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2 THE CITY OF NEW YORK

3 CAMPAIGN FINANCE BOARD

4 -----X

5 CAMPAIGN FINANCE BOARD

6 2005 POST ELECTION HEARING

7

8 -----X

9 40 Rector Street

10 New York, New York

11

12 December 13, 2005

13 12:45 p.m.

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19 B E F O R E:

20 CHAIRMAN FREDERICK A.O. SCHWARZ, JR.

21

22

23 PAUL BECKER, CSR, P.C.

24 222 Wellington Road

25 Mineola, New York 11501

PAUL BECKER, CSR, P.C.

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2 A P P E A R A N C E S:

3 Members of the Board In Attendance:

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5 Frederick A.O. Schwarz, Jr., The Chair

6 Joseph Potasnik

7 Katheryn C. Patterson

8 Dale C. Christensen, Jr.

9 Alan N. Rechtschaffen

10

11 Campaign Finance Board Staff:

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13 Nicole A. Gordon, Executive Director

14 Other CFB Staff

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16

17 ALSO PRESENT:

18

19 The Public

20 The Press

21 Public Hearing Testifiers

22

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24 Marc Russo, Court Reporter

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P R O C E E D I N G S

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CHAIRMAN SCHWARZ: Okay,

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Oliver, you're here in the midst of a --

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MR. OLIVER KOPPELL: I am here.

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CHAIRMAN SCHWARZ: -- please

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sit down.

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MR. OLIVER KOPPELL: What is

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happening here?

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CHAIRMAN SCHWARZ: We're having

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a fascinating discussion.

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MR. OLIVER KOPPELL: I see.

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Well, sorry to interrupt.

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Is this a public meeting?

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MS. GORDON: Yes.

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CHAIRMAN SCHWARZ: Yes.

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MR. OLIVER KOPPELL: Oh, it

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is.

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This is Jamin Suel who works

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with me as my counsel and I invited him to

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join us.

23

Good to see you all.

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CHAIRMAN SCHWARZ: Great to

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see you.

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MR. OLIVER KOPPELL: You want
me to start or how do you want to proceed?

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CHAIRMAN SCHWARZ: We're
interested in your views about this.

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MR. OLIVER KOPPELL: Well, I
-- did you get a copy of the statement? We've
kind of prepared a -- not really a polished
statement but really a response to your
questions so I can go through that quickly
with you.

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Mr. Chairman and members of
the Campaign Finance Board, I'm pleased to
appear with you today. I think you all know
who I am so I won't introduce myself further
than saying I'm Councilmember Oliver Koppell.

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Let me start out by saying I'm
a strong supporter of the Campaign Finance
program. I believe that it does influence
candidates' decisions to run for office.

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It did not in the most recent
election influence my decision to run. I
would have run even if there had not been a
Campaign Finance Program. However, I do
believe that the program did encourage my

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2 opponent to run.

3

4 And while it's true - and I
5 say here that I got a very healthy percentage
6 of the vote - the fact is that I think that
7 the result was not clear either to me or to my
8 opponent until after the ballot box was open;
9 that there was a sense of a competitive
10 campaign. The fact that my opponent did
11 raise considerable money, I think he came
12 close to raising -- I think he got the maximum
13 that he could get under the City laws.

13

14 I recall looking at the
15 numbers and he spent -- and he also raised
16 close to the amount necessary. I didn't see
17 his final figures, but he must have spent
18 close to the \$150,000 maximum.

18

19 And as I said, I think that he
20 ran a very aggressive race and I did need to
21 spend the money that I spent to get the result
22 that I got. Would I have won having less
23 money? I don't know. I might have well, but
24 I certainly wasn't confident of that.

24

25 The disclosure and the
26 contribution limits had no impact on my

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2 joining. I believe that they're appropriate.
3 I think that the result of having public funds
4 did make fundraising, even in my case, much
5 less significant. I will not say that I would
6 not have raised the \$150,000, I think I
7 probably would have, but it would have taken a
8 good deal more effort and more time and to
9 some extent, would have made me more, if you
10 will, I don't want to say that I'm beholden
11 to my contributors, but it would have made me
12 more reliant on contributors than is the case
13 now where really all of my contributions, with
14 very little exceptions, were raised in
15 relatively modest amounts.

16 And I think the program has
17 the -- the program combined with the limits
18 on contributions, has the desired effect of
19 making you not feel in any way beholden, as I
20 say, to any interest or controlled by any
21 interest or controlled by any interests or
22 obligated to such an extent that I can't
23 exercise my independent decision making
24 powers.

25 So I think even in my case, a

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2 long time elected official who has fundraising
3 ability, it was indeed helpful. And as I say
4 in the next paragraph, that it furthered the
5 governmental reforms that were suggested
6 limiting the influence of private money,
7 enabling serious candidates to run competitive
8 campaigns.

9

I think my opponent was a
10 serious candidate in this instance or
11 obviously a better candidate and it also
12 provided for full disclosure which is very
13 much appropriate.

14

I also think that the spending
15 limits are roughly appropriate, although I
16 must say that given the fact that I had an
17 aggressive opponent and ran an extensive
18 campaign, I think the limits are a little bit
19 low for the City Council.

20

I really haven't studied it
21 for the other offices but for the office of
22 City Council I think \$200,000 this year would
23 have been a more appropriate amount. And if
24 we're looking at the next City Council race in
25 four years, there'd have to be some adjustment

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2 in terms of inflation between now and then.

3

4 So I think if the Board is
5 looking at limits in the future I think that
6 the limits are a little bit low.

7

8 I also think the idea that was
9 suggested in your paper which is to eliminate
10 this idea of exempt expenditures is very a
11 good idea. I know it --

12

13 CHAIRMAN SCHWARZ: And we
14 would not be having the extensive hearing if
15 it came in.

16

17 MR. OLIVER KOPPELL: Right.
18 Well, I think that would be a very good idea.
19 I know that several candidates got snared into
20 that trap and I think the trap should be
21 eliminated. So I fully agree with making a
22 single limit and not having these exempt
23 expenditures.

24

25 If you kept exempt
expenditures then I would put caps on them and
say you can spend just so much on, you know,
an expert who will help you with your campaign
finance filings, and you can spend perhaps
even say so much for petitioning so that you

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2 don't have this ambiguity, because clearly by
3 having it vague you have people who say, well,
4 this was spent for petitioning but it really
5 was spent for other things and so on and so
6 forth.

7 CHAIRMAN SCHWARZ: The only
8 exception I can think of and that is if the
9 candidate's opponent causes the expenses to be
10 made because they challenged petitions, they
11 can involve the Board of Elections.

12 MR. OLIVER KOPPELL: Yes. I
13 think that that makes sense.

14 I mean legal counsel is really
15 providing legal services and --

16 CHAIRMAN SCHWARZ: When your
17 opponent is causing the problem.

18 MR. OLIVER KOPPELL: Right.

19 MS. GORDON: It's a legal
20 challenge.

21 MR. CHRISTENSEN: The other
22 thing is that legal expenses are always very
23 demonstrable that we rarely seldom have
24 problems.

25 MR. OLIVER KOPPELL: Well, I

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2 mean, I don't mean to -- I think you're
3 generally right but it's also true that
4 lawyers sometimes are campaign advisors so
5 you've got to be a little bit careful with
6 that. I think -- you know, who would have
7 thought, I would never have thought of the
8 fact, maybe I'm not devious enough that, you
9 know, what happened in the last election I
10 think it was prohibited this time because I
11 think you passed legislation on it.

12 You know, if you pay someone
13 and then that person makes a contribution and
14 then that contribution gets matched, I mean I
15 wouldn't of thought of that scheme. So when
16 you say well, exempt lawyers and then I think
17 some lawyers are campaign --

18 CHAIRMAN SCHWARZ: You
19 wouldn't have done that scheme whether or
20 not --

21 MR. OLIVER KOPPELL: No, no, I
22 wouldn't have done the scheme but I learned
23 that people did it. And, again, lawyers -- to
24 the extent that the discussion about the past
25 campaign is that people who allegedly were

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2 there for advice on petition gathering
3 actually advised on other things and their
4 salary or their income or their compensation
5 was related to other kinds of works other than
6 the work that they allegedly were paid for.
7 That could be a problem with lawyers too. So
8 I think it has to be looked at carefully.

9 Of course, if a lawyer is
10 putting their time and the time record and so
11 on it can be monitored but I just raise it as
12 a caution.

13 Then I think, you know, the
14 whole issue -- the difficult issue is created
15 when there's no significant opponent and how
16 you measure that and how much money you give.

17 Now, you know, again, even if
18 there's no substantial opponent I think the
19 candidate does have almost an obligation, if
20 not a right, to communicate with constituents
21 before an election. So I think some
22 contribution of matching funds is appropriate
23 even where there's a token opponent. But it
24 should be limited and monitored.

25 And I think some of the press

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2 stories suggested that some people took
3 advantage of the system and we shouldn't have
4 to and you should look at how you deal with
5 that.

6 I support the -- the website
7 is very good. The reporting is very good and
8 should continue.

9 I support the ban on corporate
10 contributions. I'd also agree with
11 registration requirements for all political
12 committees.

13 I do think that there is a
14 problem with the administration of the system.
15 There seems to be perhaps more complexity than
16 there ought to be, at least perceived
17 complexity.

18 And one of the problems that I
19 will mention to you is that many of my
20 colleagues in discussing this in a candid way,
21 not publicly, complain bitterly about
22 compliance with the Campaign Finance Board
23 rules and feel that the Board or its employees
24 or its agents have been very unfair. Now, I
25 can't make a judgment, I haven't looked at

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2 those and said are these complaints justified
3 or not, but I'm concerned about them because I
4 know there are colleagues of mine in the City
5 Council who are so upset that they would, you
6 know, seek to either end their own
7 participation in the program or even worse,
8 end the program altogether.

9 So something has to be done to
10 make people feel that this program is not a
11 program aimed at preventing people from
12 running or aimed at incumbents. And I know
13 that sounds almost a little absurd because
14 incumbents benefit from this program, but some
15 of them do feel that it's an anti-incumbent
16 program.

17 I don't know exactly, I know I
18 think one of the things that might be good is
19 if there was -- I know there's availability of
20 staff to meeting with candidates and their
21 advisors during the campaign time. It might
22 be worth making it even more clear that that
23 kind of assistance is available. It might be
24 worth having a non-confrontational mid
25 campaign audit with the idea of asking people

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2 to come in, let's go over, let's see what
3 you're doing, let me evaluate whether you're
4 doing this right so that people feel
5 comfortable that they're not -- they don't see
6 necessarily an adversary unless they are
7 violating the rules, knowing they violated the
8 rules and maybe that's happening and I'm aware
9 it.

10 But what I hear from
11 colleagues is that, you know, we're trying to
12 comply and we're being harassed and there are
13 all these compliance requirements, detailed
14 requirements that are being imposed unfairly
15 or not imposed uniformly or not being clearly
16 explained or whatever.

17 And I think something has to
18 be done to deal with that otherwise there's
19 going to be unfortunately a ground swell of
20 opposition to a program that I think is a very
21 important and good one.

22 MS. GORDON: I would ask you
23 whether you'd be available and maybe if you
24 had time to speak to me personally about this
25 as an ambassador --

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MR. OLIVER KOPPELL: Sure.

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because I think there is a disconnect here

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that's very difficult to overcome.

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We did a presentation just recently, our staff did a presentation to other agencies about the kind of candidate training that we do. And it's very extensive. In fact, I was interested because I don't hear it so often, but the head of our unit said that when he does the training, when the others do the training, they tell the campaigns that if they are not embarrassed at how many times they are calling us to get help and advice then they are not doing their job in complying.

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So I think we are very available, we do very -- a lot of work to provide material and so on and somehow there may be a disconnect between the candidates who aren't personally aware of the efforts that are being made and how it may seem to come to them because they probably only get bothered with it when there's a problem.

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And I'd love to have a chance informally to talk to you perhaps as someone who can be an honest broker, if that is the right word, to learn how we can learn to get it clear to candidates what efforts we do make and if they have suggestions, of course, we want to hear about them. But anyway, I just put that to you for feedback.

MR. OLIVER KOPPELL: No, I think that's a very good idea and I think what you just said is absolutely true, that in many cases I think the candidates are themselves involved and they're told by advisors who may be fouling things up themselves and then sort of blaming the Campaign Finance Board for their own deficiencies or their problems.

And what I would suggest is that perhaps you, or if not you, other people make it a point to make an appointment with -- I mean, you know, we have a considerable gap now, we don't have another Council election for four years. So I think making an appointment with individual members and actually going to see and say look, this is a

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2 program that supposed to work, we'd like to
3 hear your complaints, we'd like to hear your
4 concerns.

5

Now, of course that becomes
6 difficult with people with whom you're engaged
7 in in an adversary proceeding, you know, where
8 you're -- but maybe start with people who
9 don't have a problem.

10

MS. GORDON: And I'm suggesting
11 this to you partly because I think we need --
12 we have had some sessions like that to invite
13 people to come and then they tend not to. And
14 what I would hope is that maybe you, for
15 example, can be a help to us in communicating
16 a message and helping us to actually get
17 people in the room to have this conversation.

18

MR. OLIVER KOPPELL: I'd be
19 happy to do that. You may have to go to them,
20 you know, come over their office, not too far
21 from here rather than having them come here
22 because Council people I guess they're busy,
23 of course, they're busy and also they may have
24 some, you know, stand on ceremony, well, I
25 don't need to come to you, you come to me.

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CHAIRMAN SCHWARZ: However,
3 both your -- yes.

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MR. RECHTSCHAFFEN: I just
wanted to ask, do you have any suggestion of
6 what has been sort of a pet issue of mine, I
7 was talking to Nicole and to the Chairman
8 about it as well, about campaign leftovers.

9

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11

In other words, somebody buys a
\$4,000 computer and after the campaign, I
don't know what happens to this stuff.

12

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Do you have any suggestions of
how to deal with that?

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MR. OLIVER KOPPELL: You know,
some problems are not necessarily -- I mean I
can understand the, you know, if you're really
a stickler that that could be a concern or and
I mean it could be -- I suppose there are
instances where they could be excessive. I
mean I don't know whether it's enough of a
problem to have to deal with it but to the
extent -- if you look at the record and you
see that they've spent, well they've spent
\$30,000 on computer equipment which probably
would be unreasonable, then that might be

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2 something that should be talked about. But if
3 they bought a computer for a thousand
4 dollars, I'm not sure I would worry too much
5 about where the computer ended up.

6 I don't have a suggestion on
7 it. I would say that that, again, it's a
8 question of degree. If they spent a whole
9 bunch of money on expensive equipment, then I
10 think it is a significant concern.

11 I do have -- I'm glad you
12 asked that question because it reminds me of
13 something that I didn't put in my statement.

14 As I understand the rule, I
15 think I'm stating it correctly, because we
16 looked at it, if you want to have an
17 inauguration after the election, you can't use
18 even your privately-raised campaign finance
19 funds for that, you have to open up a separate
20 new account and have to raise new money,
21 unless you put your own money in, your own
22 personal money.

23 And I think that's -- I don't
24 fully understand the rationale for it and I
25 certainly think it's excessive. I mean though

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2 I didn't do a really hard-nosed fundraising
3 campaign, I would be embarrassed to call
4 someone now and say could you give me a
5 hundred or \$250 so I can have a nice inaugural
6 party in January, which I would like to have.

7 So now I have to say to
8 myself, well, it's going to cost a couple of
9 thousand dollars, either I put the couple of
10 thousand dollars into it myself or I don't do
11 it.

12 MR. RECHTSCHAFFEN: Sell the
13 computers. You can sell the computers.

14 MR. OLIVER KOPPELL: What?
15 Yes, I didn't buy a computer so we used the
16 computer from the last time so the -- I just
17 don't think that makes any sense. If your
18 money -- if you say don't use public money for
19 it, fine, I don't have a problem with that,
20 when you don't use the public money, but to
21 say money that I raised myself from
22 contributors from my campaign that's left over
23 and I can't use for inauguration, that just
24 doesn't make sense.

25 MR. POTASNIK: Yes,

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2 Councilman, you might not have had the
3 leftover if you didn't use the public funds.

4 MR. OLIVER KOPPELL: That's
5 true, that's true, you're right. So I still
6 don't think it's sensible to say to me that I
7 have to call private contributors to spend my
8 own money to have an inaugural party.

