

**On the Road
to Reform:
Campaign Finance in the
1993 New York City Elections**

**Volume I:
Report**



NEW YORK CITY
CAMPAIGN FINANCE BOARD



September 1994

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**THE NEW YORK CITY
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President, Fordham University**

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Former Representative
New York's 15th Congressional District
(appointed as this Report
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The City College of New York**

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President
Motor Vehicle Accident
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Rachel Levine
Alicia Perla

On the Road to Reform
Report Team

Adam J. Becker
Julian Brash
Ross Brooks
Raluca Oncioiu
Kathy Sheehan
Gavin Smith

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FOREWORD

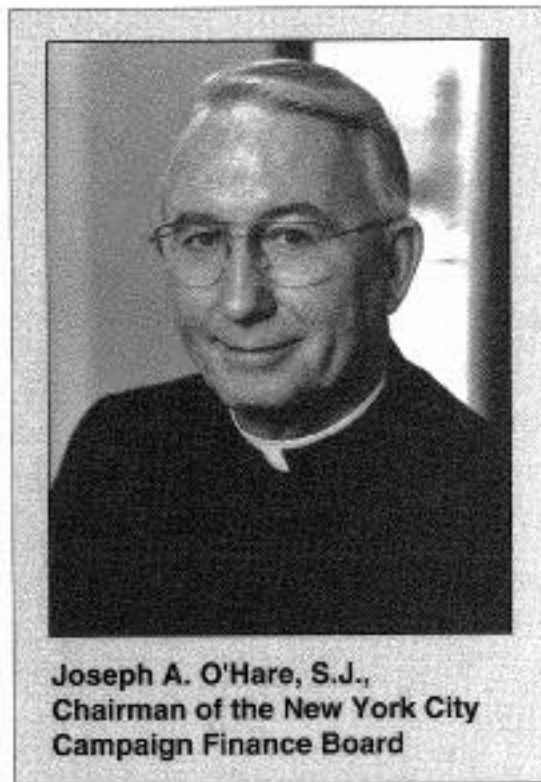
It has been six years and three municipal elections since the Campaign Finance Program was enacted into law in February 1988. This review of the 1993 Campaign, entitled *On the Road to Reform: Campaign Finance in the 1993 New York City Elections*, is the third such report published by the Campaign Finance Board. Given this history, I would like to use the brief space this foreword provides to offer two reflections on the development of the Campaign Finance Board as an institution in the political life of New York City.

It should be a source of satisfaction to all New Yorkers, and especially the architects of the 1988 legislation, that the Campaign Finance Program has been, by and large, a success, recognized as such nationally as well as locally. There are many sources of this success, of course, but I would like to single out two elements of the original Campaign Finance Act and City Charter provisions that have been critical to the development of the Program: first, the requirement that the Board publish reports like this one; and second, the nonpartisan manner in which appointments to the Board are to be made.

The Board is mandated by law to review the experience of each election campaign, assess the impact that the Campaign Finance Program had on the campaign, and make recommendations for changes in the Program. In pursuit of this mandate, the Board has not only solicited reactions from all those who have participated in the Program but has also held public hearings after each campaign, at which candidates, campaign officials, and other interested parties have offered testimony on their experience of the Program and their recommendations for change.

Not all of the recommendations proposed in our two previous reports received universal support and were enacted into law. While this has been a disappointment, it has not been a surprise. The Board and its staff make no claim to omniscience, and honest disagreement with our recommendations is understandable.

What is surprising and less understandable, perhaps, is the fact that our recommendations, on occasion, have also been resented as a usurpation of legislative prerogatives. This is most unfortunate. The mandate to review and recommend is a provision of the law that the Board and its staff have been asked to implement. It is a wise provision, and the Program has been simplified and made more effective as a result. In particular, the education of the voting public has been enhanced by the development of disclosure requirements.



**Joseph A. O'Hare, S.J.,
Chairman of the New York City
Campaign Finance Board**

It is our intention to continue to discharge our responsibility to review and recommend, as the law requires, and it is in this spirit that the present Report reviews the road to reform in the 1993 New York City elections.

A critical feature of the New York City Campaign Finance Program has been the strictly nonpartisan culture that has characterized the Board's deliberations and decisions over the past six years. Here, too, the wisdom of the legislative architects of the Program has been confirmed. While the Mayor and the Speaker of the City Council each appoints two members of the Board, they cannot make two appointments from the same party. Further, the City Charter requires that the Board conduct all its activities in a "strictly nonpartisan manner." Many other campaign finance and election-related agencies in the United States are "bipartisan" bodies that find themselves deadlocked along party lines or hesitant to act because they view strong enforcement as a potential quagmire for their various constituencies.

The nonpartisan character of the New York City Campaign Finance Board is one of its most distinctive strengths, admired and even envied by those caught in the occupational paralysis of bipartisan commissions. Over the past six years, the members of the Board have often enough disagreed on their way to a decision. Not every vote has been unanimous. But the disagreement has never been along partisan lines, and this tradition is critical for the Board's credibility.

The Board is drawn more and more into resolving matters that receive press attention and can affect campaigns substantially, both because of the publicity attendant on charges of violations of the Campaign Finance Act, and because of the impact of civil penalties assessed by the Board when it concludes that violations have in fact occurred. It is inevitable that campaigns will pursue every available avenue to bring victory on election day; the Board, for its part, is mindful that its role is not to influence the outcome of elections as a partisan matter. The record of the 1993 elections shows, I believe, that the Board rose to its task of nonpartisan, effective enforcement of the Campaign Finance Act.

