

**New York City
Campaign Finance Board
Notice of Final Rules**

IN COMPLIANCE WITH SECTION 1043 OF THE NEW YORK CITY CHARTER, and exercising authority vested in the Campaign Finance Board (the (“CFB” or “Board”) under Chapters 45 and 46 of the New York City Charter (including Sections 1043, 1052(a)(8) and 1052(a)(12) thereof) and under the New York City Campaign Finance Act (including Section 3-708(8) of the New York City Administrative Code), the Board hereby adopts amendments to the Campaign Finance Board Rules (the “Board rules”) regarding disclosure, transition and inauguration entities, and the voter guide.

These amendments are being made to streamline the candidate experience and to ensure that the rules comport with amendments to local laws.

I. Explanation, Basis, and Purpose

The Campaign Finance Board (the “CFB” or “Board”) is a nonpartisan, independent City agency that empowers New Yorkers to make a greater impact in elections. The CFB administers the City’s campaign finance system, overseeing and enforcing the regulations related to campaign finance and holding candidates accountable for using public funds responsibly. The CFB publishes detailed public information about money raised and spent in City elections by candidates and independent spenders, and engages and educates voters through community outreach, the voter guide, and the debate program.

The CFB hereby adopts amendments to several of its rules regarding disclosure, transition and inauguration entities, and the voter guide. The changes are largely administrative and are intended to streamline the candidate experience and to ensure that the rules comport with amendments to local laws. The following is a summary of the changes. “Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this agency, unless otherwise specified or unless the context clearly indicates otherwise.

Summary of Final Rules

Disclosure

Section 4-05(b)(ii)(B) is amended to provide that, at the Board’s discretion, disclosure statements may be required to be filed on October 15 in the year prior to the year of a primary or general election. This change is to provide campaigns with an additional opportunity to demonstrate eligibility for the first public funds payment in December of that year.

Section 4-05(c)(ii)(C) is amended to clarify that contributions not itemized in disclosure statements are not matchable, even if they would otherwise be subject to the disclosure exemption applicable to contributions totaling \$99 or less from a single source. This amendment

is to conform with section 3-703(6)(b)(ii) of the New York City Administrative Code (the “Code”).

Section 4-06 is amended to require daily disclosure of contributions aggregating \$1,000 or more and expenditures aggregating \$20,000 or more during the 14 days preceding the election. Previously, the threshold was contributions in excess of \$1,000 and expenditures in excess of \$20,000. This change is made in recognition of the reduced contribution limits pursuant to section 3-703(1)(f) of the Code as amended by Local Law 128 of 2019.

Section 4-07 is amended to clarify that, even after a final statement has been filed, any subsequent financial activity must be reported to the Board in the next semi-annual disclosure statement. Candidates who file a final statement are relieved of the obligation to file semi-annual statements if they have not raised or spent funds during the reporting period, but any subsequent activity (for example, fundraising to pay penalties or costs associated with the post-election audit) must be disclosed to the public and to the Board.

Sections 14-03 and 15-06 are amended to modify the disclosure deadlines applicable to independent spenders in primary, general, and special elections. Independent spenders will now be required to file disclosure statements on a weekly basis during the election year (for primary and general elections) or beginning when the vacancy is declared (for special elections). Disclosure statements are not required if the independent spender had no reportable activity during the reporting period.

Transition and Inauguration Entities (“TIEs”)

The definition of “transition expenses” in section 1-02 is amended to clarify that re-elected incumbents are permitted to use a TIE to make expenditures in furtherance of their selection as Speaker of the City Council, and to remove the reference to the deadline for incurring transition expenses, which is addressed in section 13-03(b)(iii).

Sections 13-03(b)(iii) and 15-07(a) are amended to clarify the time frame for making transition and inauguration expenditures in general and special elections, respectively. The amendments reflect the Board’s existing policy that, notwithstanding the deadlines for incurring transition and inauguration expenses, a TIE may make expenditures after those deadlines for the purpose of paying liabilities incurred prior to those deadlines, fundraising to pay such liabilities, or routine and nominal expenditures associated with and necessary for satisfying such liabilities, terminating the entity, and responding to a CFB audit.