9 CHAIRMAN SCHWARZ: Oliver,
10 your oral testimony and your written testimony
11 are very useful.

12 Do you know someone called
13 Charles Juntikka?

14 MR. OLIVER KOPPELL: Yes.

15 CHAIRMAN SCHWARZ: He made
16 some comments, he testified yesterday about
17 the sole source thing which actually if you
18 say that on here, you may disagree with it,
19 but there are ways in which the law can be
20 abused and if you're not --

21 MR. OLIVER KOPPELL: On which
22 thing?

23 CHAIRMAN SCHWARZ: On the sole
24 source, the union thing.

25 MR. OLIVER KOPPELL: Oh.

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2 CHAIRMAN SCHWARZ: If you know

3 Mr. Juntikka --

4 MR. OLIVER KOPPELL: Yeah, I

5 know him from private association.

6 CHAIRMAN SCHWARZ: -- he gave

7 interesting testimony.

8 MR. OLIVER KOPPELL: I didn't

9 know he had any interest in this subject

10 frankly, I never discussed this with him.

11 CHAIRMAN SCHWARZ: Well, I

12 didn't know he did either but he appeared and

13 he --

14 MR. OLIVER KOPPELL: How did

15 you know that I knew him?

16 CHAIRMAN SCHWARZ: Because he

17 said he did.

18 MR. OLIVER KOPPELL: Oh, I

19 see.

20 (Laughter.)

21 CHAIRMAN SCHWARZ: I don't

22 have any, you know, undercover --

23 MR. OLIVER KOPPELL: No,

24 that's interesting because I have no political

25 relationship with him whatsoever.

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I mentioned -- I do mention the sole source thing. I do think that there was a problem with treating these umbrella unions as one source. Whether the legislation as it was drafted was as well drafted as it might have been, I don't comment on -- I won't comment on it because I didn't study it that carefully.

CHAIRMAN SCHWARZ: I think that's what he was -- he made the most effective statement I've heard on why there's a problem with the legislation, if you know him and respect him.

MR. OLIVER KOPPELL: Oh, okay. I do know him, I do respect him.

And I think the rest of my comments are in writing and don't say anything particularly surprising.

By the way, on the debate requirement, I think the debate requirement is a very good one and I think it should extend to local candidates as well. And I think that there should more debates, I think that's something --

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MR. CHRISTENSEN: I have a question, and I'm sorry but I had to exit for a moment.

But I was very interested in your comment that the CFB should consider reviewing public funding issues to -- in instances where there's a, you know, uncompetitive campaign and how much public funds are appropriate --

MR. OLIVER KOPPELL: Yes.

MR. CHRISTENSEN: -- in that context.

And we have certainly wrestled with that issue and it's an issue that gets repeatedly brought up in these hearings.

But I you have to say I think this is an area of responsibility for the City Council to take up because my understanding of this, and the Chairman can correct me, that we've, you know, presented this to the City Council and it is a legislative matter fundamentally and I recognize it's a very difficult problematic issue, but it's one that I think we can't really deal with. It really

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2 needs -- and I understand why it's not an easy
3 issue to deal with because it deals with the
4 very purposes of the program. It deals with
5 free speech issues, at what levels do you sort
6 of cut candidates off who have no constituency
7 but like to take from the program.

8

Those are all areas I think
9 properly for the Legislature to deal with. And
10 we would, you know, want to encourage you to
11 the extent that you can raise this with your
12 colleagues, I think it's a very appropriate
13 area.

14

MR. OLIVER KOPPELL: But I
15 think after you look at the record and I
16 noticed, I saw some of the statistics outside
17 that you put out, which are very interesting,
18 I think once you look at the record and we
19 look at the record, perhaps the Board could
20 even make some recommendations.

21

CHAIRMAN SCHWARZ: What I was
22 going to suggest, Nicole, maybe you could send
23 to Councilman Koppell the recommendation we
24 were making before and now I think have
25 increased cogency.

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MR. OLIVER KOPPELL: Well, I

certainly will take a look but I want to thank

you for your efforts. And I think this is by

far of any campaign finance program that I've

seen, the best. I think it really goes a long

way towards achieving important public

objectives and should continue.

And to the extent that it

unfortunately in the high-profile race for

Mayor, you know, it was criticized but there's

nothing you can do about that unless the

Supreme Court changes the law.

CHAIRMAN SCHWARZ: U.S. Supreme

Court.

MR. OLIVER KOPPELL: There's

nothing you can do about it. You know, you

asked is there a solution, I don't have a

solution absent -- and I think it was

appropriate to increase the funding for the

candidate who didn't have substantial means

but you can't go too far with that because how

much public money can you justify.

MR. POTASNIK: Can you

introduce that resolution to the City Council,

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2 that this CFB is the best?

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(Laughter.)

4

MR. POTASNIK: I want to see

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what the vote is on that, that's all.

6

MR. OLIVER KOPPELL: As I

7

said, you can be assured that if there are any

8

attempts to do any major revisions I will

9

resist them.

10

CHAIRMAN SCHWARZ: So I should

11

disclose for the record that Mr. Koppell and I

12

used to work together.

13

MR. OLIVER KOPPELL: More

14

years ago than either one of us want to admit.

15

CHAIRMAN SCHWARZ: That's true.

16

But you were a very good lawyer before you

17

became a politician.

18

MR. OLIVER KOPPELL: I hope I

19

still am.

20

Thank you.

21

MS. GORDON: If you're going to

22

disclose that, then I want to disclose that I

23

interviewed Councilmember Koppell in 1968 with

24

Ricky Wexler for the Fuse to Use (phonetic.)

25

(Laughter.)

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2 CHAIRMAN SCHWARZ: In 1968 for
3 what?

4 MR. OLIVER KOPPELL: For the
5 Fuse newspaper.

6 We're done, right?

7 MS. GORDON: Yes. Thank you
8 very much.

9 (Short recess.)

10 CHAIRMAN SCHWARZ: And so now
11 Councilwoman Moskowitz.

12 CHAIRMAN SCHWARZ: Okay.

13 MS. EVA MOSKOWITZ: Good
14 afternoon.

15 Thank you for having me.

16 I apologize for my
17 off-the-cuff nature of my remarks. I am
18 packing my office and don't expect to be a
19 participant in the near future for --

20 CHAIRMAN SCHWARZ:
21 Congratulations on your new challenge.

22 MS. EVA MOSKOWITZ: Thank you
23 very much.

24 But I have been a participant
25 in the Campaign Finance Program for nine years

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2 and first in 1997. And I want to say at the
3 outset that I have the highest regard for the
4 work that the Board does. It's sometimes
5 difficult to be a candidate and on the back
6 end of regulation but I think when we look
7 around nationally at the program, this is
8 really a national model.

9 I have also witnessed I think
10 some very significant improvements over the
11 years. Each year it gets more user-friendly.
12 The predictability of the regulatory
13 environment gets better. I think that the
14 Board has added new features. I think that
15 the Campaign Finance Board guide was very
16 good. I participated in the television
17 version. It was a very seamless operation.

18 As you can imagine as a
19 candidate running borough-wide I was on a very
20 tight schedule and they did an excellent job I
21 thought of scheduling the candidates, giving
22 us our direction and allowing us to kind of
23 get in and out of there.

24 They were very concerned about
25 fairness and the clock started and stopped and

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2 they kept to that. So in general I have very
3 good things to say about the work that the
4 staff does.

5

Candidate's unit has always
6 been extremely helpful. As you know, my style
7 of campaign is to ask first and to ask very
8 continuously and constantly. And I changed my
9 way I'm going to operate. I ask permission to
10 change and to try and do everything in
11 writing.

12

There are some ways, though in
13 which I think it can still be improved and
14 there are some ongoing frustrations.

15

And you have to understand,
16 elected officials probably know the impact of
17 this regulatory body better than any other
18 regulatory body. We always have frustrations
19 with government agencies - the Department of
20 Education - to name an obvious one. But this
21 is the only government agency I suppose other
22 than the Conflict of Interest Board that has a
23 direct impact. And so it can be -- I mean and
24 it has a direct impact at a time which is
25 incredibly stressful, whether you're raising a

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2 lot of money or you're filling umpteenth
3 questionnaires from every group, every year I
4 run the number of things I have to write and
5 take positions on. I'm most fearful of the
6 dog groups. I never know when I'm supposed to
7 be for the leash, not the leash, part of what
8 those hours are, it seems like a minefield any
9 way you go.

10 It is very, very stressful and
11 then being regulated by this body when the
12 press is watching, it has very, very serious
13 consequences so it's stressful for candidate.

14 I would say that in my most
15 recent experience to give you one example of a
16 frustration, I am very organized and so I
17 prepared my campaign statement way in advance,
18 the one that goes in the booklet. And I'm
19 very scrupulous about the word count and
20 following all the directions and so forth.

21 We had everything perfect, we
22 were to ready to submit it at 9:15 but we ran
23 into a problem with periods where your
24 document said that I couldn't put periods at
25 the end of my sentences.

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And I'm used to putting periods at the end of my sentence and I'm running as the Chair of the Education Committee.

And maybe I'm a little paranoid but I don't want any constituent to say that I don't know how to use punctuation marks.

MR. CHRISTENSEN: You did not want to have a Dan Quayle moment.

MS. EVA MOSKOWITZ: I did not, I did not.

So literally from 9:15 in the morning until 5 p.m. we were in contact with the staff trying to figure out what we could do.

And being sort of a common sense person, at a certain point around 3:00 I said, how about I just write a line and hand-put in my periods where I know they belong? And it was infuriating, infuriating. Now, granted I'm a little stressed, it's now 3:00, the thing is due at 5:00 and I am told by someone or I should say my staff is told by

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2 someone that that would be altering the
3 document.

4

I mean come on guys. Periods
5 go at the end of sentences, it's commonly
6 agreed upon, can't I just put a period and
7 then have my submission?

8

I forget how it was all
9 resolved but my understanding is my staff told
10 me don't make a fuss, don't get into a fight
11 with the Campaign Finance Board over periods.
12 And so we went without periods.

13

But it just seems a little
14 silly at a certain point and it took endless
15 conversation and you got the sense that we
16 were doing something wrong. We were trying to
17 put periods in a text document. And it's sort
18 of frustrating to feel that you're breaking
19 the rules when you're trying to put periods
20 in.

21

Obviously a much larger
22 concern that I experienced in this election
23 was what I considered an attempt by one of my
24 opponents to get around the spending cap by a
25 significant amount by having a third party

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2 expenditure.

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4 As I think probably most
5 people in this room know, the Working Families
6 Party spent several hundred thousand dollars
7 on behalf of Scott Stringer. And it was sort
8 of a somewhat complicated -- you know, I
9 couldn't -- as soon as I became aware that
10 there was a significant expenditure going on,
11 I notified the Board.

12

13 I was told - and this was when
14 I became -- started to become aware, obviously
15 these things are done last minute so it's hard
16 generally when people try to get around the
17 rules it happens at the end of the campaign,
18 when I contacted the Board first it was
19 Thursday before the election.

20

21 I knew about some of the
22 spending on Tuesday and Wednesday but it
23 didn't seem like it was a pattern. By
24 Thursday there had been mass phone calls.
25 There were a couple of mailings. It went up
from there.

26

27 By my estimation the Working
28 Families Parties spent a minimum of three

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2 hundred dollars.

3

4 When I contacted the Board and
5 it's very upsetting, let me just say that from
6 the beginning, when you think that you might
7 lose the election because someone is getting
8 around the cap, you know, that's a sort of
9 serious problem. And I was told initially,
10 well, unfortunately the last Board meeting to
11 rule on something like this was that morning
12 and I was too late. I was just like, wait a
13 second, I'm too late? My election is at
14 stake, how can it be too late? Doesn't dirty
15 politics occur right at the end?

15

16 Now, you know, it's
17 complicated where the rules are complicated,
18 the history of this is complicated.

18

19 David Dinkins, as you know,
20 who the had State Party, Democratic Party,
21 made independent expenditures. They were
22 analogous situations and I say this not so
23 much to, you now, I may sound like I'm
24 complaining but my purpose is really not to
25 complain but simply to alert you to what I
26 view as first a very serious policy matter.

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I can't see how, if the Board let's this go forward the spending cap has any meaning. Now, maybe there's some way that I'm not thinking about it, but why wouldn't every candidate use third party expenditures to get around the cap? It just seems like a very simple thing.

I also just wonder if the Campaign Finance Board can't operate in real time, and let me just say that I'm not unsympathetic to you got to get it right and you're operating in real time and there are a lot of pieces of information, but then you are after the fact, you know, by not ruling you're in essence determining who the victor is.

And so I recognize it's complicated but I would hope that the Board has considered that.

And I would also just say that it's frustrating as a candidate to ask for an investigation and to not really hear back one way or the other, what's the status of the investigation? Did anything happen? Is it being considered?

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But I want to make clear that

whatever my concerns are I say them from a

point of view of someone who is deeply

appreciative of the work that the staff does

and the work that the Board does. And I think

that in New York we are extremely lucky to

have the kind of fair and honest elections.

I have seen up close not only

in my own elections but I've been involved in

many elections citywide about your policing or

not sure what term to use, oversight has kept

elections much more honest than they would be

otherwise.

Thank you very much.

MR. CHRISTENSEN:

Councilmember, can I ask you, have been -- had

an opportunity to either be debriefed or given

a statement to our staff on the issues

relating to the Working Families Party?

MS. EVA MOSKOWITZ: Well, I

prepared at the time of the election a fairly

extensive memo citing legal cases, you know,

referencing the Board's own action on similar

cases in order to assist in the Board's

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2 determination, but I have not heard back.

3

4 I also requested a copy of, I
5 believe that my opponent, or I was told that
6 my opponent had been requested to come up with
7 some sort of response or was asked a series of
8 questions, and I asked to see a copy of that
9 and I have not received it.

9

10 So I haven't been debriefed by
11 the staff, but I did speak right before the
12 election to a campaign staff member.

12

13 MS. GORDON: I would just like
14 to reassure Councilwoman Moskowitz that both
15 at the staff and I think I can speak for the
16 Board members, too on this, that this was a
17 very -- this is very a serious issue that
18 everyone takes extremely seriously.

18

19 The bind that everybody is in
20 is that in the short time that is available,
21 coming to closure as facts as well as law in
22 this particular case, which was a little more
23 complex than it might be if it were a
24 Democratic party on behalf of its nominee,
25 it's very challenging. And I am sure that the
Board members, if we had had available to us

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2 conclusive evidence that would have permitted
3 a decision to be made one way or the other, we
4 would have turned whatever cartwheels needed
5 to be turned in order to give an answer during
6 the campaign as the Board has on past
7 occasions been able to do.

8 The other half of the equation
9 that is also very difficult is that since the
10 matter is still under consideration by the
11 Board to describe it or forecast people's
12 thinking or reaction is also a difficult place
13 to be. So it's definitely a problem.

14 I don't know right now what
15 the solution as to how to keep a complainant
16 who has a very serious issue before the Board,
17 they're not only in relation as you're saying
18 to your campaign or to an individual campaign,
19 but that affect the whole operation and yet
20 not sure exactly how we can come up with a
21 good plan.

22 But we should try to come up
23 with a good plan on how to keep the campaign
24 apprised of progress without compromising the
25 fairness on all sides to the different

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2 parties.

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MS. EVA MOSKOWITZ: I mean I

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would just say that it would be helpful to

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have some time estimation. Is it going to be

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one week? Is this going to be six months? Is

7

this going to be a year? Because I do

8

understand that it is complicated but it's

9

also frustrating and I guess I have had the

10

experience in the past where I've asked a

11

matter to be investigated and it had gone into

12

a black hole.

13

Just to be specific, after

14

9/11 I believe I was the only campaign that I

15

know of to abide by your post 9/11 ruling

16

while my opponents were out there producing

17

literature and da, da, da, da I had a copy of

18

the literature. It wasn't like a

19

he-said/she-said. I produced copies. I

20

repeatedly asked for what the status of the

21

investigation was and I sort of gave up after

22

awhile.

23

But it makes you feel, you

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know -- obviously in that case I won, it's

25

over. I just think that you want candidates

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2 to feel that when problems emerge, A, if they
3 abide by the rules and others don't that
4 there's some resolution to it, but I also
5 think just generally speaking, I don't really
6 see why there can't be some sort of time frame
7 and other candidates knew or have some sense
8 of how long, you know, and unless then I can
9 respond.

10 If you say it's going to take
11 you five years, you know, I can say wait a
12 second, that's too long but I would certainly
13 understand that this isn't an easy thing to
14 resolve.