As the Campaign Finance Program moves into its seventh year and becomes a more deeply rooted institution of political life in New York City, these two features of the original legislation — the mandate to review and recommend and the nonpartisan character of the Board — are assets that should be protected and promoted.

Finally, on a more personal note, I want to thank the other members of the Board, James Lewis, Joseph Messina, and Vaughn Williams, for their counsel, support, and friendship, particularly during the events of early January 1994. On their behalf, I congratulate Nicole Gordon, our Executive Director, and her talented and dedicated staff for their extraordinary service to the citizens of New York City in the municipal elections of 1993.

Joseph A. O'Hare, S.J.
Chairman
New York City Campaign Finance Board

Introduction

The *New* New York Politics: the 1993 Elections

From the creation of a "Fusion" ticket that cut across traditional political party lines to the vote by Staten Islanders to secede from the rest of New York City, 1993 was an eventful year in local politics. The elections presented the New York City Campaign Finance Board, the nonpartisan agency that administers what many consider to be the nation's model Campaign Finance Program, with challenging issues, many of which were followed not only in New York City, but also around the United States and even abroad.

Not Politics as Usual: The Special Circumstances of the 1993 Elections

What was different about the 1993 elections? For one thing, **highly competitive citywide races** dominated the news. Incumbents either lost or dropped out of races for all three citywide offices. Hotly contested battles occurred during the Democratic primaries for public advocate (formerly City Council president) and comptroller. In the race for comptroller, primary election results were so close that incumbent Elizabeth Holtzman and challenger Alan Hevesi were forced into a runoff election. Incumbent City Council President Andrew Stein, who had amassed a sizable war chest and was expected to run against Mayor Dinkins for the Democratic nomination for mayor, surprised everyone initially by dropping out of that contest, then out of the public advocate race and out of politics altogether. The general election, a replay of 1989's close race between David Dinkins and Rudolph Giuliani, resulted in New York City's first Republican mayor in over two decades.

The "**Fusion**" ticket, a cross-party slate of candidates for each citywide office, was also an unusual aspect of the 1993 elections. Led by Republican mayoral candidate Rudolph Giuliani and including longtime Democrats Herman Badillo for comptroller and former City Council member Susan Alter for public advocate, the ticket was designed to appeal to a diverse constituency of voters by cutting through traditional party lines. Democrats did win for comptroller and public advocate, but they were Alan Hevesi and Mark Green, respectively, not the Fusion ticket candidates.

Introduction

Two local **referenda** were on the general election ballot. One proposal was to amend the City Charter to provide for **term limits** for the offices of mayor, public advocate, comptroller, borough president, and City Council, which passed with a clear majority of voters and will have significant implications for City politics and the role of the Campaign Finance Board.

It's Over the Limit

— *New York Post*¹

Mandated turnover in municipal offices will necessarily result in more new candidates entering politics. The voluntary New York City Campaign Finance Program could become even more instrumental in New York City's political process, as more and more candidates turn to the Program for the financial assistance that it can provide.

A second ballot proposal was placed before the voters in the borough of Staten Island, who were asked whether they approved a City Charter which would make **Staten Island a city independent** from the rest of New York. This proposal was also passed by a two-to-one margin and could pave the way for Staten Island to become an independent city, pending approval by the State Legislature and Governor.

The Role of the Campaign Finance Board

The Campaign Finance Board has in its short life already become a generally accepted part of the local political environment, and is now asked — often in the midst of heated campaigns — to decide issues that have far-reaching implications for the candidates, their races, and campaign finance reform in general. The Campaign Finance Board played an active role in the 1993 municipal elections, beginning with a major effort to alert potential candidates to the benefits and burdens of joining the Program. A higher percentage of potential candidates across covered offices joined the voluntary Campaign Finance Program than in the past. This **higher participation** was inspired (or demanded) by the press, the public, and the candidates themselves.

In the 1993 municipal elections, candidates continued a by-now familiar refrain, accusing each other of taking special interest contributions, but there was also a dramatic increase in the number of charges of violations of the Campaign Finance Act and various Program regulations. The Board responded swiftly, acting during the campaign season when necessary, to preserve the effectiveness of the Program in a number of high profile matters.

Throughout 1993, the **greater importance of the Program and the Board** permeated the media, including virtually daily reference to Program-related items and front-page treatment of some Board actions. This increased publicity referred not only to Board decisions, but also to candidates' participation in and compliance with the Program. Then, in

late October, as the mayoral candidates debated whether or not to debate, angry editorial boards and columnists demanded that publicly funded candidates be required to do so. (In *The Debate Debate*, a report recently published by the Board in response to the heightened interest in mandatory debates following the mayoral campaign, the Board concluded that the obligation to debate should not be tied to the acceptance of public funds.² See pp. 117-118.) And, before election day, editorials appeared criticizing candidates who chose not to participate in the Campaign Finance Program, sometimes citing non-participation as a reason for withholding endorsements from particular candidates.³

The most extensive coverage of a Board-connected event, however, came after the election and focused on Mayor Dinkins' replacement of Father Joseph A. O'Hare as Chairman of the Campaign Finance Board with a new chairman, in what some perceived as retribution for determinations made by the Board during the election period. Editorials, one of which characterized this as a "graceless parting shot,"⁴ called for the reinstatement of Chairman O'Hare, and took the occasion to praise the Board, its work, and its revitalizing impact on New York City elections.