Section 13-03(c)(ii) is amended to clarify that, if a TIE pays its leftover funds to the New York City Election Campaign Finance Fund (the “Fund”) in lieu of refunding such funds to its donors, it is characterized as a payment rather than a refund. This is an administrative clarification to reflect the fact that TIEs do not receive public funds.

Voter Education and Engagement

Section 7-06 is amended to provide, pursuant to section 3-705(4) of the Code as amended by Local Law 48 of 2022, that the Board will withhold five percent of a candidate’s public funds payments until the final pre-election disclosure statement, and that the five percent withholding will not be paid to any candidate who fails to participate in the video voter guide by providing to the CFB any submissions required for a video statement to be created and published. The requirements for

candidate video statements are detailed in Chapter 16 of these rules. Previously, section 3-705(4) of the Code provided for the Board to withhold “up to” 5% of payments, but, as amended by Local Law 48 of 2022, the provision now directs the Board to withhold exactly 5%.

The definitions of “candidate print statement,” “candidate video statement,” and “election” in section 16-01 are amended to reflect the fact that the CFB issues voter guides for all contested covered elections.

Section 16-02(b)(ii)(A) is amended to provide that candidate video statements must contain the same categories of biographical information regarding the candidate as print statements, and may also include a concise audio description of the candidate. This change is made to conform with sections 1053(a)(3) and 1053(e)(2) of the New York City Charter (the “Charter”), as amended by Local Law 48 of 2022.

Section 16-02(b)(ii)(F) is amended to provide that an American Sign Language translation, and captions in English and other languages required by law, will be provided for each candidate video statement. This change is made to conform with section 1053(e)(3) of the Charter, as amended by Local Law 48 of 2022.

Section 16-02(b)(ii)(G) is amended to provide that whether a candidate video statement satisfies the requirements of these rules is determined by the Board at its sole discretion. This change is made to conform with section 16-02(b)(i)(E) regarding candidate print statements.

A new section 16-02(b)(ii)(I) is added to provide that candidate video statements included in the voter guide will be made accessible to individuals with vision disabilities. This section is added to conform with section 1053(e)(4) of the Charter, as added by Local Law 48 of 2022.

Section 16-03(b) is amended to provide that the online voter guide will be published in all languages required by law. This change is made to conform with section 1053(d) of the Charter, as amended by Local Law 48 of 2022.

Miscellaneous

Minor technical amendments are made to sections 2-03(a), 4-05(c)(ii)(C), 5-05(j) 6-02(a)(ii)(D), 6-06(e), 7-04(a), 7-07(b), 15-02(d)(viii), and 15-03(e)(i).

II. Final Rules

New material is underlined.

[Deleted material is in brackets.]

§1. The definition of “transition expenses” in section 1-02 of chapter 1 of title 52 of the rules of the city of New York is amended to read as follows:

“Transition expenses” means expenses relating to an elected candidate’s transition into office for goods and services received, used, or rendered before the elected candidate’s date of inauguration. Transition expenses shall be limited to those incurred solely for the purpose of preparing to take office, such as those listed in section 13-03(b)(i)[, and may not be incurred after January 31 in the year after the year of the election, or, in the case of a special election, 30 days

after inauguration]. Incumbent elected candidates shall not incur transition expenses, except for expenditures made for the purpose of furthering the elected candidate's selection as Speaker of the City Council.

§2. Subdivision (a) of section 2-03 of chapter 2 of title 52 of the rules of the city of New York is amended to read as follows:

(a) The candidate must notify the Board of any material change in the information required to be listed on the candidate's Filer Registration or Certification, including any new information or any change to any required information, concerning any political committee, bank account, merchant or payment processor account, candidate or treasurer employment, address, telephone number, or email address, in such manner as may be provided by the Board, if such change occurs prior to the covered election or within a period of five years from the filing of a final statement showing satisfaction of all liabilities and disposition of all assets arising from the covered election, including payment of any penalties or repayment of public funds owed to the Board. Such notification must be submitted no later than the next deadline for filing a disclosure statement, or, in the case of changes that occur after the deadline for the [last] final disclosure statement required to be filed, no later than 30 days after the date of the change.

