (ARCW), id.*

PROBLEM #3:

Powerful interests are free to spend millions of dollars on grassroots campaigns to influence public opinion and legislative outcomes while hiding behind third party groups or coalitions. The public has no way to ascertain who is trying to influence them to contact their elected representatives, and so is at a disadvantage in objectively evaluating the message.

Third party groups like the Committee to Save New York and New Yorkers for Fiscal Fairness are not required to disclose the organizations/companies/individuals that direct and/or fund the group on advertisements, mailings to voters, and other campaign materials/messages. The increased use of such vaguely named groups or coalitions is precisely the sort of evasive tactics used by political actors who seek to avoid disclosure of the source and extent of their campaign spending, whether it is on ballot initiatives in California or on independent expenditures supporting or opposing specific candidates in federal elections. Garrett and Smith⁴⁰ refer to those who seek to evade disclosure of their political spending as “Veiled Political Actors,” an apt term that has also been used in the lobbying context.⁴¹

As one discussion of the challenge of devising appropriate lobbying disclosures points out, “disclosure of grassroots lobbying efforts may in some ways be more important than disclosure of other lobbying activities. Because votes are the ultimate currency in politics and officials must win reelection in order to continue in their jobs, lobbyists' and interest groups' ability to demonstrate (or generate the appearance of) public support for their positions may be the most critical element in convincing elected officials to support their policy preferences.”⁴²

CURRENT LAW:

New York’s lobbying laws lack clear regulation for third-party coalitions.

There is no requirement that information regarding the source or funding of any grassroots lobbying be included on the advertising or campaign materials. The Lobbying Act is wholly silent, as its provisions appear geared to direct lobbying.

RECOMMENDATION:

Voluntarily provide information on all advertising and any related websites in order to allow members of the public to understand who is trying to “artificially stimulate” communication with officials on legislation or matters of public policy.

- All advertisements, websites, and other campaign materials should display/announce the full organization name instead of an acronym.
- Each advertisement should disclose the organization’s name at both the beginning and end of the advertisement.
- At the end of each advertisement, the name(s) of the organization or entity(ies) placing the ad should be at least equally prominent to any other organizational names or website addresses displayed/announced.
- The organization’s full name and partners/funders (if a third-party organization) should be clearly available on the website’s home page.

If advertisers do not voluntarily adopt such measures, then they should be required to do so by regulation.

ADDITIONAL RECOMMENDATION:

Require that committees or coalitions that engage in grassroots lobbying costing \$100,000 or more annually identify their major contributors and the sponsoring economic interests likely to be affected by the official action supported or opposed by the lobbying attempt.

The most extensive experience with regulating veiled political actors comes from California’s disclosure requirements relating to initiative campaigns.

In 1996, California voters passed Proposition 208, which, among other reforms, required that any committee supporting or opposing a ballot measure must name and identify itself using a name or phrase that clearly identifies the economic interest of its major donors of \$50,000 or more that is likely to be affected by the ballot measure.

- (CA GC § 84504) This naming requirement extends to the committee’s statement of organization, to any advertisement or other paid public statement made by the committee, and, in fact, to any reference to the committee required by law.
- (GC § 84504, subds. (a) and (c).) A committee primarily formed to support a measure must also identify, in any advertisement paid for by the committee, the name of the top two contributors to the committee whose cumulative contributions to the committee are \$50,000 or more.
- (CA GC § 84503) This disclosure must explicitly indicate that the contributor is a major donor to the committee by stating, for example, “major funding by” or “paid for by” the contributor.

This regulatory disclosure scheme can easily be adopted to address the veiled political actor lobbying practices at work in New York.⁴³

Washington State’s lobbying law also provides a useful, if less detailed, model for reporting the identity of the individuals and groups behind a grassroots lobbying campaign:

- (2) Within thirty days after becoming a sponsor of a grass roots lobbying campaign, the sponsor shall register by filing with the commission a registration statement, in such detail as the commission shall prescribe, showing:

- (a) The sponsor's name, address, and business or occupation, and, if the sponsor is not an individual, the names, addresses, and titles of the controlling persons responsible for managing the sponsor's affairs;
- (b) The names, addresses, and business or occupation of all persons organizing and managing the campaign, or hired to assist the campaign, including any public relations or advertising firms participating in the campaign, and the terms of compensation for all such persons;
- (c) The names and addresses of each person contributing twenty-five dollars or more to the campaign, and the aggregate amount contributed;
- (d) The purpose of the campaign, including the specific legislation, rules, rates, standards, or proposals that are the subject matter of the campaign;" Rev. Code Wash. (ARCW) § 42.17.200 (2011).