Although the event initially cast a shadow over the Board's future independence, this was dispelled by the resignation of the new appointee, Thomas J. Schwarz, and the reinstatement of Chairman O'Hare.

Two other milestones in the 1993 elections were the Campaign Finance Board's advances in **public disclosure** and **voter education**. One of the Board's achievements during the 1993 elections was its timely and detailed publication of candidates' campaign finances. The Board's technological advances have been

praised by national audiences; its candidate software, C-SMART®, was featured at the 1993 COGEL (Council on Governmental Ethics Laws) conference. At forums around the country, it is clear that these advances are on the cutting edge, enabling the Board to make candidates' financial information available an unprecedented number of times and with great speed during the election season. In coverage of the 1993 races, the national and local press published scores of articles and tables relying upon information from the Board's database.

The **Voter Guide**, the nonpartisan resource on municipal candidates, local ballot issues, and voting procedures published by the Board, is a recognized success in providing New York voters with more information about candidates and offering the candidates themselves — whether or not they participate in the Program — a highly effective medium for their views. The role played by the New York City Voter Guide in voter education was

**"It is only with comet-like regularity that New York's political establishment produces something that can serve as a model for other municipal governments. Such is the case of the Campaign Finance Board, the fiercely nonpartisan overseer of New York's voluntary system of public campaign financing for local offices. Unfortunately, the board may be paying a price for its independence."
— The New York Observer⁵**

Fact Sheet
THE CAMPAIGN FINANCE PROGRAM AT A GLANCE (PART I)

The Campaign Finance Program has four primary components:

Contribution limits are intended to reduce the influence of monied interests on elected officials and apply uniformly to individuals, corporations, unions, partnerships, political action committees, and the candidates themselves. Contributions subject to the limit include both monetary and "in-kind" contributions of goods and services. These limits encourage participants to seek smaller contributions from a greater number of people, making candidates more responsive to their constituents and less beholden to a few large contributors.

Expenditure limits are intended to curtail excessive campaign spending. The Campaign Finance Program's spending limits cover most campaign spending, although some spending is "exempt" from the limits, such as the costs of compliance with the Program's requirements. If a Program participant runs against a high-spending opponent who has not joined the Program — and thus is not bound by the same contribution or spending limits — that participant's spending limit is removed and he or she receives public matching funds at a faster rate.

Matching Public Funds are intended to increase the value of small contributions from individuals, to make candidates less dependent on large contributions, and to assist candidates who do not have access to monied sources, thus helping to make elections more competitive. To qualify for public financing, candidates must meet "threshold" requirements for the amount and number of contributions raised, abide by the Program's requirements, including contribution and spending limits, and face opposition on the ballot. The Program matches each dollar up to one thousand dollars that a New York City resident gives to a candidate; the amount each candidate can receive in matching funds is capped, depending on the office sought. When running against a well-financed non-participant, a participant receives public funds at an accelerated rate.

Disclosure gives a wealth of information to the public, makes possible the effective enforcement of the contribution and expenditure limits, and helps ensure the proper distribution of public funds. Participants must submit comprehensive disclosure statements about their campaigns' financial activity that are far more detailed than what State law requires.

Fact Sheet
THE CAMPAIGN FINANCE PROGRAM AT A GLANCE (PART II)

Office	In return for abiding by...		...and meeting...		...candidates could receive...
	Contribution Limit*	Expenditure Limit**	Threshold Dollar Amount	No. of Contributors	Maximum Public Funds**
Mayor	\$ 6,500	\$ 4,000,000	\$ 250,000	1,000	\$ 2,000,000
Public Advocate	6,500	2,500,000	125,000	500	1,250,000
Comptroller	6,500	2,500,000	125,000	500	1,250,000
Borough President	5,000	900,000	10,000 - 46,013 [†]	100	450,000
City Council Member	3,000	105,000	5,000	50	40,000

In return for accepting limits on the amount they can raise and spend, candidates can become eligible to receive public matching funds for contributions from individual New York City residents. (Reflects contribution and spending limits, and requirements for public funds in effect for the 1993 elections.)

* Primary and general elections combined.

** Per election, in election year.

[†] For borough president, the threshold dollar amount is equal to the number of persons living in each borough (based on the 1990 census) multiplied by two cents, or ten thousand dollars, whichever is greater. The dollar amount for each borough is: Bronx, \$24,076; Brooklyn, \$46,013; Manhattan, \$29,751; Queens, \$39,032; and Staten Island, \$10,000.

expanded in the 1993 elections. First, pursuant to 1992 amendments to the Federal Voting Rights Act, information about municipal candidates was made available to an even wider spectrum of New Yorkers, with the publication of a Chinese-language edition of the Voter Guide for voters in Brooklyn, Manhattan, and Queens.⁶ And, in 1993, the general election edition of the Voter Guide contained a section on ballot proposals which included texts of the State and City proposals on the ballot, followed by a plain language description of the City proposals and statements supporting and opposing each City proposal. This additional section in the 1993 Voter Guide was the most widely available discussion of term limits prior to the November 2nd referendum.