§3. Subparagraph (B) of paragraph (ii) of subdivision (b) of section 4-05 of chapter 4 of title 52 of the rules of the city of New York is amended to read as follows:

(B) Pre-election disclosure statements are due: (i) 32 and 11 days before the election; [and] (ii) at the Board's discretion, on October 15 in the year before the year of the election; and (iii) at the Board's discretion, on March 15 and the fourth Friday in August in the year of the election.

§4. Subparagraph (C) of paragraph (ii) of subdivision (c) of section 4-05 of chapter 4 of title 52 of the rules of the city of New York is amended to read as follows:

(C) **Contributions totaling \$99 or less from a single source.** Contributions totaling \$99 or less from a single source need not be separately itemized in a disclosure statement, unless such contributor is an employee of the candidate or of the spouse, or domestic partner of such candidate or of [a business] an entity in which such candidate, spouse, or domestic partner has an ownership interest of 10% or more or in which such candidate, spouse or domestic partner holds a management position, such as the position of officer, director, or trustee; provided, however, that contributions that are not itemized shall not be matchable.

§5. Section 4-06 of chapter 4 of title 52 of the rules of the city of New York is amended to read as follows:

§4-06. Daily disclosures during the two weeks preceding the election. If a candidate, during the 14 days preceding an election, accepts aggregate contributions and/or loans from a single source [in excess] of \$1,000 or more or makes aggregate expenditures to a single [vendor] payee [in excess] of \$20,000 or more, the candidate must report, in a disclosure to the Board, all contributions and loans accepted from such source or expenditures made to such [vendor] payee during that 14-day period. The first such disclosure must be received by the Board within 24 hours after the contribution or loan that causes the total to [exceed] reach \$1,000 is accepted or the expenditure that causes the total to [exceed] reach \$20,000 is made. Each subsequent disclosure must be received by the Board within 24 hours after any additional contribution or

loan is accepted or expenditure is made. Information reported in these disclosures must also be included in the candidate's next post-election disclosure statement.

§6. Subdivision (a) of section 4-07 of chapter 4 of title 52 of the rules of the city of New York is amended to read as follows:

(a) A candidate must file all disclosure statements required under section 4-05(b) until such time as the candidate files a final statement demonstrating the disposition of all committee assets and satisfaction of all committee liabilities, including the payment of any penalties or repayment of public funds owed to the Board; provided, however, that any financial activity occurring after the final statement has been filed must be reported in the next semi-annual disclosure statement.

§7. Subdivision (j) of section 5-05 of chapter 5 of title 52 of the rules of the city of New York is amended to read as follows:

(j) Contributions with unreported occupation, employer, and business address.

Contributions for which the candidate has not reported the contributor's occupation, employer, and business address, where such contributions: (i) total more than \$99; or (ii) total \$99 or less, and the contributor is an employee of the candidate, of the spouse or domestic partner of such candidate, or of [a business] an entity in which such candidate, spouse, or domestic partner has an ownership interest of 10% or more or in which such candidate, spouse, or domestic partner holds a management position, such as the position of officer, director, or trustee.

§8. Subparagraph (D) of paragraph (ii) of subdivision (a) of section 6-02 of chapter 6 of title 52 of the rules of the city of New York is amended to read as follows:

(D) payments to the candidate or a spouse, domestic partner, child, grandchild, parent, grandparent, [brother, or sister] or sibling of the candidate or spouse or domestic partner of such child, grandchild, parent, grandparent, [brother, or sister] or sibling, or to [a business] an entity in which the candidate or any such person has a 10% or greater ownership interest;

§9. Subdivision (e) of section 6-06 of chapter 6 of title 52 of the rules of the city of New York is amended to read as follows:

(e) **Where identification would be [impractical] impracticable.** This requirement may be modified by the Board concerning items upon which identification would be [impractical] impracticable.

§10. Subdivision (a) of section 7-04 of chapter 7 of title 52 of the rules of the city of New York is amended to read as follows:

(a) A candidate shall not be eligible to receive more than one quarter of the applicable maximum pursuant to § 3-705(2)(b) of the Code unless the Board determines that one of the conditions set forth in § 3-705(7)(a)(2) or (3) of the Code is satisfied, or the candidate submits a certified signed statement attesting to the need for additional public funds and demonstrating that at least one of the conditions set forth in §3-705(7)(a)(1) of the Code is satisfied. The statement must be filed with the Board no later than the due date [for] of the applicable disclosure statements as follows, except that, if the basis for filing the statement arises after the due date, and no basis existed prior to such due date, then the statement shall be due by the deadline for the disclosure statement immediately preceding the next date on which a public funds payment is scheduled to be made:

(i) Candidates in the primary election must file the statement of need no later than the due date [for] of the 32-day pre-primary election disclosure statement.

