

Testimony of Nicole A. Gordon
Executive Director, New York City Campaign Finance Board
before the
New York City Council
Committee on Government Operations
January 24, 2003

Good morning, Chairman Perkins, Council member Moskowitz, sponsor of Intro. 171A, and members of the committee. I am Nicole A. Gordon, Executive Director of the New York City Campaign Finance Board. With me are Deputy Executive Director Carole Campolo, General Counsel Sue Ellen Dodell, and Amy Loprest, Director of Campaign Finance Administration. Thank you for the opportunity to testify today on Intro. 171-A.

I would like to thank again those representing the Council with whom we worked closely and hard on the proposed legislation - - Eric Lane, Marcel Van Ooyen, and Matthew Tolin. As I testified before you in general support of Intro. 171A last December 12, I will not repeat the points I made then in detail, but refer you to my previous testimony, copies of which we can provide. I will only address differences between the proposal before you in December and today.

The new proposal correctly differentiates among participating candidates for different offices in the amounts they can contribute to other candidates without consequence to their public matching funds. In principle, it is a benefit to the candidates and to the Board to have a small "safe harbor" for campaign contributions. In 2001, Council candidates gave a much lower average amount to other candidates than the \$3,000 "safe harbor" contained in this bill. We will monitor how this "safe harbor" is used and make recommendations to you for change if warranted.

We continue to have some concerns about the way in which a "safe harbor" has been described for political activities, but we are prepared to implement the provisions as drafted; to study the results; and again, if necessary, to recommend changes in the future.

The Board was disappointed to find that its recommendations for change to the debate law were removed from the proposed legislation, but we look forward to working with you and with the Mayor's Office to see these changes through quickly. Similarly, CFB recommendations for reducing contribution limits, expenditure limits, and the maximum amount of public funds available to City Council candidates were not addressed in this bill. We anticipate providing to you and to the Mayor's Office an updated version of the draft bill previously provided incorporating the Board's recommendations, and we hope the Council and the Mayor will move forward on these important areas as well as on the debate law.

In the meantime, the Campaign Finance Board and its staff look forward to future collaborations with the Council and its staff to ensure that New York City's Campaign Finance Program remains at the forefront of reform.

Thank you, and I would be pleased to answer any questions you may have.