Introduction

The Campaign Finance Program was a significant factor in the 1993 citywide elections. The next four chapters will examine what the Program accomplished during these elections — what worked, what did not, and what can be improved for the future. Chapter 5 will look at the significant technological advancements made by the Board for the 1993 elections. Chapters 6 and 7 will turn to the races themselves — the candidates and the issues in their campaigns. Chapters 8 and 9 will describe the Campaign Finance Board and some of its major enforcement actions during the 1993 elections. Chapter 10 is devoted to a discussion of the Campaign Finance Board's Voter Guide. The final chapter discusses recommendations for change to improve the Program.

NOTES

- ¹ Gregg Birnbaum, "It's Over the Limit," *New York Post*, October 27, 1993, 12.
- ² New York City Campaign Finance Board, *The Debate Debate*, June 1994 (hereafter *The Debate Debate*).
- ³ See, e.g., "Price is Right," *New York Newsday*, February 17, 1993, 38; and "Warrie Price for City Council," *Village Voice*, February 23, 1993, 14.
- ⁴ Editorial, "Mr. Dinkins's Graceless Parting Shot," *The New York Times*, January 6, 1994, A20.
- ⁵ Editorial, "Lame Duck Dinkins Dunks O'Hare," *The New York Observer*, January 10, 1994, 4.
- ⁶ Since its inception, in 1989, the Voter Guide has been published in two languages: English and Spanish.

PART I

Making a Difference: The Campaign Finance Program at Work

Looking at the Program's performance in the 1993 primary and general elections and studying past elections, this section offers an assessment of the Program's success in achieving its primary goals:

Levelling the Playing Field

Are elections more competitive? Has the Program been successful in helping candidates without significant resources wage competitive campaigns for public office?

Curbing the Reality and Perception of Undue Influence

Has the influence of big contributors and special interests declined in New York City politics? Or is it still "politics as usual"? How does the public perceive this?

Controlling Campaign Spending

Is the outcome of elections determined by the amount a candidate spends? Or do the Program's requirements help place candidates on a more equal footing?

Increasing the Amount and Quality of Information Available to the Public

Making useful and timely information on candidates available to the public may be as important as limitations on campaign finances. Has the dramatic increase in the amount and content of disclosure made possible by the Board's Charter-mandated computer system had an impact on the way candidates conduct their campaigns?

Chapter 1

Roll Call:

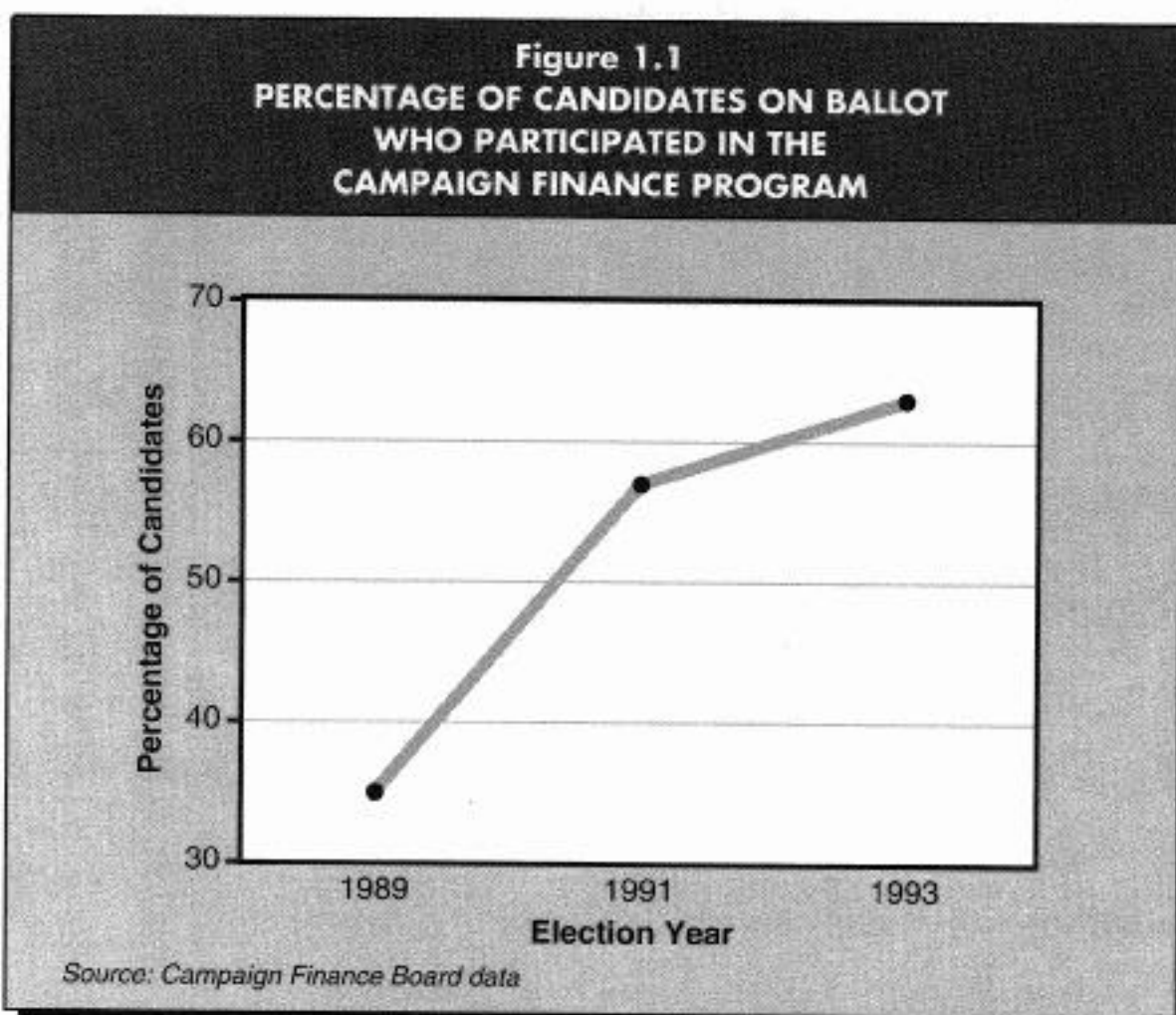
Program Participation in 1993

The deadline for enrolling in New York's campaign finance program is April 30. Everyone seeking city office can sign up. Those who do not will tell the public they're afraid to run on a level playing field — that they'd rather rely on fat-cat money and heavy spending, and that they're probably not worth a vote." —*Daily News*¹

The Campaign Finance Program has become a fixture in the local political process, attracting an increasing share of the candidates who appear on the ballot. One hundred and eighty-six prospective candidates for five municipal offices "opted in" to the voluntary Program for 1993, of whom 107 eventually made it onto the ballot, or 63 percent of all candidates running. This was a sharp increase over the last citywide elections held in 1989, when only 57 candidates joined the Program, of whom 48 made it onto the ballot, accounting for only about 35 percent of all candidates. (See Figure 1.1.)

At the citywide level, participation was overwhelming: in 1993, *every* citywide primary consisted *solely* of Program participants and, although the percentage of participants on the ballot thinned in the general election, virtually every citywide candidate who received a significant share of the votes cast in the general election was a participant. Distinguishing relatively small campaigns (those garnering less than 15 percent of votes cast) from larger efforts, the Program captured 86 percent of the major candidates on the ballot in the primary election and 72 percent in the general election.²

Participation at the Council Level. Increasing Program participation among candidates for City Council was especially encouraging. (See Figure 1.2.) When the Program was first administered during the 1989 elections, a scant 34 percent of candidates running at the Council level joined. This figure jumped sharply during the 1991 elections for City Council and has continued to rise; considering both the primary and general elections together, participants accounted for about 66 percent of all Council candidates running in 1993. Even more significant, 38 of the 49 Council incumbents seeking re-election decided to join for the 1993 elections — including some former, high-profile non-participants like one-term incumbent Tom Duane from Manhattan's 3rd district. This 78 percent rate of incumbent participation at the Council level was unprecedented; in both the 1989 and the 1991



City Council elections only about half of all Council incumbents were Program participants.³

Pressure from the Media. One reason participation has increased from election to election may be the increasing attention the Program has received from the media. Considerable dissatisfaction has been expressed by editorial boards at “politics-as-usual” campaigns, and participation in the Program is regarded as an important criterion by which to judge whether a campaign has rejected these practices. The “opt-in” date to join the Program for the 1993 elections received a good deal of press coverage, much of which cited a “growing acceptance” of New York’s “unique” system.⁴

The negative media reaction to candidates who “opt out” in favor of politics-as-usual fund raising and spending — City Council President Andrew Stein in his abortive bid for mayor was the most prominent example — is evidence of a higher standard of scrutiny of campaigns’ financing tactics. In the choice between traditional politics on the one hand and campaigns that subject themselves to the Program’s requirements on the other, the vote now

**Fact Sheet 1.1
PARTICIPATION BY OFFICE: 1993, 1991, 1990, 1989,
AND SPECIAL ELECTIONS**

Year	Election/Office	Number of Participants	Participants on Ballot [†]	All Candidates on Ballot [†]	%*
1993	Citywide Elections				
	Mayor	5	4	7	57
	Public Advocate**	11	6	9	67
	Comptroller	3	3	7	43
	Borough President	11	7	15	47
	City Council	136	87	132	66
	Undeclared	20	0	N/A	N/A
1991	City Council Elections				
	City Council Member	256	136	239	57
1989	Citywide Elections				
	Mayor	10	5	11	45
	Public Avocate**	0	0	6	0
	Comptroller	5	4	10	40
	Borough President	7	6	15	40
	City Council	34	33	97	34
	Undeclared	1	0	0	N/A
1994	Special Election				
	51st Council District	6	5	7	71
1993	Special Election				
	4th Council District	8	5	7	71
1991	Special Elections				
	9th Council District	5	5	9	56
	22nd Council District	4	1	1	100
1990	Special Election				
	1st Council District	2	2	7	29