(ii) Candidates in the general election must file the statement of need no later than the due date [for] of the 32-day pre-general election disclosure statement.

§11. Section 7-06 of chapter 7 of title 52 of the rules of the city of New York is amended to read as follows:

§ 7-06 Withholdings[.]

(a) The Board [may] shall withhold [up to] 5% of the amount of public funds payable to a candidate until the final pre-election payment for any election in which the candidate is eligible to receive public funds. Such withheld funds shall not be payable to any candidate who is not otherwise eligible to receive a payment, or who fails to provide, to the satisfaction of the board, such submissions as may be requested by the board for the purpose of publishing a video statement in the voter guide pursuant to chapter 16 of these rules.

(b) In addition, the Board may withhold from pre-election public funds payments: (a) a percentage equal to the projected rate of invalid matching claims; (b) an amount equal to any contributions made, received, solicited, or otherwise obtained in violation of any law, pending disgorgement of such contributions to the Fund or refund to the contributor; and (c) up to an additional 5% if the Board determines that there is reason to believe that the candidate has failed to comply with the Act, including by failing to adequately respond to a Board request for information or documentation. Withholdings shall be subject to post-election audit.

§12. Subdivision (b) of section 7-07 of chapter 7 of title 52 of the rules of the city of New York is amended to read as follows:

(b) Disbursements that would otherwise result in a deduction pursuant to paragraph (ii) of subdivision (a) of this section shall not result in any such deduction if:

(i) such disbursements are made out of a segregated bank account;

(ii) at no time does the segregated bank account contain any funds other than contributions received by the candidate and deposited directly into the account pursuant to this section, and bank interest paid thereon;

(iii) funds deposited into the segregated bank account are not used for any purpose other than disbursements governed by paragraph (ii) of subdivision (a) above or payment of bank fees associated with the segregated bank account;

(iv) contributors whose contributions are deposited into the segregated bank account have confirmed in writing, pursuant to section 4-01(b)(ii)(B), that they understand that these contributions will only be used for such disbursements and will not be matched with public funds;

(v) copies of such written confirmations are submitted to the Board by the due date [for] of the disclosure statement in which such contributions are required to be reported pursuant to these rules;

(vi) copies of checks for each disbursement out of the segregated bank account are submitted to the Board by the due date [for] of the disclosure statement in which such disbursements are required to be reported pursuant to these rules;

(vii) a copy of each bank statement for the segregated bank account is submitted to the Board by the due date [for] of the next disclosure statement; and

(viii) for each individual contribution deposited into the segregated bank account, and each disbursement out of the segregated bank account, the candidate has complied with all other applicable provisions of the Act and these rules, including but not limited to the record keeping and reporting provisions.

§13. Paragraph (iii) of subdivision (b) of section 13-03 of chapter 13 of title 52 of the rules of the city of New York is amended to read as follows:

(iii) Transition [liabilities] expenditures may not be incurred [nor expenditures made] after the elected candidate assumes office, and inauguration [liabilities] expenditures may not be incurred [nor expenditures made] after January 31 in the year after the year of the election, except for:

(A) [expenditures made to satisfy liabilities incurred on or before January 31,

(B)] expenditures related to fundraising to satisfy transition liabilities incurred on or before the elected candidate assumes office or inauguration liabilities incurred on or before January 31, and

[(C)] (B) routine and nominal expenditures associated with and necessary for satisfying such liabilities, terminating the entity, and responding to the post-election audit.

§14. Paragraph (ii) of subdivision (c) of section 13-03 of chapter 13 of title 52 of the rules of the city of New York is amended to read as follows:

(ii) If a TIE has funds remaining after all liabilities have been paid, it shall refund such funds to one or more of its donors, or if that is impracticable, issue a payment to the Fund.

§15. Section 14-03 of chapter 14 of title 52 of the rules of the city of New York is amended to read as follows:

§14-03. Disclosure dates[.]