PROBLEM #4:

Each reporting entity decides for itself how to report its expenditures. The reports are not easily comparable between reporting entities when each reporting entity provides disclosed information differently.

CURRENT LAW:

New York lacks clear regulations that require uniformity of disclosure and a website that imposes uniformity.

The Commission on Public Integrity's Guidelines provide the following:

"Reportable expenses shall mean any expenditure incurred by or reimbursed to the lobbyist for the purpose of lobbying. Reportable expenses include, but are not limited to the following: advertising, telephone, electronic advocacy, food, beverages, tickets, entertainment, parties, receptions or similar events, advocacy rallies, consultant services, expenses for non-lobbying support staff, and courier services when said expenses are part of a lobbying effort. "

Examination of reports filed by lobbyists and by lobbying clients show a broad range of interpretation of what is required in reporting lobbying expenditures. Differences in reporting grassroots expenditures are one area in which the difference in interpretation is clearest.

Examples:

- American Beverage Association disclosed the expenditures for its campaign against the soda tax as payments to Goddard Clausen for "strategic advocacy," a very vague term that encompasses multiple grassroots techniques.
- 1199/SEIU Healthcare Education Project discloses the expenditures for its grassroots campaigns in great detail. Each payment to firms like Knickerbocker SKD and Squier Knapp Dunn Communications Inc. is attributed to a specific item such as "production and creative costs for doorhangers, posters, and mailers," or "TV Broadcast in Spanish."
- Committee to Save New York provides a mid-range level of detail, differentiating between payments for "internet advertising" and payments for "radio advertising" or "public relations."

Washington State's lobbying law again provides useful specific guidance regarding expenditures for grassroots lobbying which must be reported. The relevant provision states:

"(e) The totals of all expenditures made or incurred to date on behalf of the campaign, which totals shall be segregated according to financial category, including but not limited to the following: Advertising, segregated by media, and in the case of large expenditures (as provided

by rule of the commission), by outlet; contributions; entertainment, including food and refreshments; office expenses including rent and the salaries and wages paid for staff and secretarial assistance, or the proportionate amount thereof paid or incurred for lobbying campaign activities; consultants; and printing and mailing expenses.” Rev. Code Wash. (ARCW) § 42.17.200 (2011).

RECOMMENDATION:

The Lobbying Act should be amended to require specific reporting of detailed grassroots lobbying expenditures and the website on which lobbying expenses are reported should be upgraded to require uniformity of reporting.

Amending the Lobbying Act will convey the importance of detailed and uniform reporting of this data. While issuing more specific regulations may be the most expeditious, if this approach that is not combined with a website upgrade, it leaves room for varying interpretations and defeats the goal of maximizing the uniformity and thus comparability of disclosures.

Although upgrading the CPI’s website to utilize pull-down menus and more specificity in detailing expenses may incur more expense initially, this expense should be limited if properly designed. Upgrading the CPI website is essential to minimizing variability in reporting.

PROBLEM # 5:

Members of the public can not obtain lobbying data in a user-friendly, analyzable form.

The CPI’s current website is difficult and unintuitive for the average member of the public to use. There is no explanation of the difference between a “lobbyist query” and a “client query.” Users are left on their own to discover that one leads to a bimonthly report filed by the lobbyist and the other to a bi-annual report filed by the client. Procuring an organization’s report requires clicking through multiple confusing dialogues before arriving at the report page, which can only be printed. Reports cannot be exported to Microsoft Excel or another database program for analysis, or even directly saved as a PDF. Establishment of the Joint Commission on Public Integrity to be set up under the proposed Public Integrity Reform Act of 2011 may provide an opportunity to redesign and upgrade the lobbying disclosure website.

CURRENT LAW:

The CPI is required to provide an annual report to the Governor and Legislature.

Current law does not require any particular reporting of lobbying data other than the annual report to the Governor and Legislature of the CPI’s work as mandated by §1-c (g) of the Lobbying Act. The CPI is to be commended for setting up a website for electronic filing of lobbying reports as well as allowing public access to the reported lobbying data through the Internet. The current website maintained by the CPI represents a good beginning for making lobbying disclosures available to the public. It does not, however, satisfy all of the desirable criteria and should be upgraded to reflect current standards of transparency and usability of data.

RECOMMENDATION:

The Lobbying Act should be amended to mandate internet disclosure of the reported lobbying data.

The website on which lobbying disclosures are made available to the public should present the information in a form that: a) is fully searchable, b) downloadable in formats used by common spreadsheet and data programs, c) permits cross-reference, and d) is user-friendly.