15 CHAIRMAN SCHWARZ: It
16 certainly shouldn't go into a black hole.

17 If, and if it could be
18 resolved before the election, that would
19 always be good but once a judgement is made
20 and it can't be resolved before the election,
21 then it seems to me that our job is to do it
22 carefully and not to have a deadline on what
23 carefully means.

24 I mean it may be someone who's
25 affect of the complaining party ought to be

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2 given some information on how things are going
3 along, that might be okay.

4

MS. GORDON: Maybe we can come
5 up with something.

6

MR. CHRISTENSEN: I would also
7 say that we're both sort of constrained as our
8 Executive Director has indicated, from
9 commenting on the merits of the matter while
10 it's still under investigation.

11

But I think it is reasonable
12 and appropriate to say that we understand that
13 this is, you know, a very grave issue and
14 there are certainly Board members who have had
15 to make sure this is concluded in a totally
16 fair and proper way. I mean it clearly is of
17 that kind of gravity.

18

And also I think expedition
19 without sacrificing the accuracy of the
20 development of facts is also an interest. We
21 can't overturn elections but a victor may find
22 his victory Pyrrhic if we, you know, end up
23 having to require the return of all
24 public funds rendered in the matter.

25

CHAIRMAN SCHWARZ: Okay, so

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2 Joe, do have other comments or questions?

3

MR. POTASNIK: No. Thank you.

4

5 for coming.

6

7 very much. I appreciate it.

8

9 the difficult home job.

10

11 very much.

12

13 want to say, you know, you have a unique
14 perspective on the whole program because not
15 only have you been a candidate, but you have a
16 close relationship to someone who deals with
17 us on a regular basis on compliance and other
18 issues. And especially now in your new
19 capacity if you feel free to do so, I would
20 welcome an opportunity to talk to you
21 informally about some of the issues that we
22 face.

23

24 mean I think it's very important to the
25 long-term help and support of the program that

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2 it, you know be, continuously improved which I
3 know you have undertaken. And I think also
4 there needs to be a lot of education about why
5 it's so, so critical to have you guys around
6 and to have the work done that you do. So I'm
7 happy to talk with any or all of you in any
8 capacity.

9 Thank you.

10 CHAIRMAN SCHWARZ: Thank you.

11 MS. GORDON: Mr. Park. Is Mr.
12 Park here?

13 MR. TAEYHO PARK: I'm here
14 together.

15 I see everybody having a long
16 day.

17 CHAIRMAN SCHWARZ: Okay, Mr.
18 Park and Mr. Chan. And one of you have been
19 here for a long time this afternoon. And I
20 hope you enjoyed what you listened to.

21 MR. TAEHYO PARK: Well,
22 everybody is tired and I'm sure this is going
23 to be more of a feel-better talk than the
24 other ones, hopefully.

25 Well, I'm here in the capacity

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2 of Executive Director of the Korean American
3 League for Civic Action and also on behalf of
4 the Korean Voter -- Korean American Voters
5 Council and also we're in cooperation with the
6 Young Korean American Service and Education
7 Center, which we will talk separately later
8 on, as well and also with the Asian American
9 Legal Defense and Education Fund.

10 You can see there are a lot of
11 coalitions going on which means this is a very
12 important occasion.

13 And the reason that I said
14 that that it will be a feel-better thing is
15 because we simply would like to commend your
16 efforts in the past.

17 I think the translation
18 materials that CFB had made in Chinese and
19 Korean are very, very helpful. It was useful
20 in aiding voters. Also it was useful I think
21 in creating the incentives to vote. For
22 example, if we take the 7 train, which is a
23 multi-ethnic array of people, a very special
24 line, right, you see the advertisements there
25 and it's in Chinese. You can see it in Korean

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2 and people see that and then now they know
3 that they are included in the fabric of
4 society, which they are.

5

We have heard some arguments
6 against these translation materials for the --
7 against the necessity of this. We need to
8 speak about that.

9

I think these arguments are
10 primarily misguided and misleading and the
11 reason is, we understand the logic of saying
12 that society should be consisting primarily of
13 the language of English obviously using
14 English as the public official language and
15 that is obviously correct, however, that's
16 confusing the long-term goal of educating the
17 immigrants and including them into the fabric
18 in the mainstream society with the immediate
19 needs.

20

And New York City, this is a
21 special city, this is the immigration center
22 of the world, whether 1.5 -- we're the second
23 generation or the first generation, there are
24 people who speak English and people who don't.
25 They're people who write and read in English

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2 and people who don't. And there will be
3 voters who are in immediate need of assistance
4 and I think CFB's efforts fits that well.

5

There's really a growing
6 number of Asian Americans and it's a really
7 large mix. There are immigrant communities
8 that are already established in New York City
9 which have a large number of first generation
10 and a second generation already speaking
11 fluent English and they are already included.
12 However, Asians are different.

13

The first generation depending
14 on the age is huge, there's a huge gap in the
15 language ability and many of them still need a
16 lot of language assistance.

17

So we urge you and we do
18 continue to recommend that you will do not
19 cater to these counter-arguments against the
20 necessity of these language translations.

21

Regarding that, and on that
22 line, I think the on-line Voters Guide, I
23 think it's useful. However, I think that it
24 could have more translated materials. The
25 second generation or 1.5 helping their

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2 parents, they use a lot of online materials,
3 very computer savvy and that's a surer way to
4 reach the younger generation and get them to
5 educate their elderly to vote.

6

Also the Voters Guide, I have
7 it here (indicating) which is excellent,
8 Chinese, Korean, I think this could be
9 translated into several different languages as
10 well.

11

With that one I'm going to
12 hand it over to Mr. Chan and he had
13 recommendations regarding that.

14

MR. BENJAMIN CHAN: My name is
15 Ben Chan and I'm here on behalf of the Asian
16 Pacific American Voters Alliance.

17

We're a coalition of about 40
18 different Asian American community
19 organizations which represent Chinese, Koreans
20 and South Asians from all over the city.

21

And we would recommend that
22 the Voter Guide be translated into some of the
23 South Asian languages especially in Jackson
24 Heights where we have voters speaking Hindu
25 and Urdu and we think that translating the

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2 guide into those South Asian languages would
3 help increase the voters' turn out and would
4 help encourage those citizens to come and
5 vote.

6

We were very happy to see that
7 the guide was translated into in Chinese and
8 Korean. My question would be, was there a
9 primary version of the Voters Guide that was
10 made available?

11

MS. GORDON: In the districts
12 that had primaries, yes.

13

MR. BENJAMIN CHEN: Okay,
14 great, great.

15

And was there a section for
16 the District Attorney candidate also?

17

MS. GORDON: No.

18

MR. BENJAMIN CHEN: And I
19 would suggest that District Attorney, that
20 those candidates be included in the guide.

21

It's a very important election
22 and especially for the immigrant population
23 and for those who don't speak English, that we
24 want people to also vote in those local
25 elections, District Attorney.

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Thank you very much.

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MR. TAEHYO PARK: And

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obviously in the distribution of these,

5

there's the Board of Election, they've

6

expressed their trouble of allocating who

7

lives where. I mean to us it's a simple thing

8

to see. You go there and you see the people,

9

you meet the people. And that's another

10

effort that I don't know the exact dynamics of

11

the Campaign Finance Board and how neatly the

12

work is separated between the Board of

13

Elections and VAC, but these -- the task is a

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difficult task, however the request is less

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difficult than people think.

16

So I think it's important to

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allocate the ethnic groups, who lives where,

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where the concentrated areas and properly

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distributing that would reduce the work

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tremendously instead of pressing every single

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material and then handing out to every single

22

district to spend more money.

23

MR. BENJAMIN CHAN: I would

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also urge that the Campaign Finance Board work

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with the many organizations which already are

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2 working with these populations. We would be
3 more than willing to help distribute these
4 translated versions of those guides and we can
5 tell you where people come to get their
6 information and it would be very helpful. And
7 I think it would be a much more efficient way
8 of distributing the guides.

9 CHAIRMAN SCHWARZ: Okay. It
10 would be helpful if we have data, like Jackson
11 Heights has a lot of people who speak
12 Bangladeshi or whatever it is, if we were
13 provided such data to us that would be useful.

14 MR. BENJAMIN CHAN: Right.

15 CHAIRMAN SCHWARZ: I'm just
16 using that as one example.

17 MR. CHRISTENSEN: I think it
18 would also be helpful, in addition to the
19 data, to give some suggestions as to where the
20 lines should be drawn on this. I mean at what
21 level should we start --

22 CHAIRMAN SCHWARZ: At what
23 numbers.

24 MR. CHRISTENSEN: Right,
25 because I mean there are a lot of -- there are

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2 a lot of linguistic groups and do we prepare a
3 Voter Guide for the Bulgarian population? Or
4 do we prepare it for the Kerakeys (phonetic)
5 population? I mean obviously some lines have
6 to be drawn and having some thoughts from you.
7 I mean even within the Asian community there's
8 so many numerous languages, even within China
9 with different languages.

10 Which ones are really the
11 largest constituents and more importantly
12 perhaps than even population in terms of the
13 first generation issue. So where are there
14 the largest reserves of benefit who would
15 benefit from the guide?

16 CHAIRMAN SCHWARZ: Any data
17 that would helpful for us.

18 MS. POTASNIK: Yes. I would
19 just add one thing.

20 I remember there was a
21 discussion at some meeting about some comments
22 that had been raised in this area and, you
23 know, there's room for healthy disagreement
24 but there's no room for some of the offensive,
25 obnoxious comments that were made by a few

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2 people. And I can tell you this, this Board
3 is very clear in condemning those kinds of
4 statements, anything that attacks people
5 because of who they are is unacceptable and
6 nonnegotiable. So I just want you to know
7 that there's a clear line of demarcation.

8 MR. BENJAMIN CHAN: That's
9 very good.

10 MS. GORDON: Just to elaborate
11 on that, because we had a specific experience
12 that you're probably not aware of which was
13 that because in Queens in particular, some of
14 the Chinese and Korean guides were delivered
15 before the English guides got to English
16 speakers. And we got a complaint from some
17 members of the public, some of whom, sad to
18 say, were extremely abusive and racist in
19 their comments.

20 And to add to the difficulty
21 of the situation, it happens that a number of
22 the people on our staff who deal with the
23 Voter Guide are Asian Americans and it was a
24 very unfortunate set of circumstances. It was
25 very painful for the people involved.

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So it's very gratifying to hear from you today on how much it's appreciated because that message now can go back to the staff people who worked extremely hard, and this is a huge job which I'm sure you can appreciate, and to know that their work is useful is very important.

MR. TAEHYO PARK: Right. On that line, you have our support. If we're reaching out on behalf of people, these are hard-working Americans, they're trying to realize the American dream. They're trying to realize the American ideal of democracy. And we, on behalf of them, are reaching out to you so utilize us.

CHAIRMAN SCHWARZ: Give you some ideas of things you can do to help.

MR. TAEHYO PARK: Right.

MR. POTASNIK: There's a Korean TV channel, is there? I know when I go through -- right?

MR. BENJAMIN CHAN: Yes.

MR. TAEHYO PARK: I don't watch it very much.

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(Laughter.)

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MR. POTASNIK: Neither do I
but I'm -- but I notice it's there. Is that
helpful in any way?

5

6

7

MR. TAEHYO PARK: I think so,
yes, it's very helpful.

8

9

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11

MS. GORDON: I think this is
the first time that the debates have ever been
broadcast in Chinese and Korean and that was
another new experience.

12

13

CHAIRMAN SCHWARZ: So thank
you both very much.

14

15

MR. TAEHYO PARK: Thank you.

16

17

CHAIRMAN SCHWARZ: We
appreciate your waiting around although it's
better that you were on together.

18

Okay. Dick Dadey.

19

20

MR. DICK DADEY: Good
afternoon, Commissioners.

21

22

Thank you very much for this
opportunity to testify.

23

24

25

I'm joined here by Doug Israel
who's the Director of Public Policy and
Advocacy for Citizens Union.

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2

And my name is Dick Dadey and

3

I'm here as the Executive Director.

4

And there are many things on

5

which we'd love to make a comment, but we have

6

kept our comments focused here though are

7

rather extensive on some key issues.

8

And let me just start by

9

saying that, you know, we commend the Campaign

10

Finance Board for their work tackling critical

11

campaign finance issues and we encourage the

12

Board, the City Council, the Administration

13

and the larger civic community to put their

14

heads together to come up with creative and

15

sensible solutions to restore what we feel is

16

a, you know, an emerging critical problem, and

17

this is restoring competitiveness to our

18

elections and remove the all too apparent

19

conflicts of interest that exist in a system

20

where candidates are focused -- are forced to

21

work harder and harder to raise campaign

22

donations.

23

To restore the competitiveness

24

of our elections and ensure the integrity of

25

our political system, Citizens Union first and

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2 foremost supports legislation or rules that
3 would address the following five major areas:

4 1), Enacting pay-to-play
5 requirements.

6 As we testified earlier in the
7 year, we believe the influence that
8 contractors, developers and lobbyists have
9 with elected officials, not only here but
10 throughout the country, is enhanced by the
11 ability of these persons and entities to
12 contribute directly to a candidate's campaign
13 for office.

14 The ability to do so leads to
15 a less independent body of elected officials
16 and erodes the integrity of government in the
17 course of its policy deliberations and
18 awarding its contracts.

19 The notion, in fact, the
20 reality, of influence peddling by those
21 seeking to effect the decisions of elected and
22 public officials is one of the reasons that
23 the general public's confidence had been
24 eroded in the belief that government operates
25 with an even hand and a blind eye.

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2 Citizens Union supported the
3 effort of the Mayor and the Campaign Finance
4 Board to create a database identifying
5 contractors doing business with the City. And
6 we believe that continuing efforts to improve
7 the vendor database and disclosure and
8 transparency in this reporting should be
9 coupled now with sound legislation that aims
10 to regulate these pay-to play-contributions.

11 CHAIRMAN SCHWARZ: Dick, did
12 you use the word legislation intentionally
13 there because, you know, I believe that's your
14 position which is ours also that this ought to
15 be done with legislation?

16 MR. DICK DADEY: That's
17 deliberate but thank you for drawing attention
18 to that.

19 While Citizens Union still
20 needs to do further deliberation to consider
21 how a restriction would be applied and to
22 whom, we believe that there should -- there
23 should not be an outright ban on these
24 contributions but rather a limit on how much
25 they should be allowed to contribute. And we

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2 believe that the onus should be on the
3 contributor and not the candidate to comply
4 and report.

5

A possible limit on
6 contributions might be \$250 with a gift not
7 being eligible for matching funds. In the
8 necessary effort to limit the influence of
9 pay-to-play, we all need to be concerned with
10 not discouraging legitimate and necessary
11 political activity.

12

Number two, curbing the outlay
13 of public funds to candidates facing minimal
14 opposition.

15

Establishing fair and
16 effective requirements aimed at curbing the
17 outlay of public funds to candidates facing
18 minimal opposition is a prudent and necessary
19 cost-saving provision that is borne of
20 previous misuse of public funds and candidates
21 who have taken advantage of the present
22 system.

23

While Citizens Union
24 recognizes that guidelines do exist and that
25 these triggers appear to be appropriate,

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2 candidates are allowed to submit a letter to
3 the Campaign Finance Board to receive their
4 full amount, and are rarely, if ever, denied
5 this request. This leniency has been abused
6 and needs to be addressed through corrective
7 legislation.

8

 The current way of awarding
9 full public funds to incumbent office holders
10 has resulted in the unnecessary expenditure of
11 precious public funds and a possible eroding
12 of public support for the public campaign
13 finance program.

14

 It could be argued that the
15 practice of providing little challenged
16 Council Members with full public campaign
17 financing amounts to nothing more than an
18 incumbent protection plan. It also may have
19 the unintended effect of being a disincentive
20 to emerging challengers.

21

 In 2001 the Campaign Finance
22 Program, particularly with its appropriate and
23 generous match of four to one allowed many
24 qualified candidates to compete equally when
25 so many open seats were available. With

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2 strong fundraising networks in place,
3 incumbents running for re-election in 2003 and
4 2005 had a leg up over any likely challengers.

5 It could be argued that public
6 matching funds strengthened their power of
7 incumbency more than it helped provide
8 challengers access to needed financial
9 resources.

10 Instead of making elections
11 competitive, it also could be argued that
12 unfettered public matching funds for
13 incumbents has the unintended effect of
14 creating less competitive elections.