(a) **Filing dates[.** The Board shall publish a schedule of disclosure statement filing dates and reporting periods for primary and general elections, and for ballot proposals, based on the following:]

(i) Disclosure statements are due [on January 15, March 15, July 15, and the fourth Friday in August of the election year.] every Monday of the election year until and including the fourth Monday after the general election.

(ii) [Additional disclosure statements are due:

(A) For a primary election: 32 and 11 days before and 10 days after the election.

(B) For a general election: 32 and 11 days before and 27 days after the election.

[(iii)] During the 14 days before a primary or general election, an independent spender must submit a disclosure statement to the Board within 24 hours of distributing any reportable communication, making any reportable expenditure, or receiving any reportable contribution.

[(iv)] The Board's published schedule of disclosure statement filing dates shall reflect that if a disclosure statement is due to be submitted on a Saturday, Sunday, or legal holiday, submission shall be considered timely if made on the next business day.]

[(v)] (iii) An independent spender that has not distributed any reportable communications, made any reportable expenditures, or received any reportable contributions within a reporting period is not required to file a disclosure statement for that period.

(b) Reporting periods[.]

(i) First disclosure statement[.]

(A) The reporting period for the first disclosure statement containing communications or expenditures related to candidates in a primary or general election begins on the first day of the election cycle.

(B) The reporting period for the first disclosure statement for communications or expenditures related to ballot proposals begins on the first day of January in the year in which the proposal appears on the ballot.

(ii) Each subsequent disclosure statement. The reporting period for each subsequent disclosure statement begins on the [third day before the deadline for the submission of the previous disclosure statement] preceding Monday.

(iii) Conclusion of reporting period. The reporting period for all disclosure statements concludes on and [include] includes the [fourth day before the deadline for the submission of that disclosure statement] day before the filing due date.

[(iv)] **Weekends and holidays.** The Board's published schedule of reporting period dates shall reflect that if a disclosure statement is due to be submitted on a Saturday, Sunday, or legal holiday, the reporting period will conclude on and include the fourth day before the next business day.]

§16. Paragraph (viii) of subdivision (d) of section 15-02 of chapter 15 of title 52 of the rules of the city of New York is amended to read as follows:

(viii) Special election due dates for compliance with § 12-110 of the Code. The candidate's compliance with the requirements in § 12-110 of the Code shall be considered timely demonstrated to the Board if the Board receives confirmation of the candidate's compliance on or prior to the due date [for] of the first disclosure statement required to be filed with the Board pursuant to section 15-02(d)(ii).

§ 17. Paragraph (i) of subdivision (e) of section 15-03 of chapter 15 of title 52 of the rules of the city of New York is amended to read as follows:

(i) Public funds received for a special election to fill a vacancy may be used only for expenditures made by a candidate to further the candidate's nomination or election to fill such vacancy, and may not be used for any expenditure that is not qualified as defined in § 3-704 of the Code and section 6-02(a). An expenditure made prior to the date on which a vacancy was declared shall be presumed not to be in furtherance of the [campaign's] candidate's nomination or election, unless the candidate provides evidence demonstrating that the vacancy was reasonably anticipated when the expenditure was made.

§18. Section 15-06 of chapter 15 of title 52 of the rules of the city of New York is amended to read as follows:

§15-06. Independent expenditure disclosure[.]

(a) [The reporting period for the first independent expenditure disclosure statement in a special election concerning candidates begins on the day the vacancy is declared.] Disclosure statements are due every Monday until and including the fourth Monday after the special election.

(b) [Disclosure statements are due 32 and 11 days before and 27 days after the election. If the first disclosure statement for a special election is otherwise due within a period of five days of a required disclosure statement, a single combined statement may be filed on the date on which the latter of the two separate statements is required to be filed.] **Reporting period**

(i) Candidate elections. For candidates anticipated to be voted on in a special election, the reporting period for the first independent expenditure disclosure statement begins on the day the vacancy is declared. The reporting period for each subsequent disclosure statement begins on the preceding Monday.

(ii) Ballot proposals. For ballot proposals anticipated to be voted on in a special election, the reporting period for the first independent expenditure disclosure statement begins on the date the first reportable expenditure is incurred. The reporting period for each subsequent disclosure statement begins on the preceding Monday.