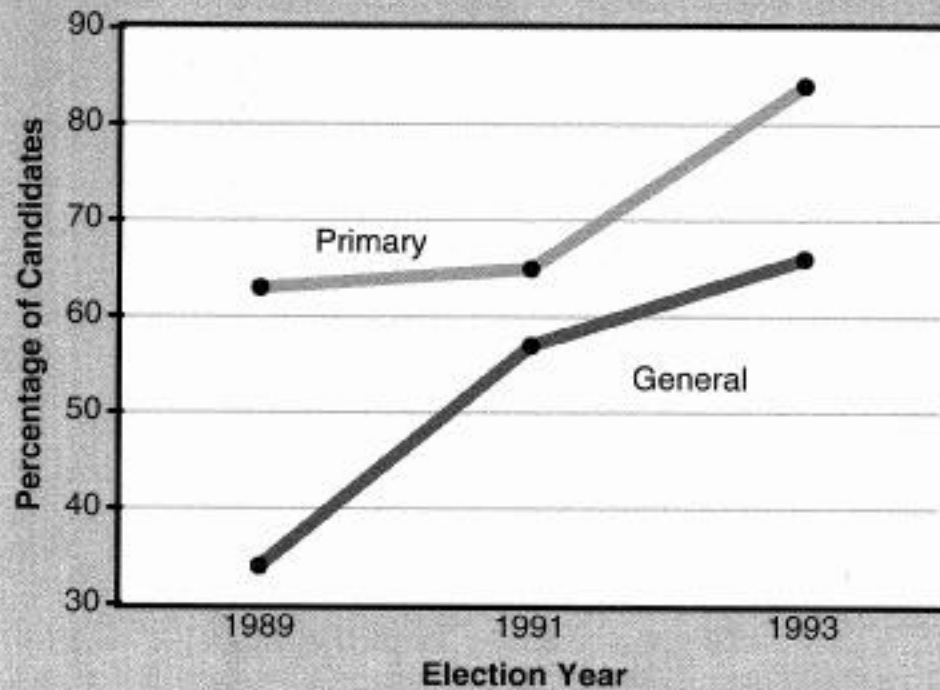
[†]On the ballot in either primary or general election.

*Percent of candidates on ballot who were participants.

**This office was previously called City Council President.

Source: Campaign Finance Board and Board of Elections data

Figure 1.2
PERCENTAGE OF CITY COUNCIL CANDIDATES
ON BALLOT WHO PARTICIPATED IN THE
CAMPAIGN FINANCE PROGRAM



Source: Campaign Finance Board data

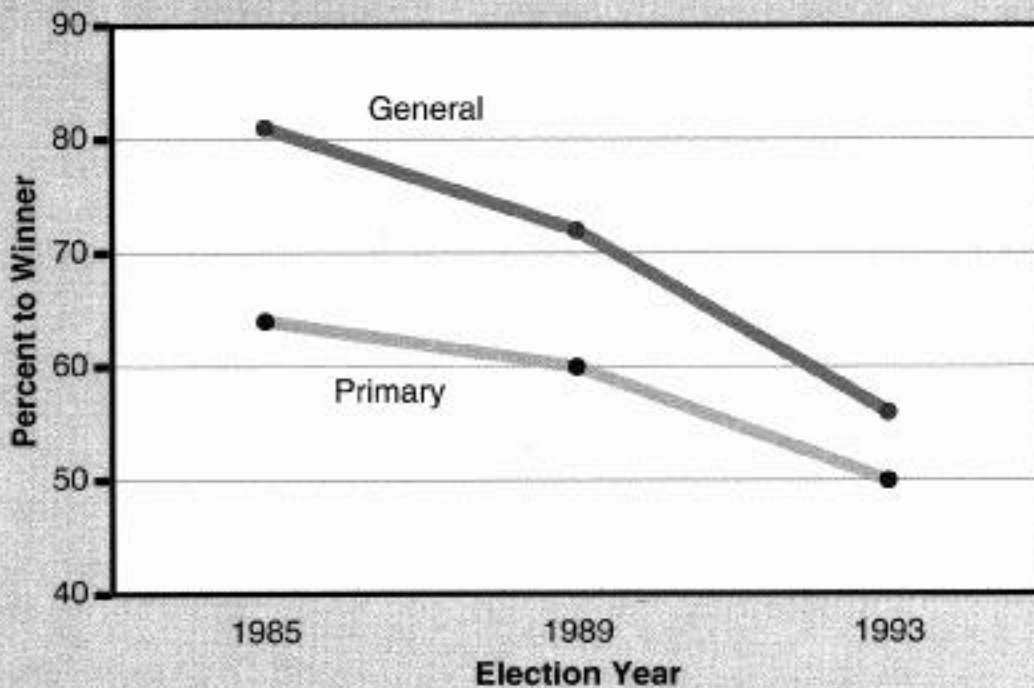
favors the latter in the world of public opinion.

Competition in New York City Politics

Has increasing participation in the Program translated into increasing competition? The answer depends upon the office. Since the Program's first implementation in the 1989 elections, there has been rigorous competition for citywide offices. Figure 1.3 shows that there has been a steady decline since 1985 (the last election before the inception of the Program) in the percentage of votes received by the winning candidate and that the margin of victory between losers and winners at the citywide level has been shrinking. In 1989, the incumbent mayor was unseated, and in 1993, every citywide incumbent either lost or dropped out of the race.

As later chapters show, the Program's contribution and expenditure limits help to

Figure 1.3
PERCENTAGE OF VOTES TO WINNERS
OF CITYWIDE RACES



Source: City Board of Elections data

level the playing field between incumbents and challengers for citywide offices. The most compelling reason for incumbents' vulnerability at the citywide level may lie in the nature of their offices. It has been argued that any edge incumbents may enjoy in terms of fund raising or the perks of elected office is offset by the increasing attention they get from voters; as the most visible public officials, they become targets for voter dissatisfaction.⁷

A very different picture of competition emerges among City Council candidates. Relatively low levels of competition seem to be the norm. There is generally a large gap between the percentage of votes received between winners and losers and between incumbents and non-incumbents. Unlike the situation at the citywide level, in Council races incumbency remains by far the best determinant of who wins and who loses, or even if a candidate will be challenged.