15 For sure, evaluating how
16 competitive a challenger can be when he or she
17 is not spending or raising funds can be
18 difficult. But since the goal of the program
19 is to level the playing field and reduce the
20 role that big money and special interests play
21 in the campaigns, it is a very difficult
22 stretch to justify overloading a candidate, in
23 most cases an incumbent, with an inordinate
24 amount of funds in relation to an opponent who
25 has spent or raised a minimal amount.

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While maximum allocation of public funds exists, there should be no inherent right to receive the full funding regardless of opponent.

Allowing incumbents - with all the other advantages of incumbency available to them - to receive full funds when their challengers have only raised \$10,000, in effect serves as an insurance policy for the better funded candidate, usually the incumbent.

While we understand there could be a candidate who comes along who could potentially win an election without spending or raising money, the so-called "Babe Ruth" example, it is very unlikely, and for sure the seldom-seen exception and not the rule.

The threshold of how much money an opponent raises should be increased before allowing an incumbent to automatically lay claim to full public matching funds.

In the cases where a simple letter was all that was necessary to request an exception, incumbent office holders may be

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2 and should be required instead to come in
3 front of the Board and show exactly why they
4 believe they are entitled to full public
5 funding against an under-funded opponent.

6

The Board should devise
7 criteria by which to evaluate their claims.
8 Candidates showing in previous elections voter
9 propensity -- and such things as candidates
10 showing in the previous election, voter
11 propensity in districts, evidence of
12 substantial name recognition, use of polling
13 data and other relevant markers may be useful.

14

This must be done in an
15 extremely careful and judicious manner because
16 the Board could unnecessarily fall victim to
17 charges of tampering with elections if not
18 done carefully.

19

While this is a bold and risky
20 proposal it is one that the Board should
21 nonetheless consider.

22

The Board should also consider
23 allowing smaller doses of money to be awarded
24 in these circumstances, potentially reducing
25 the outlay to a two-to-one match when there is

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2 a minimally-funded candidate.

3

4 CHAIRMAN SCHWARZ: Have you
5 seen the proposals we made to the City Council
6 in 2003 which was just before you started on
7 this subject?

7

MR. DICK DADEY: Have not.

8

CHAIRMAN SCHWARZ: Could
9 someone be sure to get Dick Dadey those '03
10 legislative proposals we made on this subject?

11

MS. GORDON: Sure.

12

MR. DICK DADEY: Are they
13 consistent --

14

CHAIRMAN SCHWARZ: They're
15 quite consistent with what you've got there.

16

MR. DICK DADEY: I'm glad to
17 hear that because I mean probably number two
18 out of all of these is the thing that we think
19 is, you know, an issue that we are going to
20 very strongly push.

21

Go ahead.

22

MR. DOUG ISRAEL: I'm going to
23 run down the three, four and five, our top,
24 you know, the rest of our priorities for this
25 year and then we'll go through some of the

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2 questions that the Board put forward that are
3 not specifically on the top agenda.

4

5 The third is addressing the
6 disparity that exists for candidates
7 participating in the program who face a
8 well-funded or self-funded opponent.

9

10 Obviously this is one of the
11 bigger challenges we face here in the city
12 specifically for mayoral races and as well as
13 nationwide.

14

15 And to help ensure a more
16 level playing field and adhere to the
17 principles of fair and clean elections and
18 still compete with those candidates who do not
19 follow the guidelines set forth by the
20 Campaign Finance Board, the Board and the City
21 Council should undertake a very comprehensive
22 analysis of how this can be accomplished.

23

24 And we put forward a couple of
25 ideas here, none of them that are fully vetted
or that we 100 percent stand by and say this
is what needs to be done, but these are
opportunities the Board should explore.

26

One is creating greater

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2 opportunities for the candidates to access
3 low-cost or free airtime on broadcast medium
4 like radio or television. And this could be
5 in the form of short television profiles and
6 equal time devoted to all candidates during
7 news programming, as well as newspapers,
8 advertisements or some type of candidate
9 profile on buses or trains, et cetera.

10 And we encourage the Board to
11 help access this through agreements with
12 affiliates, network affiliates and outlets,
13 but also potentially providing media subsidies
14 to candidates and other program incentives
15 outside of an additional match.

16 Outside of raising it to an
17 eight-to-one, essentially there's some type of
18 media subsidy we can provide or other access.

19 And then along with this,
20 creating greater incentives for those that opt
21 in to the program and bonuses for those facing
22 high-spending non-participants.

23 So instead of just a financial
24 match of five-to-one or six-to-one,
25 potentially there are other matches, other

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2 bonuses that could go along with it and this
3 would be more air time, more access to these
4 media opportunities that potentially the Board
5 could create.

6

The other one is ensuring
7 earlier and more debates and attendance by all
8 participants.

9

CHAIRMAN SCHWARZ: Do you have
10 any or your the many lawyers who work with you
11 have any way in which one could compel them or
12 make it highly embarrassing for it not to
13 happen?

14

MR. DICK DADEY: It's actually
15 been the subject of discussion by some of the
16 lawyers you speak about. And we've not yet
17 reached a conclusion that we can recommend.

18

CHAIRMAN SCHWARZ: It would be
19 great if there was some way.

20

MR. DOUG ISRAEL: I think
21 especially in the wake of this past mayoral
22 election, if there ever is pressure to
23 announce some kind of campaign that would be
24 successful I think now would be the time.

25

And obviously this is probably

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2 not something the Board could do on its own,
3 but if you get the right forces together it's
4 something that we could potentially could be
5 successful on.

6 And finally under this bullet,
7 we, you know, at yesterday's hearing NYPIRG
8 brought up the idea of a flat grant. They
9 proposed a flat grant for candidates who are
10 competing against self-funded or well-funded
11 candidates. Again, this has not been vetted
12 in front of our Board but it's an idea that we
13 think is worth exploring further.

14 They came out with a number I
15 think of 20 percent, one-fifth grant which
16 would have amounted to about \$20 million for
17 Fernando Ferrer in this past election. And
18 had there been a candidate on another party,
19 that would have been a \$40 million outlay.

20 So we think that that number
21 may be a little large, but it's something that
22 the Board should look further into.

23 MR. DICK DADEY: You know we
24 are open to the idea that is providing
25 challengers with more public funds if

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2 necessary given the strength of their
3 self-financed challengers. And that also may
4 take the form of allowing them to raise larger
5 gifts if certain benchmarks are reached by
6 them.

7

CHAIRMAN SCHWARZ: Are you
8 sure that Citizens Union isn't allowing them
9 to reach -- I mean would you, for example,
10 allow someone a twenty thousand dollar
11 contribution from a single individual?

12

MR. DICK DADEY: We haven't
13 looked at specific amounts, but, you know, as
14 we look at how do you get a candidate without
15 necessarily giving them more public money,
16 access to greater funds against a very
17 well-financed person in this past election,
18 self-financed incumbent, I think we need to
19 take -- we are looking at, we haven't reached
20 any conclusions, but we're looking at these
21 options, you know.

22

It's not that the candidate
23 can start out raising, you know, 7,500 or
24 10,000 gifts but if, you know, with a month to
25 go and there's a disparity between the

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2 challenger and the incumbent, between the two
3 is so large that we feel over the --

4 MR. CHRISTENSEN: Are you
5 aware of any, you may be not, but is there any
6 way to compel a candidate to participate in
7 debates whether or not they are participating
8 in a campaign finance program? In other
9 words, can the Board of Elections require any
10 candidate who wants his name to be on the
11 ballot that it's part of that because that
12 does not seem to restrict its right to free
13 speech in any way and would be sort of hard?

14 But it would seem to me that
15 it would be one way of leveraging the campaign
16 finance program by having a non-participant
17 required to participate in the debate program.
18 I don't know if there's any legal strictures
19 on that or what.

20 MR. DICK DADEY: You know, but
21 yeah, it's a matter that we're beginning to
22 look at. Is there a way in which you can
23 require them to participate and deny them
24 something in the campaign? Access to the
25 ballot, access to some level of visibility

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2 during the campaign, to compel them to
3 participate without infringing on their free
4 speech right.

5

MR. CHRISTENSEN: It would
6 seem to me to be an election law kind of thing
7 where in order to require one to register to
8 be on the ballot that they would have to
9 acknowledge that they would available for
10 reasonably scheduled debates.

11

MR. DICK DADEY: I mean we
12 have not found any evidence of that anywhere
13 else in the country but I mean New York's
14 broken new ground in other ways and it's
15 probably worth exploring.

16

MR. DOUG ISRAEL: So just
17 finishing up our top five priorities here.

18

The fourth one is establishing
19 a more stringent "war chest" restriction to
20 limit the transfer of funds raised in one race
21 for use in another.

22

Now, there was a restriction
23 that was applied prior to this election that
24 required approval of the funds from the
25 contributor to transfer those funds.

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2 We -- at that time we took the
3 position that candidates should only be
4 allowed to transfer the funds that were raised
5 within that election cycle. And we stand by
6 that position and believe that in order to
7 ensure competitive elections and that would
8 have credible, quality challengers stepping
9 forward, we need to limit the war chest that
10 are transferred. And you can do that by
11 eliminating it within that election cycle.

12 MR. CHRISTENSEN: Do you have a
13 position or argument that at least one
14 campaign made, that if there are going to be
15 allowances for transfer of war chests, even
16 the ones that are currently limited, you
17 cannot in a sense create barriers to entry
18 from non-city candidates who may choose to
19 take, for example, a federal election war
20 chest in to a city campaign?

21 MR. DOUG ISRAEL: So you're
22 saying for people who are not participating in
23 the program?

24 MR. CHRISTENSEN: The Weiner
25 Campaign, for example. That was a big issue

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2 from their perspective and they were arguing
3 almost like it was an anti-trust type
4 violation that they were -- that the City
5 legislation in a sense discriminated against
6 them because it allowed other war chests to be
7 -- I don't know if you've given any thought to
8 that.

9 MR. DOUG ISRAEL: I mean we
10 haven't looked into the legality of it and
11 what the legal ramifications are but for sure,
12 to the extent we believe possible, we will
13 support that.

14 No matter what office you're
15 running for, you step into a race with four to
16 five million dollars against a challenger who
17 hasn't raised a dime yet, that's a very strong
18 deterrent against getting quality challengers
19 to step and up for office.

20 MR. CHRISTENSEN: Yes, I was
21 thinking about it also as a way of buttressing
22 your point that once you start making
23 allowances for transfers of war chests, you
24 create new discrimination that may have a
25 legal effect sort of working back against

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2 them, and there's a further argument not to
3 allow any.

4

 MR. DOUG ISRAEL: The fifth
5 point here on our priorities is the
6 re-examination of campaign finance rules and
7 enforcement to reduce the burden on
8 candidates.

9

 I'm sure you're all familiar
10 with the complaints of candidates who run for
11 office that they have with the program, et
12 cetera.

13

 Let me just state there needs
14 to be a very comprehensive almost working
15 group set up amongst candidates, City Council,
16 incumbents, et cetera, to really figure out
17 where some of these obstacles and roadblocks
18 could be made less burdensome for the
19 candidates so that we don't have it that
20 people are opting out or coming back and
21 complaining every year about the Campaign
22 Finance Program because we want it to be
23 strong and healthy and we want the candidate
24 to opt in and reducing those burdens and we
25 feel is a very important step.

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MR. DICK DADEY: In moving on here as we just close are these last five major points.

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I just want to emphasize that Citizens Unions, while having reached a conclusion on some of these, has not yet reached a conclusion on all of these on all of them. And we really are still reviewing and evaluating some of these issues in the hope that we can find a more satisfying proposal to provide you. And particularly when campaigns take place with self-funded candidates and you have few opportunities to compel them to participate and few resources or other avenues to support candidates who, you know, are fully funded by the campaign finance program but are still at a distinct disadvantage in going up against the self-financed candidate.

20

21

22

23

I don't think we have the answers here yet but we're, you know, we're looking at putting things on the table and we should have a healthy discussion.

24

25

In terms of some of the questions you raised specifically.

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Question 4: Do you believe the

program furthered the goal of providing full

disclosure of candidates' campaign finances,

including non-participants' finances?

You know, we support the

disclosure and contribution limit requirements

that were implemented this past year. This

helps reduce the influence that big

contributors play in the process and provides

the sunshine that is necessary to ensure

greater integrity in our political system.

In fact, as is evidenced at

the national level, candidates and

contributors continue to find loopholes in the

system and do not hesitate to use them.

Question 5: Do you think the

Program's contribution and spending limits are

appropriate?

While we have not done a

thorough analysis of the effectiveness of the

current contribution limits, we are inclined

to keep the current contribution limits in

place and do not advocate this at the moment.

What is the impact of the

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2 Board's website and its publication of
3 computerized campaign finance data?

4

5 The Campaign Finance Board's
6 website has been an extraordinarily invaluable
7 tool that has allowed our organization to
8 track campaign contributions, access key
9 election information and program requirements
10 and keep track of advisory opinions and
11 rulings.

12

13 Likewise, the online Voter
14 Guide is an invaluable resource and is
15 deserving of a greater public awareness
16 campaign to drive voters to the site.

17

18 We also recommend that the
19 online version include live links to the
20 candidates web sites themselves;

21

22 That the online version
23 include live links to the disclosure
24 information for each of the candidates;

25

26 And that the Board promote the
27 online guide more actively.

28

29 We suggest working with
30 organizations and other website hosts to post
31 such as Gotham Gazette, to post banner ads

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2 and links directly to the guide to make it a
3 more popular resource.

4

5 We also advocate a greater
6 public awareness campaign in relation to the
7 Video Voter Guide produced by VAC.

8

9 We testified yesterday and
10 complimented back in partnership with the
11 Campaign Finance Board for this very useful
12 and innovative tool and laid out some
13 additional ideas to encourage to work more
14 closely with other agencies and organizations
15 to promote the Video Voter Guide.

16

17 We think that the partnership
18 at hand here with the Campaign Finance Board
19 can be even more successful increasing
20 exposing for candidates running for local
21 office.

22

23 In terms of comments about
24 multiple contributions and how they should be
25 treated by related entities, you know, we
26 share the concern of the Board and several
27 others who have testified during this hearing,
28 that City Council Intro 564-A produces a
29 sizeable loophole for unions to navigate

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2 around the single source restrictions in the
3 Campaign Finance Board. Though we had
4 concerns about the presumption clause of the
5 rules as put forward by the Board because we
6 felt that the presumption could have a
7 chilling affect on legitimate political
8 activity.

9

We nonetheless thought that
10 the Council Bill and strongly encouraged the
11 bill and urged the Mayor to veto it and for
12 the Council to reconsider pushing for its
13 passage.

14

In addition to the content of
15 the bill, the circumstances that lead to the
16 passage of this bill are troubling in many
17 ways. We believe rules promulgated in this
18 area should come from the Board after hearings
19 and well in advance of the 2007 elections.

20

In terms of the impact of the
21 elected officials' use of government resources
22 on the campaign.

23

Should there be further
24 regulation on this activity?

25

We state loud and clear that

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2 this past election cycle that we believe that
3 the misuse of public funds for campaign
4 related activities are not to be tolerated.
5 We supported the extension of the blackout
6 period on mailings from elected officials to
7 90 days and believe that there should be
8 stricter requirements on citywide mailings
9 within these 90 days as well.

10 Do you think the program
11 should be extended to other offices such as
12 District Attorneys and judges?

13 While not taking an official
14 position yet on whether or not the program
15 should be expanded to candidates running for
16 District Attorney, it appears to be a logical
17 next step in the evolution of the program
18 absent any strong arguments against their
19 inclusion in the first place.

20 We do have reservations
21 however about expanding the program to include
22 judicial candidates. For sure we feel that
23 judicial candidate information should be
24 included in the official voters guide, but
25 until there is a more democratic party primary

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2 process for the selection of judicial
3 candidates to appear on the ballot, we cannot
4 support giving public dollars to the nominees
5 that are hand-picked by the political parties.
6 We advocate for a merit-based system of
7 judicial election.

8

9 remarks

10

11 a question?

12

13 Am I the only person that
14 thinks there is a problem with candidates who
15 have computers and stuff left over in
16 elections because nobody else seems to think
17 this is a problem?

18

19 all?

20

21 --

22

23 MR. RECHTSCHAFFEN: You know,
24 somebody goes out and buys a wide screen
25 television.

26

27 MR. DICK DADEY: Yes, we do
28 have a problem with that.

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MR. RECHTSCHAFFEN: You do.