CONCLUSION

We strongly recommend amending the Lobbying Act to address the increasing use of grassroots lobbying. The public should be able to easily access information in a meaningful way, identifying those who control and fund grassroots lobbying campaigns, as well as the amounts spent to influence public support for or against specific legislation and official actions.

In the absence of immediate legislative action, organizations engaging in grassroots lobbying should act to voluntarily improve the level of disclosure on lobbying reports as well as on advertising, websites, and other campaign materials by following the guidelines detailed in our “New York State Political Advocacy Advertising Disclosure Report Card.”

New Yorkers deserve an open and transparent debate on any proposed legislation, especially on the long-term direction of the state’s fiscal policy. This is a core principal of democracy that all the leading voices in Albany, the business community, and the labor movement should agree on.

ENDNOTES

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APPENDIX – ANNUAL SPENDING BY ORGANIZATION

<u>ORGANIZED LABOR GROUPS</u>			
ORGANIZATION	YEAR	LOBBYING EXPENSES	CAMPAIGN CONTRIBUTIONS
<u>1199/SEIU & GNYHA HEALTHCARE EDUCATION PROJECT</u>	2005	\$7,239,652.00	\$0.00
(DOES NOT INCLUDE THE LOBBYING AND CONTRIBUTIONS OF 1199/SEIU OR GNYHA ACTING AS INDIVIDUAL ORGANIZATIONS)	2006	\$4,259,820.00	\$0.00
	2007	\$12,811,218.00	\$0.00
	2008	\$1,190,179.00	\$0.00
	2009	\$3,684,280.00	\$0.00
	2010	\$6,862,171.00	\$0.00
	2011 (Jan-Apr)	\$600.00	N/A
<u>NEW YORK STATE UNITED TEACHERS (NYSUT)</u>	2005	\$1,251,248.00	\$407,811.00
	2006	\$1,752,864.00	\$882,586.54
	2007	\$1,656,019.00	\$967,579.08
	2008	\$4,396,599.00	\$1,167,624.76
	2009	\$3,599,550.00	\$753,393.79
	2010	\$4,942,162.00	\$1,316,553.91
	2011 (Jan- Apr)	\$1,864,925.00	N/A
<u>UNITED FEDERATION OF TEACHERS</u>	2005	\$851,687.00	\$82,945.00
	2006	\$890,181.00	\$66,315.00
	2007	\$879,319.00	\$91,120.00
	2008	\$909,691.00	\$130,425.00
	2009	\$957,248.00	\$127,885.00
	2010	\$1,253,366.00	\$78,274.00
	2011 (Jan- Apr)	\$440,848.00	N/A
<u>UNITED UNIVERSITY PROFESSIONS</u>	2005	\$843,203.00	\$0.00
	2006	\$741,445.00	\$450.00
	2007	\$836,358.00	\$0.00
	2008	\$1,108,421.00	\$175.00
	2009	\$1,273,255.00	\$325.00
	2010	\$1,211,760.00	\$40.00
	2011 (Jan- Apr)	\$756,921.00	N/A

ORGANIZATION	YEAR	LOBBYING EXPENSES	CAMPAIGN CONTRIBUTIONS
<u>PUBLIC EMPLOYEES FEDERATION</u>	2005	\$1,743,963.00	\$147,910.00
	2006	\$1,285,703.00	\$505,271.00
	2007	\$784,337.00	\$201,498.00
	2008	\$924,275.00	\$441,020.00
	2009	\$1,286,486.00	\$222,141.00
	2010	\$1,693,224.00	\$488,343.00
	2011 (Jan-Apr)	\$274,609.00	N/A
<u>CIVIL SERVICE EMPLOYEES ASSOCIATION</u>	2005	\$1,194,537.00	\$154,275.00
	2006	\$709,263.00	\$536,377.00
	2007	\$111,048.00	\$279,243.75
	2008	\$402,740.00	\$461,198.00
	2009	\$1,060,490.00	\$174,459.00
	2010	\$426,402.00	\$359,183.00
	2011 (Jan-Apr)	\$ 23,503.00	N/A
<u>ALLIANCE FOR QUALITY EDUCATION</u>	2005	\$81,105.00	\$0.00
	2006	\$97,035.00	\$0.00
	2007	\$166,938.00	\$0.00
	2008	\$855,679.00	\$0.00
	2009	\$176,210.00	\$0.00
	2010	\$224,029.00	\$0.00
	2011 (Jan- Apr)	\$222,983.00	N/A
<u>NEW YORKERS FOR FISCAL FAIRNESS</u>	2005	\$20,835.00	\$0.00
	2006	\$379,282.00	\$0.00
	2007	\$19,792.00	\$0.00
	2008	\$650,882.00	\$0.00
	2009	\$226,558.00	\$0.00
	2010	\$831,996.00	\$0.00
	2011 (Jan-Apr)	\$118,804.00	N/A
<u>STRONG ECONOMY FOR ALL COALITION</u>	2011 (Jan-Apr)	\$402,146.00	N/A