The off-year 1991 elections that immediately followed a massive redistricting effort, increasing the number of Council seats from 35 to 51, were the most competitive. (See

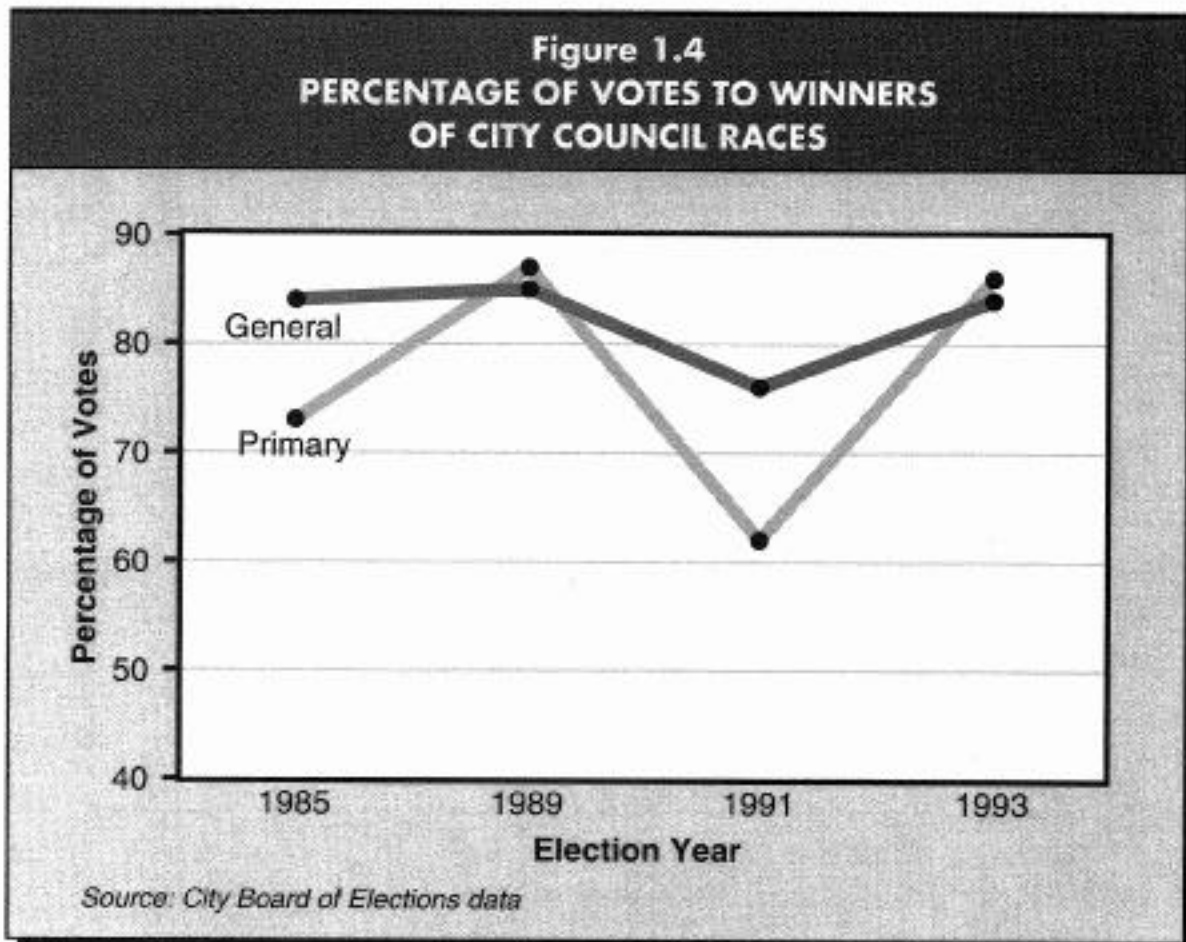


Figure 1.4.) Many factors may have caused this. The elections themselves had very high visibility; the redistricting process had focused an unusually powerful lens on Council races

Most Ins Will Win

— *Daily News*⁶

and, as these were off-year elections for the Council only, they did not have to compete for attention with citywide campaigns. The re-drawn lines may have briefly suggested that incumbents' strongholds would be somewhat less secure and thus attracted more challengers, but incumbents' margins of victory were essentially untouched. Perhaps most important, there was a total of 19 "open" seats during those elections that attracted a sizeable number of

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candidates. These races were generally closer and averaged slightly over one additional candidate per seat when compared with districts containing incumbents.⁸

The distribution of funds reflected

this: two thirds of all public funds distributed by the Board for the 1991 elections went to candidates running for open seats.

In contrast, during the 1989 and 1993 races, only about one third of all incumbents faced primary challenges. The relatively low level of competition in 1993 occurred despite record levels of Program participation. The Program had captured 84 percent of all candidates on the ballot in the Council primaries and 59 percent in the general election, both increases over 1991 levels. In 1991, when requirements for getting onto the ballot were relaxed, the rate of challenges to incumbents nearly doubled. Although it is difficult to determine how big a role this factor played in the 1991 campaigns, New York's onerous ballot access laws are widely recognized as posing a significant obstacle to potential candidates. The Program does not address this; and public funds can only go to candidates who appear on the ballot. Generally, as many as 40 percent of those who join the Program never make it onto the ballot.⁹

Why Did Non-Participants Not Join the Program?