3

Because you didn't mention it and every time I

4

bring it up somebody says it's not a problem

5

so I think somebody else has a problem with

6

it.

7

MR. DICK DADEY: As long as

8

they make it available to the candidates

9

running next year I don't see a problem with

10

purchasing these things.

11

MR. RECHTSCHAFFEN: That's

12

what I think we should do, we should have a

13

storehouse for all these, give it to

14

candidates next year.

15

MR. DICK DADEY: But I think

16

that in, you know, the fact that incumbents

17

can qualify for full public matching funds by

18

virtue of simply sending in a letter

19

encourages the wild buying sprees or such

20

things. And if the Council passed legislation

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and the Board promulgated rules that tightened

22

the amount of public matching funds available

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to candidates, I think you would see that less

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of a problem because then they would have the

25

opportunity to, you know, need to spend it on

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2 items that they really do need in a campaign.

3

4 MR. DOUG ISRAEL: And I think
5 to the degree it's possible where it's really
6 egregious is when it happens, you know, three
7 weeks before an election and the candidate has
8 a clear path to victory and they're just
9 spending the remainder of their money.

10

11 I think to the degree that the
12 Board or the City Council can promote rules
13 that have deadlines in there for the
14 expenditures for those kinds of hardware and
15 infrastructure, that might be something that
16 could be looked at.

17

18 We know even in our office,
19 getting rid of our computer equipment is the
20 hardest thing to do these days. No one seems
21 to want to take them.

22

23 MR. CHRISTENSEN: Obsolescence
24 is very fair.

25

26 MS. PATTERSON: Every nine
27 months.

28

29 CHAIRMAN SCHWARZ: Other
30 questions?

31

32 MR. POTASNIK: No.

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MR. DICK DADEY: Thank you very

3

much.

4

CHAIRMAN SCHWARZ: Thank you.

5

Okay. Mr. de Blasio.

6

MR. De BLASIO: Thank you, Mr.

7

Chairman.

8

Good afternoon to everyone on

9

the Board and good afternoon, Nicole.

10

I was just commenting that

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Dick Dadey, that as I listened I found myself

12

agreeing with a substantial amount of his

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testimony so I must immediately amend my

14

testimony and reverse myself.

15

Let me thank you for this

16

opportunity to be here.

17

I just want to state at the

18

outset a couple of points I think we probably

19

all agree.

20

Obviously this is, you know,

21

the model campaign finance system for the

22

country certainly at the municipal level. I

23

think it's been built over the last two

24

decades in a very positive and systemic

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fashion.

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2 I would always be the first to
3 remind everyone that, you know, we, at the
4 City Council take particular pride in having
5 been the driving force on that effort and
6 we'll continue to be, including in taking many
7 actions along the way that not only protect
8 but to strengthen I think the actions taken
9 last year to add to the matching funds and in
10 certain instances was a very important step in
11 that direction.

12 I speak to you today as an
13 elected official, someone who's been a
14 candidate, as someone who was a campaign
15 manager and campaign worker in different
16 levels. I've seen how different systems work
17 and even bringing all those perspectives to
18 the table, I come out of all the composite
19 opinion of absolute and total support for this
20 system.

21 I believe it has to be
22 protected. I think these hearings are an
23 important part of continually examining,
24 renewing and improving and protecting the
25 system.

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I think what we saw in this last cycle and we're not just seeing it in New York City but everywhere, is the rise of self-funded candidacies on a level I don't think we ever could have predicted, not only in terms of the number but the extent.

I remember having that experience working with Peter Vallone on his staff at the City Council in 1997. And as people will remember, he was preparing to run for Governor at that point.

I remember one day in the fall of 1997 someone who happened to be working for him on the political side of his operation mentioned that he had raised some amount of money, I think it was two or three million dollars. And they mentioned at the same point in 1993 Mario Cuomo had raised a similar amount and wasn't that a good sign.

And I look back with a certain nostalgia at the idea that once upon a time two or three million dollars meant something in American politics and then I realized it was just a decade ago.

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The instance we just had in our city, what we saw in New Jersey which is something unfortunately I believe we're going to see more often, two self-funded candidates, each party putting forward a self-funded candidate.

That will fundamentally change the nature of American democracy and I can't say for the better. So I think what we're all facing here and everywhere in this county, a new challenge I think. I am not a lawyer, I don't -- as a non-lawyer I can't pretend to understand how difficult it would be to reinterpret Buckley versus Valeo but I think we should keep trying.

And I'll just say at the outset, I think we need to look at every conceivable option whether it is exploring nationally on the state level or locally, the public financing on a broader level. I'm not talking about matching funds, I'm talking about, you know, fuller examples of public financing. Again, any kind of legal action that might change the understanding that will

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2 come out of Buckley versus Valeo.

3

4 Public air time options, I
5 think what Dick mentioned in his testimony was
6 a start. I think we have to look more deeper
7 than that. I know every bit of this is
8 difficult, but I think from the FCC level on
9 down, we have to ask ourselves this question,
10 if European countries offer their established
11 political parties substantial amounts of air
12 time during prime hours in the weeks before an
13 election, is that not something we can look
14 at?

14

15 It may not fit with the
16 typical history of American politics, but what
17 I think is happening in the last few years has
18 taken us to a place we've never seen before
19 and we have to look at all our options.

19

20 And I also want to commend the
21 ideas that NYPIRG and Citizens Union put
22 forward that if we're facing self-funded
23 candidacies that reach past the maximum level
24 of expenditures allowable under your rules, we
25 have to look at every option whether it's
26 lifting the traditional city limits and going

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2 to state limits or other types of limits, or
3 whether it is providing a much more
4 substantial match.

5

Obviously I respect anyone who
6 happens to have their own resources, and they
7 should be allowed to spend them up until the
8 total allowable expenditure level for each
9 appropriate office and not beyond. And if
10 they did go beyond there has to be a
11 consequence and it has to be much more
12 substantial than the ones we have up to now.

13

I do believe, I agree, I think
14 with a lot of what the other testimony has
15 mentioned about the key issues that we face
16 going forward. And I think we have to bring
17 everyone to the table to solve this as
18 positive -- obviously your hearings represent
19 the beginning of that process.

20

In addition to the problems
21 caused by self-funded candidates, I think we
22 have a real concern that we must overcome on
23 the question of the use of public matching
24 funds for candidates who really do not have
25 competitive races.

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And I think we have to work

together on the question of the day-to-day

ability of any candidate or any campaign to

respond to the paperwork requirements and the

other requirements of the compliance process,

something that I think is absolutely necessary

but always has to be reexamined, considered in

a customer-friendly matter, if you will.

I think it's difficult for

anybody, even with the best personnel to keep

up with some of the requirements. I think

it's particularly difficult for the people

that I believe we all think most need to

benefit here who are the insurgent and less --

less-resourced candidate.

So I just want to watch out, I

think everyone in this room is working in good

faith here, I want to watch out for the catch

22 where the people we might ideally want to

help the most who have the hardest time

navigating the system.

I think we understand, all the

stakeholders understand we have to come

together and work on all these issues and find

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2 a broad set of solutions in a positive way.

3

I've urged publicly and I'll

4

urge it again, that we convene in a

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cooperative fashion, some kind of working

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group or task force which would have public

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meetings over the coming months for whatever

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time frame we thought appropriate, six months,

9

a year, whatever we thought appropriate to

10

have a thorough review of a wide range of

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issues. I think by definition it should

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include CFB Board members, it should include

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elected officials, folks from the Mayoralty,

14

folks from the business community, labor

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community, the good government groups. I think

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the whole range of individuals who are

17

stakeholders and are involved, and ideally

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choosing members who bring broad experience

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and some objectivity and openness.

20

I believe personally we can

21

come up with a solution on the question of not

22

funding people in non- competitive races. I

23

have my own personal bias. I think we can find

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a numerical system based on obvious factors

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such as level of contributions, level of

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2 petitioning signatures, types of endorsement
3 or number or type of endorsement and
4 historical factual factors that would
5 determine whether a candidate were viable
6 enough to cause there to be a close election
7 that would require, you know, the full match
8 or maybe some, you know, more clear sliding
9 scale understanding of what level of viability
10 gets you a full match which is a lesser match.

11 CHAIRMAN SCHWARZ: Did you
12 have a chance to focus on the proposals that
13 we made in '03, on '03 or '04 on that subject?

14 MR. de BLASIO: No, I do not
15 know them.

16 CHAIRMAN SCHWARZ: Your
17 colleague Oliver Koppell also didn't and let's
18 just -- as we are going to send to Oliver,
19 let's send to Bill de Blasio, the ideas that
20 we had on this.

21 MR. de BLASIO: That will be
22 very helpful.

23 And I will say that I think
24 the more numerical and objective and
25 transparent, the more everyone and I'm

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2 speaking now in the position of a City Council
3 member with fifty colleagues, I think any one
4 of us that could embrace and defend this to
5 every other one of us as long as there was a
6 common standard that everyone could understand
7 that it come out of a broader process.

8

CHAIRMAN SCHWARZ: I mean as

9

Commissioner Christensen had said and as a
10 witness earlier today said, it may have been
11 Dick Dadey, that's the one thing that could
12 really erode public confidence in this system
13 if we don't collegially plan to solve that.

14

MR. de BLASIO: I agree. I

15

agree. I think -- I agree with you, the
16 public needs to know every dollar that was
17 spent wisely and, in fact, I think you can
18 build an argument for larger expenditure where
19 necessary, for example, in response to a
20 self-funded candidacy if there was a sense
21 that the other dollars were being used
22 carefully and wisely.

23

So that's another area where I
24 think we can come up with a straightforward
25 solution. I think a little thorny but vital

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2 area, something I used by -- I used the phrase
3 inexactly, I used the phrase "bundling
4 limits," I think an area that needs to
5 explored in this type of transparent collegial
6 dynamic would be can we create a common
7 standard of limit, a common maximum by which
8 any individual could participate and amassing
9 support for a particular candidate. I think
10 we've talked about this and I don't want to
11 rehash any of our recent history. I think a
12 simple forward-looking point would be that
13 we've all agreed there are some troubling
14 trends we see at law firms or real estate
15 firms that make it very easy for a large
16 amount of contributions to be put together at
17 the behest of an individual.

18 I think we should be
19 addressing that and every other sector
20 simultaneously and so we can see again if
21 there is a common and transparent standard. I
22 don't understand for the life of me the legal
23 ramifications so I don't mean to be facile
24 here. But I think we've been able to limit
25 contribution expenditures, there should be a

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2 way to limit bundling too. And I think if it
3 were universal it would find acceptance.

4

I just think that's most of
5 what I want to say. I would also urge and I
6 know -- I know every bit of the work here is
7 painstaking and complex and no one would ever
8 deny that. I think the more we're able to
9 create a dynamic on decisions on matching
10 funds that are valid, validly needed and on
11 audits, the more we can create a dynamic where
12 those are done on a speedier fashion, with
13 certainly clear deadlines, the better off we
14 will be.

15

I think it's very, very
16 important to recognize that if a candidate,
17 whether incumbent or insurgent is trying
18 legitimately, conscientiously to answer the
19 concerns and live by the rules and then is
20 told that matching funds cannot be available
21 until certain questions are answered, at least
22 I think there needs to be a clear
23 understanding that that will happen in real
24 time, in a quick time frame.

25

I've heard candidates say to

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2 me who I thought were conscientious that they
3 were trying and they were running out of time,
4 they were trying to answer the questions and
5 it was drawn out to the point that it was
6 starting to have strategic ramifications, that
7 even if they were proven to be entirely in the
8 right, any disbursement would occur too late
9 to effect their election in the manner that
10 they were trying to do so.

11 I think that's something no
12 one intends to do. We have to figure out what
13 will allow us to not fall in to that kind of
14 dynamic.

15 In conclusion, you know, I
16 can't say strongly enough how much we have to
17 do everything to make this program permanent
18 and strong to continue to help it grow and be
19 stronger with the times. I don't think anyone
20 here wants to see a static dynamic time, we
21 understand that the times are changing around
22 us, in some ways there are dangers that we
23 have to address more than ever.

24 We have an opening now because
25 most of the activity we're discussing of

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2 course, will not occur until 2009, but there
3 may always be special elections. We, at the
4 Council know that one of our colleagues has
5 talked about rather openly about the
6 possibility they might create a special
7 election quite soon but in the main, the work
8 we do now looking ahead and I certainly think
9 by some consensus whether we decide on some
10 kind of process in six months, a year,
11 whatever it may take, I think we have a good
12 opening, a good opportunity and moment to do
13 that.

14 And I am very personally
15 committed to that. I think a lot of my
16 colleagues would share that commitment.

17 And, you know, all I can say
18 is from my perspective as an individual on the
19 Council, I think we think some kind of -- some
20 kind of body that would be public and
21 transparent to have that discussion will be
22 particularly helpful. I know, again, this is
23 part of how the Board has historically done
24 it. I think this is transparent and helpful
25 too. But I would urge that for this

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2 particular moment going forward.

3

CHAIRMAN SCHWARZ: I know I

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had one question but Joe, do you have a

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question?

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MR. POTASNIK: I want to talk

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about the single source, is that where you're

8

going?

9

CHAIRMAN SCHWARZ: It's not --

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MS. POTASNIK: No, I know, I

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heard much discussion about removing unfair

12

advantages. I'm just wondering if you can

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explain how the new legislation with single

14

source addresses the removing of unfair

15

advantages?

16

MR. de BLASIO: Well, you

17

know, I don't think there's anyone wants to,

18

in great detail rehash the debate we've had

19

now for most of the year.

20

I'll just tell you a simple

21

answer in my view.

22

I've always felt that someone

23

who, again, lived in this system in different

24

ways, that we put forward some very clear

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restrictions in that legislation. I think any

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2 entity covered by that legislation has to abide
3 by those restrictions. If they violate even
4 one, it's evident and immediate and obvious
5 what the consequences are.

6 I think beyond that it creates
7 a further atmosphere of examination or
8 scrutiny that is helpful. I think this whole
9 debate last year has been helpful and I don't
10 think for people who have been a part of it
11 have failed to take notice of it.

12 CHAIRMAN SCHWARZ: Other
13 questions?

14 I just have one.

15 Go ahead.

16 MS. GORDON: I just wanted to
17 ask you to think about a topic that's come up
18 before today and that's the question of, you
19 know, what candidates do or don't know about
20 the program and its complexity.

21 One thing that we have found
22 is that candidates never come to the candidate
23 training sessions, they send their staff.

24 MR. de BLASIO: Yes.

25 MS. GORDON: And actually I

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2 think a fair-minded person who looked at the
3 materials that we provide, the one-on-one
4 help, the sessions, all the stuff we have to
5 say that we are at the very top, if not --
6 well, the very top of any service that any
7 city agency gives to its clientele in terms of
8 hand-holding and instruction.

9

And, in fact, I should also
10 mention that we don't hear, by and large,
11 nearly as many problems from insurgents as we
12 do from established candidates. It's much the
13 other way.

14

And I wonder whether you have
15 any ideas about how we could engage the
16 candidates a little more directly because I
17 personally believe that sometimes they are
18 not, in fact, aware of what the program is,
19 what its requirements are, what kind of
20 assistance they get because I think they get
21 it second-hand and I think they get it only
22 when there's a problem so they don't maybe
23 know the full dimensions of the help that's
24 available or actually what some of the very
25 black and white issues are.

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And so I just wonder, you

know, in Los Angeles, candidates are required to attend the training sessions as a condition of their participation in the program. There are other jurisdictions where candidates are required to sign disclosure statements.

I know internally here we always thought that certainly a second statement would be awfully difficult for certainly major candidates to be prepared to sign those documents and so on.

But I wonder short of those things, whether you have any ideas about engaging people personally to take a look at what's going on and maybe learn more about it in advance so that when issues do come up, if they come up, the temperature is not high?

MR. de BLASIO: Well, again, it's a very good point. I'd be the first to say I think it's true that most of us do not take advantage of the opportunity to go directly to the training. I think that's probably a mistake.

I would also say that I think

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2 one thing we can do at the Council is to
3 sponsor, in a sense, directly the opportunity
4 for folks to come in and have it be at the
5 Council or, you know, make it particularly
6 conducive and consistent with people's work.

7 If you did a training on the
8 day of a stated Council meeting before or
9 after the meeting would be the highest
10 likelihood that most people would be there. I
11 think that is something we can jointly put
12 together, that's one example.

