

Charles W. Juntikka*
Jeffrey I. Stark*
Tamara del Carmen^
Nabeena C. Banerjee*

^ Admitted NJ and NY Bar
* Admitted NY Bar Only

CHARLES JUNTIKKA & ASSOCIATES, LLP



Attorneys and Counselors at Law

www.CJALaw.com

11 W. 42nd St, 12th Floor
New York, NY 10036
Phone: (212) 315-3755

1 Exchange Place, Ste 1000
Jersey City, NJ 07302
Phone: (201) 332-2900

Testimony
of
Charles W. Juntikka, Esq.
before the
New York City Campaign Finance Board
hearing on the
2005 New York City Elections
December 12, 2005

I am testifying today for the sole purpose of opposing the bill passed by the City Council that would add a subdivision 15 to local laws 58, 59 and 60. This amendment would enable labor unions to contribute a virtually unlimited amount of money to mayoral, city council and all other city election contests.

The amendment accomplishes this by allowing a union to set up an unlimited number of affiliates or other entities. Each entity would be bound by the campaign contribution limit of \$2750 for mayor and other contribution limits. If the union established one thousand affiliates or other entities, the total maximum mayoral contribution would be \$2,750,000. In theory, there is nothing in the amendment to prevent a union from setting up 10,000 affiliates that in total could contribute twenty million, seven hundred and fifty thousand dollars.

The only significant requirement to avoid prosecution for evading the contribution limit is the contribution limit is that the affiliates do not share "a majority of the members of their governing boards". In other words, a union such as 1199 could set up 1000 affiliates that had two union members as directors and the third could always be union president Dennis Rivera. Mr. Rivera would recommend that a \$2750 contribution be made to say Council member Bill De Blasio for mayor to all 1000 of these "sham" affiliates. It is a certainty, that each of the 1000 "affiliates" would do as directed by Mr. Rivera. The campaign finance board would have no power to prevent this under Mr. de Blasio's amendment

Council member De Blasio's amendment would in essence remove the cap on contributions for unions only. Everyone else would be limited to maximum contributions under the law.

I grew up in a UAW household in the shadow of the Ford River Rouge plant. My father worked on the assembly line. My family and I owed our middle class life to the good unions can do. But even I do not think unions should have unlimited power to dictate the results of elections.

Unions often make decisions out of "unenlightened" self-interest. For years, the teachers union helped prevent reform of corrupt local school boards.

Unions can be corrupted. Whatever the ethics of the current leadership of 1199 or DC 37 may be, could they stand the white heat of corruptive influences that will be directed at them when it becomes evident that their unlimited contributions can dictate who will be mayor or city council members or indeed all local offices? I think not.

The current campaign finance law is the model for the nation because it restores the intricate checks and balances that our founding fathers created two hundred years ago by leveling the playing field. Allowing unions to have unlimited contributions, even if it is motivated by good intentions, will tip the playing field doom democracy in this City.

The result of the de Blasio amendment will be bad policy decisions and more prosecutable corruption that will cost the city millions of dollars and harm our quality of life.

For the above reasons, I urge Mayor Bloomberg to vigorously defend his veto, and pray that each and every city council member who voted for the de Blasio amendment has a change of heart. Please have the foresight to see the unintended consequences of your vote.