ORGANIZED BUSINESS GROUPS

ORGANIZATION	YEAR	LOBBYING EXPENSES	CAMPAIGN CONTRIBUTIONS
<u>BUSINESS COUNCIL OF NEW YORK STATE</u>	2005	\$656,767.00	\$112,482.00
	2006	\$656,219.00	\$89,683.86
	2007	\$548,600.00	\$48,850.00
	2008	\$727,996.00	\$96,382.55
	2009	\$575,242.00	\$30,905.90
	2010	\$894,471.00	\$72,278.50
	2011 (Jan- Apr)	\$81,121.00	N/A
<u>PARTNERSHIP FOR NEW YORK CITY</u>	2005	\$86,699.00	\$6,200.00
	2006	\$96,699.00	\$57,750.00
	2007	\$84,959.00	\$15,075.00
	2008	\$90,719.00	\$95,850.00
	2009	\$78,021.00	\$46,744.00
	2010	\$91,990.00	\$68,698.00
	2011 (Jan- Apr)	\$25,027.00	N/A
<u>REAL ESTATE BOARD OF NEW YORK (REBNY)</u>	2005	\$180,957.00	\$53,757.00
	2006	\$131,487.00	\$335,620.00
	2007	\$441,205.00	\$78,800.00
	2008	\$213,087.00	\$189,925.00
	2009	\$277,810.00	\$150,926.07
	2010	\$275,975.00	\$848,999.00
	2011 (Jan- Apr)	\$73,721.00	N/A
<u>BANKERS ASSOCIATION (NY)</u>	2005	\$505,512.00	\$50,175.00
	2006	\$549,514.00	\$96,600.00
	2007	\$815,631.00	\$75,550.00
	2008	\$788,975.00	\$75,750.00
	2009	\$680,033.00	\$45,350.00
	2010	\$472,235.00	\$128,000.00
	2011 (Jan- Apr)	\$126,501.00	N/A

OTHER THIRD PARTY COALITIONS

(lobbying expenses only)

ORGANIZATION	YEAR	LOBBYING EXPENSES	CAMPAIGN CONTRIBUTIONS
<u>ALLIANCE FOR A HEALTHIER NEW YORK</u>	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$0.00	N/A
	2008	\$0.00	N/A
	2009	\$0.00	N/A
	2010	\$2,912,984.00	N/A
	2011 (Jan- Apr)	\$0.00	N/A
<u>AMERICAN BEVERAGE ASSOCIATION</u> (“New Yorker’s Against Unfair Taxes”)	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$0.00	N/A
	2008	\$0.00	N/A
	2009	\$1,016,104.00	N/A
	2010	\$12,891,045.00	N/A
	2011 (Jan- Apr)	\$197,793.00	N/A
<u>COALITION FOR THE LAST STORE ON MAIN STREET</u>	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$0.00	N/A
	2008	\$0.00	N/A
	2009	\$488,677.00	N/A
	2010	\$308,931.00	N/A
	2011 (Jan- Apr)	\$0.00	N/A
<u>KEEP NYC CONGESTION TAX FREE</u>	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$124,696.00	N/A
	2008	\$314,678.00	N/A
	2009	\$156,725.00	N/A
	2010	\$156,219.00	N/A
	2011 (Jan- Apr)	\$40,915.00	N/A

ORGANIZATION	YEAR	LOBBYING EXPENSES	CAMPAIGN CONTRIBUTIONS
<u>SHARE (SAFE, HEALTHY AFFORDABLE, RELIABLE ENERGY) COALITION</u>	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$0.00	N/A
	2008	\$0.00	N/A
	2009	\$0.00	N/A
	2010	\$0.00	N/A
	2011 (Jan- Apr)	\$7,407,599.00	N/A
<u>WEGMAN'S FOOD MARKETS</u> ("Vote Wine 2009" and "New Yorkers for Economic Growth and Open Markets")	2005	\$0.00	N/A
	2006	\$0.00	N/A
	2007	\$0.00	N/A
	2008	\$0.00	N/A
	2009	\$1,243,562.00	N/A
	2010	\$1,265,493.00	N/A
	2011 (Jan- Apr)	\$415,604.00	N/A