13 MS. GORDON: Well, if you can
14 help us on that. I mean we have actually done
15 exactly those things, we have rented -- we
16 said can we have a room within the Council on
17 such and such a day and then nobody shows up.
18 It's really a tough sell for us to get people
19 personally engaged.

20 CHAIRMAN SCHWARZ: Let's
21 assume starting in January 1st there will be a
22 new day and we --

23 MR. de BLASIO: Everything
24 will be possible. And I think that's part of
25 it and I think the point about possibly being

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2 there for it I think is something worth
3 discussing.

4

 But I think beyond that, my
5 only point would be, I've spent a lot of time
6 with my staff, with my compliance person, with
7 my lawyer talking about a number of issues
8 that come up over the last four years and I
9 was trying in real good faith, real
10 professionals, people who figure stuff out, I
11 agree with you, there's a lot of hand-holding
12 and a lot of support that your staff provides.

13

 I think you're different than
14 other government agencies in the sense that
15 your role is so directly involved in the
16 political system, it adds layers of complexity
17 and actually of sensitivity and the impact
18 that often doesn't occur with a 311 call,
19 though, if ever, so I think unfortunately it
20 requires a tremendous level of customer
21 service and nuance.

22

 But I think my simple argument
23 would be perhaps we can get to a somewhat more
24 -- something more of a written system.

25

 What I found, I heard at least

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2 from the folks on my team was that the
3 instructions that they heard back were often
4 hard to follow in specific or they get one
5 answer at one point and get a somewhat
6 different answer at another point. And it
7 could have been them, I'm the first to say
8 we're all humans.

9 I think the more we can codify
10 the day-to-day practice of custom, if you
11 will, the what to do in this situation or that
12 scenario type of information, I'm sure a lot
13 of that exists, but I would also say to you as
14 a public servant speaking for a public
15 servant, there are a number of people still
16 experiencing some kinds of difficulty and that
17 suggests there's something still to be fixed.
18 It's not a matter of -- it's not people --
19 lack of effort on people's part. It's not
20 lack of intelligence or content, it's
21 something is missing here, some disconnect is
22 occurring, and I think we could continue to
23 explore how to bridge that.

24 MR. CHRISTENSEN: I just want
25 to add a couple of points.

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I'm extremely appreciative of

the fact that you've indicated that you're

ready to take up this less competitive race

issue.

MR. de BLASIO: Yes.

MR. CHRISTENSEN: Because we've

been, you know, trying to raise that. We've

seen that as a real problem in the program for

a long time and I really appreciate that.

The second thing I was going

to say, I raised in connection with the

self-funded candidate issue with Citizens

Union, and maybe the Council can look at this

issue as well, I mean one of the things

disappointing to me is you not only have a

self-funded candidate but one who can choose

not to participate in public debates.

It would seem to me that we

have Buckley and it does not prohibit a

requirement that mandated a candidate for any

office to be required to be available for

public debates of the Campaign Finance

Program.

And I think that would be, you

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2 know, if that can be passed legislatively, I
3 don't know whether, you know, whether it's a
4 state law issue or city law issue, it's not
5 clear to me, but I think that's a very, you
6 know, one small step to try to correct some of
7 the imbalance created by that.

8 MR. de BLASIO: I would
9 embrace that and I would add that I think that
10 -- I think all these ideas, there's been a lot
11 of people feeling at the same time, I would
12 add it could be a trigger so failure to
13 participate in the debate will be another
14 legitimate trigger for further activity to
15 compensate the other candidates.

16 CHAIRMAN SCHWARZ: I think
17 that's an interesting idea.

18 I want to ask -- I think
19 that's a very interesting idea.

20 The one thought that I had,
21 when you mentioned going up in response to the
22 self-funded candidates to the state law
23 limits, I mean we have the Campaign Finance
24 Law because this city was rife with the
25 appearance of corruption from real estate

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2 people giving those large gifts to candidates
3 running for city office, including some very
4 fine candidates running for city office, but
5 it stank.

6

And I think from speaking
7 personally, the idea of going to that level
8 without legislation that says that people
9 doing business with the City or seeking to do
10 business with the City in a meaningful sense,
11 cannot contribute would be a terrible mistake.

12

So maybe if the two matters
13 are joined together we get a win/win all
14 around. To go back to the state system, that
15 stank and we really shouldn't do that no
16 matter what the exigency is.

17

MR. de BLASIO: I appreciate
18 and respect that but I don't think any of us
19 would think that even a single instance of the
20 state system is something we should take too
21 lightly.

22

And I think the second item to
23 connect the two is going to become quite
24 significant so I would just say, I feel as one
25 public servant, more comfort with the idea of

1
2 an increased match than I do with the option
3 of going to the state system. The question
4 gets back to the previous, what would be the
5 public faith in that? I think if we are able
6 to continue to make sure the public is
7 convinced that every dollar is well spent in
8 the program, and that's the predicate, but I
9 do believe the public is quickly gaining
10 weariness of the self-funded dynamic.

11 I think, again, I'll defer to
12 New Jersey which was a different moment in
13 history than what we experienced here, I think
14 the level of negative advertising profoundly
15 troubled the public and it could not and would
16 not have happened had it not been for the two
17 self-funded candidates.

18 So I guess I would argue, I
19 think we hindered on this point, the first
20 examination should be for an increased match
21 or certain system by which if certain limits
22 are hit or surpassed, then additional match
23 occurs in some form or fashion, maybe the
24 NYPIRG type proposal.

25 I believe in the final

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2 analysis the public will see that as a matter
3 of fairness. A \$50 billion budget, I don't
4 think it would be considered impossible for
5 the public imagination to embrace.

6

CHAIRMAN SCHWARZ: You know,
7 stepping away from this dialogue we've had,
8 what's interesting about it is the issues
9 ultimately, all of the issues should be
10 considered because if we can solve money going
11 to people who demonstratively do not need it
12 on some activity, that helps in persuading the
13 public that more money could go into the fund
14 to a substantive condition so it should be a
15 package.

16

So thank you very much.

17

MR. de BLASIO: Thank you.

18

Thank you for your time. I appreciate it.

19

CHAIRMAN SCHWARZ: I'm going
20 to just check on whether he have that
21 agreement or we need to do a deliberation.

22

CHAIRMAN SCHWARZ: So now, is
23 Mr. Shin here?

24

So thank you. You've been
25 very patient, we appreciate it.

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2

MR. DON SHIN: My name is Don

3

Shin. I'm from the Young Korean American

4

Service and Education Center.

5

We're a community

6

organization that assists Korean Americans

7

here in New York City.

8

One of our major initiatives

9

is to increase citizen participation in their

10

community.

11

So I thank you for having this

12

hearing.

13

First I wanted to start off by

14

thanking and commend -- so I'd like to commend

15

the Board for the translated Voter Guides.

16

They were very helpful for immigrant

17

communities in general and for our community

18

in particular.

19

Thank you for the distribution

20

of the Voter Guides as well, and the election

21

district with concentrated populations.

22

And I just wanted to just

23

encourage the Board to continue in their

24

efforts.

25

Just as a quick estimate, on

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2 our estimate, 70 percent of our community is
3 limited-English proficient, but that doesn't
4 --that doesn't deter them from the civic
5 process at all. In fact, I had the privilege
6 of volunteering at a poll site this past
7 November 8th and many of the people that came
8 and voted were elderly and did not speak
9 English well, but they were so eager to
10 participate to vote.

11 They told me that they voted
12 every year and that they just enjoy being part
13 of a process. But I feel like our
14 organization feels that the translated Vote
15 Guides allow them to take part in the process
16 for new citizens or elderly people who don't
17 speak English very well so that we believe
18 that the translated Voter Guides are crucial
19 to the integrity of democracy.

20 On that note I just want to
21 urge, I work with Mr. Chan and Mr. Park and
22 Mr. Chan who testified here earlier this
23 afternoon, I just want to urge, along with
24 them to urge the Board to expand the
25 distribution of the translated Voter Guides

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1

2 and to expand the Voter Guides to other
3 languages as well.

4

Just as far as I can say, we
5 concentrate and we work heavily in the Korean
6 American community. We actually have a voter
7 database published in the Korean American
8 registered voters in New York City. And we
9 had it broken down by borough and as well as
10 by election district. And those are -- that
11 is information that we can share with the
12 Board.

13

We believe that these Voter
14 Guides are not -- are very crucial and for
15 what's going on right now and in the future,
16 that further distribution, increased
17 distribution in other boroughs and other
18 election districts is crucial to continuing to
19 improve the democratic process in our city.

20

Thank you very much.

21

CHAIRMAN SCHWARZ: Thank you.

22

MS. GORDON: If you haven't
23 already been in touch directly with Elizabeth
24 Upp, who is in charge of our Voter Guide, I
25 hope you can make her acquaintance and become

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1

2 a regular contact for us.

3

MR. DON SHIN: Great.

4

Thank you very much.

5

CHAIRMAN SCHWARZ: Okay.

6

Thanks.

7

Is Mr. Meng here? Oh, Sandra

8

Ung.

9

MS. SANDRA UNG: Good

10

afternoon Board members.

11

My name is Sandra Ung, U-N-G.

12

I'm here on behalf of Assemblyman Jimmy Meng

13

who's representative of District 22.

14

I have a brief statement to

15

make on his behalf.

16

The reality is that

17

non-English proficient speakers are on the

18

rise in New York City. I represent a district

19

which is comprised of several groups of

20

non-proficient English speakers.

21

As citizens of the United

22

States these people have the right to vote and

23

they should be equipped with information

24

regarding the candidates and their right as

25

voters so that they can participate in one of

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1

2 most important basic civic duties, voting.

3

As an elected public official

4

I recognize I among other public officials, I

5

have to protect everyone's right to vote

6

pursuant to state and federal laws.

7

The Voters Guide should be in

8

different languages, languages that are and

9

should be representative of the New York City

10

population if we comply and make sure that

11

immigrants of this state will participate in

12

one of the most significant activities in

13

their civic lives.

14

Thank you.

15

CHAIRMAN SCHWARZ: So Nicole,

16

don't you have a question?

17

MS. GORDON: Sure.

18

Again, Elizabeth Upp is here

19

and I hope you'll make a direct contact with

20

her.

21

Did you, by chance, did you

22

actually get response from people? Did you

23

speak to members of the community who

24

commented on the guide?

25

MS. SANDRA UNG: Certainly

PAUL BECKER, CSR, P.C.

1

2 members of the community are happy that they
3 did receive the Voter Guide in different
4 languages and that did help their process of
5 voting.

6

MS. GORDON: And the one thing

7

I'm interested in is that I haven't heard and

8

I hope there aren't any, but I'm surprised and

9

delighted that, you know, we found that, you

10

know, the Korean guide is completely new,

11

pretty much new, but over the years we found

12

that getting Spanish translation and then

13

Chinese translation we have to be sensitive

14

not just to the literal translations, but also

15

to political and geographical differences

16

among different constituencies. And I'm

17

always pleased when people are pleased with

18

the translation because it's very hard to

19

sometimes to get the balance.

20

And I didn't know whether your

21

expertise extends to translation or whether

22

you heard any comments on the translation, but

23

in particular in Korean which we had the least

24

experience with.

25

I was wondering whether you

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1

2 had any back --

3

MS. SANDRA UNG: Yes, I would
4 be happy to get in touch with people and see
5 any feedback we have from the community
6 regarding how the translation worked out this
7 time.

8

MS. GORDON: Right, that would
9 be great because it would take a lot of
10 time --

11

MS. SANDRA UNG: We definitely
12 appreciate that you recognize the difference
13 between the literal translation and how
14 sometimes things are not -- cannot be
15 translated literally from other languages.

16

MS. GORDON: Right. In fact,
17 we have a system, a quality control system, we
18 have two different entities that do the
19 translation. One to do the actual translation
20 and then a separate one to study it and review
21 it so that it's not somebody reviewing the
22 work of their own group because that way we
23 are -- feel sure that we have the right
24 balance and the correct translation has been
25 made.

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1

2

Well, thank you so much.

3

MS. SANDRA UNG: Thank you.

4

CHAIRMAN SCHWARZ: You know,

5

I've been to Korea seven or eight times; were

6

you born there?

7

MS. SANDRA UNG: Oh, no,

8

actually I'm Chinese.

9

CHAIRMAN SCHWARZ: Oh, you're

10

Chinese.

11

MS. SANDRA UNG: I'm Chinese.

12

I wasn't born here I was born in China.

13

CHAIRMAN SCHWARZ: Okay. Thank

14

you.

15

MS. SANDRA UNG: Thank you.

16

CHAIRMAN SCHWARZ: Mr. Adams.

17

MS. GORDON: Adames.

18

CHAIRMAN SCHWARZ: Adams or

19

Adames?

20

MR. JOSE ADAMES: Adames.

21

CHAIRMAN SCHWARZ: My wife has

22

called me with what she says is a critical

23

question, and I will get your comments from

24

Nicole, and is it okay?

25

MS. GORDON: You want to wait?

1

2

MR. JOSE ADAMES: Sure.

3

4

5

6

7

8

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25

MS. GORDON: I just want to say

that this work has been tremendously hard and

these are very demanding elections for us.

And after the election we usually experience a

rest. But for some reason and this year there

hasn't been any down turn in the work load so

I want to thank the staff, again and applaud

them for the hard work they've done and

continue to do and the patience that they

have.

I know personally how

frustrating a lot of the challenges we have

can be. I also wanted to comment on a couple

of things that we've heard today and who say

that we've gotten some comments that I think,

people might misinterpret about the work of

the staff. And we also got actually a little

bit - this is unusual - we got a little credit

that we didn't deserve.

So I'm just going to comment

on the criticisms that I think were maybe not

as informed.

I just would not like the

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1

2 Board members when they read this transcript
3 to think that because we did not respond every
4 time a candidate mentioned difficulties that
5 that meant that the difficulties were
6 necessarily the fault of the staff or that
7 they can't be corrected or that they weren't
8 corrected in a timely way.

9

I don't recall what the issue
10 was about dots or periods or in the computer
11 systems, but I know that it wasn't through
12 fault of anybody on the staff that we couldn't
13 deal with that as quickly as we might have
14 liked.

15

A second comment, and I don't
16 want to say in general, you know, we know
17 internally what kind of education we do and I
18 had hoped at some point today, Fritz to give
19 Erik a chance to show the Board a brief
20 presentation he did of Cobalt on the purpose
21 of candidate training and how you go about it.

22

I'm going to obviously hope
23 that the Board has time for that next time.
24 But it's only a ten-minute presentation but I
25 think it gives people a sense of what the

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1

2 staff efforts are like.

3

4 On the side of the credit that
5 we don't deserve, there was some talk about
6 the TV, the Video Voter Guide which we did not
7 have anything much to do with. We did
8 publicize it a great deal. I know, in fact,
9 we're very grateful for that publicity. But
10 rather than interrupt every candidate every
11 time various things were mentioned, I sat
12 silently and I hope people don't take that
13 either as an agreement that any issue like the
14 periods and the computer software on the one
15 hand are a credit that may not be due to us
16 should be, you know, assumed to be true.

16

17 Anyhow, Fritz I was just, what
18 did I call this vamping (phonetic)?

18

(Laughter.)

19

20 CHAIRMAN SCHWARZ: Frankly, I
21 think that has a different meaning to me,
22 don't think --

22

23 MS. GORDON: I think there's a
24 musical term, you know, when you're waiting
25 and an interlude you just keep talking, but
26 that's not to say that --

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CHAIRMAN SCHWARZ: If you look
it up you'll find it's not the meaning.

MS. GORDON: Well, it's got
more than one.

Anyhow, Fritz, I hope when you
get the transcript you'll read my brief little
comments.

I was really just thanking the
staff for the work that they do and
understanding that sometimes it's hard to
listen to things that are going on and not
have a chance to respond to it. And also that
unlike other years when we've had an immediate
fall off in workload, this year has been
uncharacteristic because we really haven't had
any rest at all and people are waiting for
that moment when they can go back to their
desk and deal with the several months of
correspondence that hasn't been dealt with
because it was urgent at the time.

Anyway, with that, maybe
Mr. Adames, thank you for your patience.

CHAIRMAN SCHWARZ: And then my
wife, after making an urgent request that I

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1
2 call her, I called her and I get a voice mail
3 so.

4 MS. GORDON: Oh, well, women.

5 (Laughter.)