(iii) Conclusion of reporting period. The reporting period for all disclosure statements concludes on and includes the day before the filing due date.

(c) **Daily disclosure.** During the 14 days before the election, an independent spender must submit a disclosure statement to the Board within 24 hours of distributing any reportable communication, making any reportable expenditure, or receiving any reportable contribution.

(d) [For ballot proposals anticipated to be voted on at a special election, additional disclosure statements are due on January 15 and July 15 in the year of the election. The reporting period for the first disclosure statement begins on the date the first reportable expenditure is incurred.] An independent spender that has not distributed any reportable communications, made any reportable expenditures, or received any reportable contributions within a reporting period is not required to file a disclosure statement for that period.

§19. Subdivision (a) of section 15-07 of chapter 15 of title 52 of the rules of the city of New York is amended to read as follows:

(a) A special election TIE must not [incur liabilities or] make expenditures after 30 days following the candidate's inauguration, except for [expenditures made to satisfy liabilities

incurred within 30 days of inauguration,] expenditures related to fundraising to satisfy [such] liabilities incurred within 30 days of inauguration, or expenditures related to terminating the entity or responding to the post-election audit.

§20. The definitions of “candidate print statement,” “candidate video statement,” and “election” in section 16-01 of chapter 16 of title 52 of the rules of the city of New York are amended to read as follows:

“Candidate print statement” means the document filed by a candidate containing biographical and other information requested by the Board, and a photograph of the candidate, for inclusion in the printed or online [primary or general election] Voter Guide.

“Candidate video statement” means a video-recorded statement by the candidate for inclusion in the video and online edition of the [primary or general election] Voter Guide.

“Election” means any [primary or general] election for the office of mayor, public advocate, comptroller, borough president, or Council member, or a general election in which a ballot proposal is on the ballot, and does not include any [special election held to fill a vacancy, or] election held pursuant to court order.

§21. Subparagraph (A) of paragraph (ii) of subdivision (b) of section 16-02 of chapter 16 of title 52 of the rules of the city of New York is amended to read as follows:

(A) Candidate video statements must contain [information regarding the candidate’s platform and candidacy,] the same biographical information as candidate print statements and may contain such other information as the candidate may choose, including a concise audio description of the candidate; [except] provided, however, that the candidate may not:

- (1) refer to any opposing candidate by name;
- (2) use profanity, or statements, gestures, or materials that are patently offensive, obscene, or pornographic;
- (3) make statements that are slanderous, or defamatory, or assert facts that the candidate knows or should know to be false;
- (4) engage in any commercial programming or advertising;
- (5) display any literature, graphs, or props; or
- (6) violate any city, state, or federal law, including regulations of the New York State Public Service Commission and the Federal Communications Commission.

§22. Subparagraph (F) of paragraph (ii) of subdivision (b) of section 16-02 of chapter 16 of title 52 of the rules of the city of New York is amended to read as follows:

(F) Video statements shall be recorded in English. Candidates may record a portion of their video statements in a language other than English if the script submitted for Board approval contains both the English and non-English text and an English translation of all non-English text. No additional time will be allotted for statements recorded in multiple languages. The Board will take such measures as it deems reasonable and necessary to ensure that an American Sign

Language translation is available for each video statement and that captions are available for each video statement in English and other languages required by law.

§23. Subparagraph (G) of paragraph (ii) of subdivision (b) of section 16-02 of chapter 16 of title 52 of the rules of the city of New York is amended to read as follows:

(G) Candidate video statements that violate any of the requirements outlined in this chapter, as determined by the Board at its sole discretion, will not be included in the Voter Guide.

§24. A new subparagraph (I) of paragraph (ii) of subdivision (b) of section 16-02 of chapter 16 of title 52 of the rules of the city of New York is added, to read as follows:

(I) The Board will take such measures as it deems reasonable and necessary to ensure that candidate video statements included in the Voter Guide are accessible to individuals with vision disabilities.

§25. Subdivision (b) of section 16-03 of chapter 16 of title 52 of the rules of the city of New York is amended to read as follows:

(b) The Board will produce an online Voter Guide in English and [make the translated versions of the printed editions available online] Spanish, and in other languages required by law.