As revealed in the Board's post-election survey and during its 1993 post-election public hearings, many non-participants have said that their reasons for not joining were either that they had not heard of the Program or were uncertain whether they would run. This underscores the need for the Board's comprehensive "outreach" program to inform prospective candidates about the Program's benefits and requirements in between elections. It has also caused the Board to look closely at the Program's "opt-in" deadline. For the 1993 elections this was April 30th, a month before candidates began circulating petitions to get on the ballot. Some were reticent to declare candidacy so early. Howard Lasher, the victorious candidate for the 47th Council district seat, announced his candidacy after an incumbent Council member retired. He commented, "The [opt-in] date is much too early. . . I would suggest that the date that should be set be the first day of petitions. . . In my case, it just so happens that I didn't get in [the Program] because the Councilman had not stated that he was retiring and it would be an embarrassment for someone who has worked with him to put their name in for campaign financing while he was still the sitting Councilman."¹⁰

There are also non-participants who are philosophically opposed to the Program and its provision for partial public funding of campaigns. Andrew Stein's position evolved over the years, from endorsing a \$28 million projected Public Fund in 1988, to refusing to participate but "voluntarily abiding" by the Program's limits in the 1989 elections, to calling public



Council member Una Clarke testified at the Board's December 1993 public hearings.

campaign funding New York City's "dirty little secret" in his 1993 bid for mayor, to once again "voluntarily abiding" by the Program's limits while seeking the office of public advocate.¹¹ At one point, his chief of staff, Victoria Streitfeld, said, "We intend not only to reject taxpayer's money, but to expose those politicians who accept it."¹² Other candidates — most of them elected officials — have joined the Program, abided by its comprehensive disclosure requirements, and subjected their campaigns to the scrutiny of the Board's rigorous audit process, but declined to apply for public funds. Their participation thus contributes to the goals intended to be achieved by the Program's contribution and expenditure limits and disclosure requirements, even though they choose not to receive matching funds.

The Campaign Finance Program is not just a way of providing needed funds to eligible candidates: it is a reform to help change how people — politicians, the press, and voters — act and think about the business of politics in New York City.

Conclusion

It is clear that participation in the Program has become an important element of New York City's political process. There were tremendously high rates of participation and extremely competitive races at the citywide level in 1993, as well as increases in the number of participants over the past two elections at the borough president and Council levels. Competition among borough president and Council candidates was, however, disappointing, raising difficult questions about the efficacy of the Program at the borough president and Council levels and prompting the Board to recommend changes to strengthen the Program.

In any event, the Program's contribution limits and increased disclosure of "who gives what to whom" are demonstrably influencing the *New New York Politics*, as the next chapter will detail.

NOTES

¹ Editorial, "The Candidates' Choice," *Daily News*, March 29, 1993, 28.

² Ninety-seven percent of all votes cast during the 1993 primary elections went to participants. Half of all participating candidates received 34 percent or more of the primary votes in their races, clearly showing them to be strong candidates. In the general election, over 87 percent of all votes cast went to participating candidates, and half of all Program participants received 66 percent or more of the votes cast in their races.

³ New York City Campaign Finance Board, *Windows of Opportunity: Campaign Finance Reform and the New City Council, Executive Summary*, July 1992, 9.

⁴ See, e.g., William Bunch, "Public Campaign-Funding Wins Converts," *New York Newsday*, May 3, 1993, 23.

⁵ As Mark Green testified during the Campaign Finance Board's post-election hearings, "We have one mayor at a time and so everyone in the City who might vote knows. . . who the mayor is and to credit or blame him for conditions. . . Far fewer people know who their Council person is. . . Incumbency helps those who are least known[.]" *Hearings before the New York City Campaign Finance Board*, December 8-9, 1993 (hereafter *Campaign Finance Board 1993 Hearings*), at 49.

⁶ Paul Schwartzman, "Most Ins Will Win," *Daily News*, September 12, 1993, 14.

⁷ Editorial, "Where Were All The Contenders?," *New York Newsday*, September 17, 1993, 60.

⁸ Open seats' attraction for potential candidates is well recognized. In the 1989 elections, for example, the open seat contest in Manhattan's (old) 4th Council district drew a total of eight candidates in the primary.

⁹ Forty-six percent of participants did not get on the ballot in 1991, and 42 percent did not get on the ballot in 1993. Of course, participants may choose not to run for a variety of reasons.

¹⁰ *Campaign Finance Board 1993 Hearings*, at 97 (testimony of Council member-elect Howard Lasher).

¹¹ See David Seifman, "Sinatra & Shirley Sing a Song of Stein," *New York Post*, January 22, 1992, 4; and Sam Roberts, "Stein Pulls Out of Advocate Race," *The New York Times*, June 30, 1993, A1. Candidates cannot "voluntarily abide" by the Program's limits if they refuse to participate and thereby fail to subject their campaigns to the Board's audit and enforcement process, as it is only through this process that a campaign's compliance with the Program's requirements can be ascertained.

¹² Editorial, "Big Money Talks," *New York Newsday*, January 24, 1992, 8.