6 MR. JOSE ADAMES: Mr.
7 Chairman, I would say thank you to the Board
8 of the Campaign Finance Board and the job they
9 do.

10 If I look at it as an
11 institution doing its job, beautiful job, very
12 kind the people in here. They even -- when I
13 had time and meetings, sometimes I couldn't go
14 to all the events and technology and the
15 campaign.

16 And the only complaint I would
17 say about the institution working by itself,
18 is about the Voter Guide (indicating.)
19 Beautiful magazine but I will suggest that
20 they do the statement from the candidate in
21 the same letter they use for information.
22 They put the statement very little, it's many
23 people don't read. If at least they can put
24 it in the same size.

25 MS. GORDON: Larger type.

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1

2

MR. JOSE ADAMES: Huh?

3

4

MS. GORDON: You want larger
type.

5

6

7

8

MR. JOSE ADAMES: Yes, the
candidate statement is too little and the
information is big enough to read it so they
can do that.

9

10

As I said, marvelous magazine,
I think you do a marvelous job on this.

11

12

MS. GORDON: Thank you very
much.

13

14

15

16

17

18

MR. JOSE ADAMES: That's an
institution doing his job. But there's a
problem. This institution over change where
you had a link in two part, the Board of
Election and the Campaign Finance Board.
There's a big problem here.

19

20

21

22

23

24

25

I would say that bigger
problem of all is that the Campaign Finance
Board was created to help reduce the influence
of money. In the way that City Council create
the rules, they change it worse. It's not
that the influence of money is biggest because
of the influence of money is the way they put

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1

2 a big threshold. Now the middle class people,
3 the working class people, the poor people are
4 not even considered as a candidate.

5

I was trying to run for Mayor
6 and they didn't even mention my name and not
7 just my name, Mr. Brodeur, other candidates
8 were never mentioned in any place because they
9 know we cannot match this threshold. They do
10 it for millionaires and elected officials,
11 that kind of money.

12

CHAIRMAN SCHWARZ: You mean
13 the media --

14

MR. JOSE ADAMES: The media
15 doesn't recognize anybody that is not
16 millionaire or elected official because they
17 know we cannot match that kind of money.

18

I make near to 30 thousand
19 dollar, they ask me 240,000 to match. How can
20 I make that? Not --

21

CHAIRMAN SCHWARZ: Doesn't one
22 need to look at that by comparison to what the
23 world would be like without a campaign finance
24 system, because without the campaign finance
25 system, I think it's the case relatively

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1

2 speaking, a person trying for the first time
3 to go out and get recognition would be worse
4 off.

5

MR. JOSE ADAMES: Well, I have

6

7

8

9

10

11

12

run seven time for office and the second time
I applied was this one. The first time I was
not recognized because I came late, I didn't
know about the deadline. And now that I have
the deadline I was not recognized because I
couldn't even finish out the matter about my
bank statement and everything.

13

I wouldn't even think most of

14

15

16

17

18

19

20

the businessman here doesn't even think of
giving money to non-elected officials,
candidates or non-millionaires because we not
going nowhere with that kind of threshold.
Imagine I have to work like twenty year to put
\$240,000 as a bank deposit, I cannot even
dream.

21

That's one of the major

22

23

24

25

problem with the Campaign Finance Board with
the new system. As you know, I'm following
the court case (indicating) but I'm including
that situation, I'm trying to get the judge to

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1

2 eliminate the threshold so we can at least
3 have the opportunity to compete. Because this
4 is a beautiful, how you say, compared to the
5 Board of Election, this is heaven.

6

CHAIRMAN SCHWARZ: Did you
7 fall short of the threshold?

8

MR. JOSE ADAMES: Excuse me?

9

CHAIRMAN SCHWARZ: Did you
10 fall short of the threshold?

11

MS. GORDON: Yes.

12

MR. JOSE ADAMES: I couldn't
13 even get out and not even in the --

14

CHAIRMAN SCHWARZ: How far did
15 you get towards the threshold?

16

MR. JOSE ADAMES: No, no, not
17 even dream, I can't even match.

18

MS. GORDON: He was a
19 candidate for Mayor and he had a small
20 campaign in 2000.

21

CHAIRMAN SCHWARZ: I see,
22 okay.

23

MR. JOSE ADAMES: I live in a
24 neighborhood where the most of the -- most
25 people work for 40 thousand dollars and under,

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1
2 \$40,000 a year and the margin doesn't even
3 look at any one that is not an elected
4 official to come down.

5 CHAIRMAN SCHWARZ: Actually, I
6 see your name everyday because it was on the
7 -- it's on the lamppost or something like
8 working --

9 MR. JOSE ADAMES: One of my
10 campaign. The campaign for poor people or
11 working class, we cannot go on television.
12 You know, can not even bring or reaching one
13 advertisement, take me three or four years
14 just to pay one minute on television.

15 CHAIRMAN SCHWARZ: Okay.

16 MR. JOSE ADAMES: I'm filing
17 this complaint in court because I want to
18 eliminate that threshold, not just for me but
19 for everyone that is not a millionaire or is
20 not an elected official because we cannot
21 dream about it.

22 I would say the other part of
23 the link is what the Board of Election has
24 been driven to, there's a conspiracy against
25 me at the Board of Election and the Campaign

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1
2 Finance Board of getting -- been driven into
3 the conspiracy I will say involuntarily.

4 First, because the Mayor of
5 New York City collect petitions and he
6 submitted some illegal petitions, signatures
7 without name, they don't say name and
8 signature, you must. The Board of Election
9 didn't -- in the, what they call prima face
10 (sic) that have to eliminate that from the
11 very beginning and they didn't.

12 I submitted objection, they
13 blocked the objection and even to the hearing,
14 the call the case number five and I wasn't
15 number five. And then they say you cannot
16 talk because when we called number five you
17 didn't answer.

18 From that I follow through
19 court. And, again, had another problem to get
20 justice in court. But you have to know where
21 you are in the place, if you don't have
22 signature you're not a candidate. Supposedly
23 the Mayor got reelected as a candidate that
24 was illegal, he had no signature, not a single
25 one.

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1
2 He make the form for him to
3 run, he need signature, he didn't leave a
4 space for name so there were no correct
5 signatures, scratches you couldn't even tell
6 the site. And I brought that to Board of
7 Elect, and the Board of Election didn't even
8 do anything to stop it. They brought me out,
9 I've been brought at the Supreme Court, the
10 State and also in the District Court.

11 There is a lot to say but I
12 would like to ask -- the Campaign Finance have
13 been, I would say, very ethical institution as
14 far as I can see, cannot complain as far as I
15 can see.

16 There is an ethnic in here
17 that you were asked to put a candidate in your
18 list that was not a candidate, that was the
19 Mayor. You were asked to include a candidate
20 that was not a candidate in the debates, that
21 was the Mayor who was not a candidate, of
22 course. Without my money we cannot look like
23 it doesn't work as the justice system because
24 I cannot get lawyer. The cheapest one I find
25 out asked me 25 thousand dollars, almost a

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1

2 year just to start the case.

3

4 And I filed pro se in court
5 but you have to understand the law is the law.
6 The Board of Election give this (indicating)
7 to everyone to follow the rule designated to
8 each. And they even gave out a sample for the
9 format where to collect the petition that said
10 name and signature. The Mayor wanted to do
11 his own format, signatures without name. I
12 mean he's not a candidate because the law say,
13 6130 the petition have to have signatures and
14 name, it didn't.

15 And there is a lot of more
16 complaint about, I don't want to get into this
17 because I even have signature from
18 Westchester, signature from Nassau County, so
19 they run in the seat just so the Mayor's
20 petition. That's another complaint, I don't
21 want to get into that, I just wanted to tell
22 you you have in your list one candidate that
23 was illegally reelected. The Mayor is not the
24 Mayor.

25 And thinking I know that if I
say I'm the elected Mayor somebody going to

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1

2 scream now but I as a Mayor, the first thing
3 that we have to do is to appoint somebody as a
4 liaison between the Campaign Finance Board and
5 the Board of Election because it's not the
6 only complaint. There so many things in the
7 link between the Board of Election, people
8 that are running that are illegal.

9

 When I run as a Councilman, I
10 was legally but I was not set to be in program
11 because of supposedly the Board of Election
12 doesn't give out too much, I don't know
13 exactly what is the divorce, I would say is
14 between the Campaign Finance Board and the
15 Board of Election because the Board of
16 Election doesn't give out that much
17 information about the Campaign Finance Board.

18

 If you don't know, let's say
19 somebody from Brooklyn come to run and the
20 Board of Election he doesn't have a friend
21 have experience, he might learn after that he
22 was running illegal because they don't say.
23 Have to be a liaison.

24

 And I would say we have to
25 tell the Mayor, the Mayor just said in one of

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1

2 his advertising I don't need this job, I will
3 tell the Mayor, please give it up because you
4 hurting too many people.

5

And next year we going to have
6 police officer in here, that are going to be
7 lower pay officer in the -- I would say public
8 employee pay in whole city and the nation.
9 They going to be making 25 thousand dollar a
10 year, that's amazing.

11

As the Mayor, the first thing
12 I will say, denounce that situation, it can't
13 be. Just the police that are getting killed
14 on that street, to tell somebody work this
15 bunch for police and come out with 25 thousand
16 dollars a year, as the Mayor did just getting
17 to campaign to get the police that our offer
18 for the police coming in the first -- coming
19 in with 25 thousand dollars, doesn't make
20 sense.

21

MS. GORDON: You might raise
22 some of the issues that you have with the
23 Board of Elections. There is a -- there are
24 two other places you might be interested in, I
25 mean maybe you know about the Voter Assistance

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1

2 Commission, and also the Mayor created the
3 task force on the Board of Elections. And if
4 you have specific thoughts I'm sure they'd
5 be --

6

MR. JOSE ADAMES: I would like
7 to get that information.

8

MS. GORDON: You know what,
9 I'll have somebody from the staff could maybe
10 send you, Erik will send you addresses if you
11 like to get that, because other people have
12 asked the question a little bit about the
13 relationship between the Campaign Finance
14 Board and the Board of Elections. And there
15 is not an actual relationship but we try and
16 work together. But as you say, it's not --
17 it's not --

18

MR. JOSE ADAMES: A link have
19 to be established between the two because --

20

CHAIRMAN SCHWARZ: So maybe
21 you can just give him that information right
22 now.

23

MR. JOSE ADAMES: I have it
24 here, name and New York City Campaign Finance
25 Board as a part of the defendant because of

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1
2 the problem with the law, with the threshold.
3 But I would not like to accuse the Campaign
4 Finance Board as part of the conspiracy
5 because I know in the way I see the Campaign
6 Finance Board, I know you won't be doing that
7 kind of stuff.

8 CHAIRMAN SCHWARZ: We don't
9 take it personally.

10 MS. GORDON: And we're very
11 grateful for your positive comments.

12 MR. JOSE ADAMES: I would say
13 the service -- I would have to say the service
14 I receive was beautiful but at the same time I
15 have to say like it made me lose a little time
16 because I tried to get the matching fund, it
17 didn't help me, I couldn't get the matching
18 fund. Even if I do everything, if I don't
19 have money --

20 MS. GORDON: What difference
21 does it make.

22 Thank you.

23 MR. JOSE ADAMES: Thank you.

24 CHAIRMAN SCHWARZ: Erik's
25 right there and he's going to give that

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1

2 information right outside.

3

MR. JOSE ADAMES: Thank you.

4

CHAIRMAN SCHWARZ: Okay. Dan.

5

MS. GORDON: Dan Forman.

6

MR. DAN FORMAN: Hello.

7

MS. GORDON: How are you?

8

CHAIRMAN SCHWARZ: The

9

perpetual winner of the debate sweepstakes.

10

(Laughter.)

11

CHAIRMAN SCHWARZ: We should

12

have an investigation.

13

MR. DAN FORMAN: I'm only a

14

recipient, I've had a lot of great advice on

15

that. And a lot of groups. The League of

16

Women Voters helped me over there and it

17

really taught me a lot. Had a lot of good

18

help.

19

How you doing?

20

MS. GORDON: Good. How were

21

you?

22

MR. DAN FORMAN: Good.

23

MS. GORDON: Thank you for all

24

the good work your people did.

25

MR. DAN FORMAN: You're

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1

2 welcome.

3

MS. GORDON: It went extremely

4

well.

5

CHAIRMAN SCHWARZ: You know,

6

there was -- before you start whatever you

7

intend to say, there was a suggestion that if

8

a self-funded candidate does not attend the

9

debate, that self-funded candidates should get

10

an extra payment from the government.

11

MS. GORDON: The opponent of

12

the self.

13

CHAIRMAN SCHWARZ: The opponent

14

of the self-funded should get an extra payment

15

from the government.

16

Do you have any reaction to

17

that I mean?

18

MR. DAN FORMAN: I think that

19

-- my reaction is that something needs to be

20

done to make sure that we can tell everybody

21

that -- we need to have the debates before the

22

public. And I think that's -- I think we have

23

to get creative about it and really, you know,

24

use the time to think --

25

CHAIRMAN SCHWARZ: Even a

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1
2 small payment would make clear that it's a
3 matter of interest to the public at large and
4 that the City is being cost -- is being
5 deprived of much needed money because a person
6 refused to show up for the debate. But it
7 happen for your debate but --

8 MR. DAN FORMAN: It happened
9 in some others and it could be worse, a person
10 cannot show up for any of them.

11 So I think it is important to
12 try and -- it became a real news point, I mean
13 we were doing stories on that almost everyday.

14 But anyway, let me -- I've
15 never done this before.

16 CHAIRMAN SCHWARZ: Well, first
17 you've got to swear to tell the truth, the
18 whole truth.

19 (Laughter.)

20 CHAIRMAN SCHWARZ: For the
21 first of our witnesses. News people, we have
22 to be --

23 MR. DAN FORMAN: My name is Dan
24 Forman. I'm the Senior Vice President of News
25 and the Station Manager at WNBC TV Channel 4.

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I have to begin by saying to

commend the professionalism of the Campaign

Finance Board: Nicole, Carole, Andrea, Tanya,

the whole staff for their courteous and

thorough organization of this whole process.

I think because they're so

comprehensive, the sponsor selection process

guaranteed the highest possible quality and

viewership to the people of New York. And I

think that that's the debate part of the

program.

And it also provided a

tremendous service with the Voter Guide which

actually I learned a lot more about through

the process and we actually enjoyed promoting

that.

The staff was very helpful and

diligent throughout and we appreciated that

because we have a lot of moving parts in

television.

We also appreciated their

flexibility to the degree they could based on

the law about, you know, how we handle the

content of the debates. And I'll talk a

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2 little more about that, it's sort of an
3 overview.

4 Again, an overview, things
5 that I think we can look at improving: In the
6 world of millionaire candidates how we can
7 compel them to strengthen the law which we
8 discussed a little bit of?

9 Looking at the -- in the base
10 side of this whether we stick with a full one
11 hour and some of the minor candidate in
12 looking and seeing how we can make that work.

13 The criteria to include
14 candidates and just one suggestion, I think as
15 we move into the digital world I think for
16 the next round you're going to see web cast
17 and all kinds of components like that being a
18 big factor. So I guess a suggestion, I
19 would --

20 CHAIRMAN SCHWARZ: And
21 therefore what?

22 MR. DAN FORMAN: Well, the TV
23 and the computer is going to merge so I think
24 people, you know, part of their -- your
25 solicitation of your proposal should be how

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2 are they going to get --

3

4 MS. GORDON: Does that mean
another remote, a fourth one or something?

5

6 MR. DAN FORMAN: No. It means
they can watch this debate or pieces of it on
7 their cell phone or PDA.

8

9 CHAIRMAN SCHWARZ: So you're
saying in doing the process about thinking
10 about sponsors, we should be asking what their
11 capacity is to hook up --

12

13 MR. DAN FORMAN: On all
different digital platforms. Channel 4 for
14 example, is now going to have a second and
15 third channel so if you have digital cable
16 anywhere in the city, you know, maybe that
17 debate re-runs or goes along the form on
18 digital platforms.

19

20 Maybe there are shortened
nuggets of it in chunks, five minutes at a
21 time so it's put out over the cell phone.
22 Maybe the technology will be there then to
23 watch the whole thing.

24

25 The technology is changing at
lightening speed and I just think it's going

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2 to be a consideration that you might want to
3 be looking into in the next round.

4 Digging down to the specifics,
5 we start right where you began about how we
6 deal with high-spending participants or part
7 high-spending candidates. Some kind of a law
8 even if it came outside the Campaign Finance
9 Board program that would require serious
10 candidates, particularly incumbents who spend
11 their own money to be -- to participate in at
12 least two debates for each part of the
13 election cycle, primary and general election.

14 Again, I realize it's outside
15 the purview of possibly --

16 CHAIRMAN SCHWARZ: Isn't --
17 let me just, isn't that required for anybody
18 who's participating in the program?

19 MR. DAN FORMAN: In the
20 program. I'm talking about a wider election
21 law if that's possible to work on. We just
22 think that it's important because it reduces
23 the manipulation to kind of --

24 CHAIRMAN SCHWARZ: From a news
25 person's point of view, is two -- there may be

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2 other reasons for having two per primary and
3 two per general, but from your perspective as
4 a news person, is two the right number or
5 would you like to see three or four debates
6 from people for --

7

MR. DAN FORMAN: You know, it
8 feels like the right number to me over the
9 years. The first one sort of sets the stage
10 and the second one sort of weeds it out.

11

In our case it was the leading
12 contenders. It takes a lot of preparation by
13 the candidates and a lot of preparation by the
14 stations, a lot of commotion for the TV
15 stations. It's a large effort and the public
16 I think can only take so much as well.

17

I was happy to see that even
18 with our second debate with the polls lopsided
19 people tuned in.

20

MS. GORDON: Well, they did.

21

CHAIRMAN SCHWARZ: What were
22 the statistics on that?

23

MR. DAN FORMAN: I don't have
24 the specifics with me. I can get them but we
25 were surprised that as many people -- were

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2 were happy with it. Again, we have no
3 commercials in it. For us it's a public
4 service and an image, you know, bonus. But we
5 were very happy to see that people tuned in
6 because we want people to be informed, that's
7 the number one thing.

8 CHAIRMAN SCHWARZ: I think
9 that would be, if you could give --

10 STAFF MEMBER: In ours
11 actually, I just received them yesterday
12 actually.

13 MR. DAN FORMAN: But there
14 were very strong and --

15 CHAIRMAN SCHWARZ: I think
16 that's relevant to the discussion about the
17 importance of debates.

18 MR. DAN FORMAN: People tuned
19 in, they wanted to, you know, see what the
20 issues were going to be and how they were
21 going to be handled. Even if they know who's
22 going to win they want to see how this guy's
23 mind work.

24 How often do you get a chance
25 really to see on broadcast, you know, the

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2 incumbent handle various different situations?

3 I think it adds insight into it.

4

5 CHAIRMAN SCHWARZ: What time of
day was your --

6

7 MR. DAN FORMAN: 7:00 we ended
up. It was interesting because we ended -- we
8 had initially proposed on Sunday morning
9 because Sunday morning is now a place where a
10 lot of public discourse happens. It ended up
11 for a variety of scheduling reasons and it
12 will probably always be that way, in
13 September, we had September 11th and depending
14 on when it falls, this year it fell on a
15 Sunday and in the Marathon, the Marathon is
16 always the Sunday before elections, I think
17 generally speaking. So it's something to
18 keep in mind for the future.

19

20 We had it 7:00 and, you know,
that's an expensive time period, but we were,
21 you know, very happy that we did it, everybody
22 in our station.

23

24 MS. GORDON: The pros and
cons, I mean include the fact that on one hand
25 Sunday is a good time because a lot of people

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2 are interested and want to watch. But on the
3 other hand it's also nice if - and who knows
4 how this is working out, if you're capturing
5 any audience that is not as informed and is
6 thereby getting a little extra because they --

7

MR. DAN FORMAN: Well, what I
8 think what was good was that one ended up --
9 the WABC debate ended up, even though it
10 wasn't a CFB debate, was on Sunday morning and
11 ours was during the week. And I think that
12 served the public well to have one on Sunday
13 morning and one at 7:00. That was good.

14

MS. GORDON: I have two
15 questions:

16

One has to do in just
17 generalities without naming any names, are you
18 -- and now you've been through this more than
19 once and with two different networks, I'm
20 curious to know whether, you know, one of the
21 most -- one of the very important things about
22 the debates the Campaign Finance Board
23 sponsors is that candidates cannot negotiate
24 the format or the terms or anything.

25

Were you put under pressure to

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2 do things in any other way than that?

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MR. DAN FORMAN: At the end

there were some circumstances that came to

pass. I think, I don't know if this happened

to NY1 at all, but where the -- there were some

questions asked about the format of our debate

and whether or not that had been laid in what

we had -- we were going to do.

And we maintained and held our

ground that it was within what we had said we

were going to do but there was a challenge to

it.

MS. GORDON: Right, because

one thing that would be helpful to us is we,

you know, after each election we go through

absolutely everything we did,

administratively, MOU, Voter Guide,

everything, and try to see what were the

challenges, what we can improve on and so on.

And one thing is that anything

that you experienced during this period,

including pressure from the outside or what

have you, that we can guard against for the

future either by clarity and the MOU or any

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2 other means, please let us know because that's
3 a very tough place.

4

MR. DAN FORMAN: I can give
5 you this as an -- I think, you know, the MOU
6 on our part and the way we proposed it, if we
7 had made it maybe a little bit more
8 all-inclusive we wouldn't of had that
9 situation. So I think I learned something
10 there about how to prepare it on our end too.

11

MS. GORDON: And the other
12 question I have is totally unrelated to the
13 debates but to local advertising, I've heard
14 two different versions of this and I'm curious
15 whether you're able to give me the correct
16 information --

17

MR. DAN FORMAN: I'll do my
18 best.

19

MS. GORDON: -- about law --
20 about the requirement that you sell
21 advertising at the lowest available rate to
22 political campaigns. It was explained to me
23 once that when a candidate has a lot of funds
24 available and can buy up a lot of time, that a
25 side effect of that is that it drives up

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2 whatever the lowest rate is. And I didn't --
3 I wasn't sure if that made sense or not, and I
4 don't know whether I'm making sense to you by
5 repeating what was said to me, but is that
6 true and did that happen in this case?

7

MR. DAN FORMAN: I don't know
8 if it happened in this case and I don't know
9 if it even happened at all. In general it
10 does tighten up the market.

11

MS. GORDON: And the result of
12 that is a higher cost per 30 seconds or it
13 means the space is just not available?

14

MR. DAN FORMAN: It could be
15 both. And then there's -- they can buy it at
16 two rates and the lowest unit rate I think can
17 be moved around --

18

MS. GORDON: By the demand of
19 other political campaigns?

20

MR. DAN FORMAN: No, no, not,
21 not the -- they can't be bumped out by another
22 political campaign, but anybody that buys at
23 the lowest unit rate can be moved. If you buy
24 at a higher rate you can't be moved.

25

MS. GORDON: Oh, I see. So

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2 what it really does is it means that you pay
3 the same amount but you won't get the spot
4 you're hoping for?

5

MR. DAN FORMAN: You'll get
6 the number of eyeballs but they may have to
7 move it around. If you pay a higher rate,
8 it's like locking in a mortgage or something,
9 you'll know you'll get it. The other one
10 you're planning.

11

MR. JOSE ADAMES: I would like
12 to give you some information about the
13 debates, because I think it should be more
14 democratic debates. It's like a dictatorship.

15

When I went to the debate at
16 City Hall, NY1 didn't allow me to get in
17 because they knew -- they said that was the
18 reason. They didn't allow, the elected
19 official tried to get in, I don't know because
20 of what reason, but the worst of all is that a
21 reporter from 1010 Wins was not allowed in to
22 cover the event because was given to NY1.
23 That's the worst thing because the purpose of
24 the debates is to bring information to the
25 public.

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How come -- that's the first time in my life that I see news reporter being rejected by a news reporter in covering an event. Have to have something more clear on the situation at City Hall.

MR. DAN FORMAN: So since I'm not on the sales side I'm really not -- I'm not really expert on how all that works so, you know, I would rather get you a better answer on that because I'm a little shaky on that.

The other thing is I'd like to address the questions that you had put out about we -- questions 33 through 36 so I'd like to take a moment to address those.

Regarding our feeling on how to educate viewers, we actually feel that it did. And that's what we said, we think there was high viewership as well.

We did the utmost to publicize the debates and put them in prominent positions on the air. Where we could we even reaired some of the debates on a Sunday morning to give them a second viewing.

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Now, regarding the criteria

3

for participation in the debate, I think -- I

4

think it was generally effective. We even got

5

some interesting civic points of view like

6

Andrew Rasiej and some of the exposure to their

7

ideas. But we do have some issues with the

8

polls and what uses of the polls are to

9

determine who should be in.

10

We think there should be a

11

dedicated round of polls performed by or

12

sponsored by the Board or by the public

13

because of several reasons: The public polls

14

may not guarantee that you get the CFB

15

specifications. And this means that, you

16

know, they may be asking different questions

17

or on a different time limit basis and that

18

didn't cut it, that caused us some issues as

19

we were determining who would participate.

20

Even using multiple public

21

polls doesn't really work because the

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questions are different. And this often leads

23

to a lack of clarity and what we can take away

24

from these bills.

25

CHAIRMAN SCHWARZ: Was this a

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2 abstract and hypothetical condition or a real
3 concern in --

4

MR. DAN FORMAN: No, this
5 happened. This was a real concern on a couple
6 of debates both for the Mayor and for the
7 other offices.

8

In general all polls are
9 estimates so, you know, you have a five
10 percent error rate going either way. And
11 basically we think that most of these issues
12 can be addressed with the CFB commissioning
13 their own survey with clear public and
14 disclosure of polling criteria, timing and
15 candidates and establish and communicate well
16 in advance.

17

But even against that
18 backdrop, the poll we think is the weakest of
19 all the elements of the weakest link in the
20 criteria chain which includes is there
21 evidence of the campaign, and the war chest,
22 the monetary threshold.

23

So that's one of the things
24 that we would like to see happen because it
25 would be a poll that the public pays for and

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2 it's a criteria so that you get what you want
3 and we can use that fair and square.

4 Another thing that was
5 interesting that came up, something that we
6 think the sponsor should pay for and we did
7 pay for, and we did continue to pay for is for
8 the paying and selecting of translators. This
9 was into Chinese and Korean.

10 And what we found going into
11 this was that there are different factions,
12 political factions in these cultures and you
13 want to make sure that you have people that
14 down the middle are doing the translating. So
15 that's something that we think a news
16 organization is best served in doing as part
17 of the sponsors.

18 CHAIRMAN SCHWARZ: In other
19 words, it's best for you to pick the
20 translator.

21 MR. DAN FORMAN: To pick them
22 and pay for them.

23 CHAIRMAN SCHWARZ: And what
24 happened this year?

25 MR. DAN FORMAN: Well, we found

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2 for example, in the Chinese community there
3 are people that are more sort of pro
4 government, Chinese Government and sort of
5 more that are a little more challenging to the
6 government and they might translate a little
7 bit differently so.

8

CHAIRMAN SCHWARZ: No, what I
9 meant was, this year did you pick the
10 translator?

11

MR. DAN FORMAN: Yes, we did.
12 We were just seeing that that was a good
13 practice --

14

CHAIRMAN SCHWARZ: You're
15 saying it's important.

16

MR. DAN FORMAN: -- that we
17 saw and you probably want to retain it.

18

MS. GORDON: In fact, we have
19 some very interesting press on this whole
20 issue because earlier on when there was a
21 question about who would, for the Chinese
22 community, broadcast some of the debates, we
23 didn't realize this until after the fact, we
24 didn't know that there was one --

25

MR. DAN FORMAN: There's a

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2 couple of different groups out there and we
3 learned a lot from that. And I'll tell you,
4 it was great for our news department and I'll
5 tell you, no, I'll tell you why, it's a really
6 good story. The spin off of this of us being
7 involved in this whole process helped our news
8 department. By the way, I think it really got
9 us organized about covering the elections much
10 earlier in the year than we would have, but
11 the best part was because what would happen
12 with the Chinese is we invited both groups to
13 come and speak to the editorial staff of our
14 news department.

15 And we learned about China. We
16 learned about what's going on there, what's
17 going on in TV, what's going on with the
18 government. And for a local news room, China
19 is going to be a dominant force in the world.
20 It already is and it's going to be more as we
21 go to Beijing for the Olympics, our company in
22 particular, NBC. So it was a real nice spin
23 off that it got us into that.

24 Just a few more and then I'm
25 going to let everybody go.

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2 One thing is that as we went
3 along we do feel that the CFB was very
4 flexible, but there were some requirements
5 that were needed that did hem us in a little
6 bit sometimes in how we would format or put
7 content in the debate. And I would just say I
8 realize that's important but as much
9 flexibility as you can leave to the sponsor
10 once you decide to trust them I think is
11 better.

12 We tried to be a lot of things
13 to a lot of people, we wanted to make sure
14 that, you know, we got in to as many
15 communities, as many cultures as possible.
16 And I think for the most part we did that,
17 probably a little so much that we lost a
18 little continuity on the TV side. We
19 compromised on the TV side a little bit. But
20 that's okay, I'd rather err on that side.

21 But I think a little more
22 flexibility there is a good thing as much as
23 we can do it in the law.

24 The Board was very sensitive
25 to letting us, for example, top the program,

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1

2 lay out the purpose of the Board and the
3 requirements and letting us make that a little
4 more consumable for the viewer, doing it TV
5 style. So we appreciate that flexibility, we
6 think it helped the program and kept people
7 engaged.

8

We think that the added
9 questions from the boroughs did work well as
10 well.

11

In terms of the length of the
12 debates, we did shorten the control of the
13 debates, the length of a news forum which is
14 about an hour. There was a negotiation as we
15 went along, if people didn't show would it
16 be shorter? Again, we want to serve the
17 public but we also want to make sure that it
18 make sense to us for how long it's on the air
19 because the pressure on the real estate on
20 television is very high.

21

We did have an hour debate for
22 public advocate which was lively but we think
23 the issues put before Betsy Gotbaum and Jay
24 Golub could have been handled in a half an
25 hour. Perhaps when there are two qualifying

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2 candidates, but if the second candidate's
3 polls less than 15 percent or some other
4 number, maybe that's when the sponsor might
5 have the option of shortening the debate, just
6 a suggestion.

7 And we also want to put --

8 MS. GORDON: That would have
9 to be a change in the law.

10 MR. DAN FORMAN: I understand.
11 I'm just throwing it all out there.

12 MS. GORDON: No, I know, I'm
13 just reminding everybody to make a note.

14 MR. DAN FORMAN: And one last
15 thing or something that might be addressed
16 here, a hypothesis, what if there was a
17 self-financed candidate and a
18 non-participating who otherwise has a serious
19 campaign, who wants to debate a participating
20 candidate? For example, let's say Bill
21 Thompson is running as a Democrat and Felix
22 Roden finances his own campaign, and Roden
23 wants to debate. But since they're not two
24 candidates should Thompson be required to
25 debate?

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MS. GORDON: Not two

3

candidates who what? Not two candidates in

4

the election, not two candidates in the

5

program?

6

MR. DAN FORMAN: Not two

7

participants.

8

MS. GORDON: Not two part --

9

CHAIRMAN SCHWARZ: One's in,

10

one's out.

11

MR. DAN FORMAN: One's in,

12

one's out, but the one who wants the debate --

13

MS. GORDON: If the one's out,

14

got it, got it, got it. Oh, yeah, I think I

15

have to --

16

CHAIRMAN SCHWARZ: But he's

17

saying is that crystal clear.

18

MS. GORDON: Isn't it?

19

MR. DAN FORMAN: I don't know

20

if it is.

21

MS. GORDON: Well, that's

22

something we should check and make sure.

23

MR. DAN FORMAN: So it's a

24

little loophole to leave you with.

25

MS. GORDON: Yes.

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MR. DAN FORMAN: And that about
completes what I have to say.

MS. GORDON: Well, thank you so
much.

CHAIRMAN SCHWARZ: Thank you
very much.

So are you going to switch
channels to the end before --

MR. DAN FORMAN: No, no, it
was an interesting set of circumstances for me
but it has given me great perspective to see,
you know, this really is at this point a
two-station market, most of the people turn to
their news at this point to 4 and 7 and to be
able to see it from both sides of the two
great operations, they approach the news in a
lot of different ways, but in some ways the
same with a very high standard. And I think
people out in the public don't always
appreciate what goes into whether it's debate
or news coverage everyday and how seriously we
take it that in order to be fair and protect
people's identities when it's appropriate and
to expose the truth, we take it very

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2 seriously.

3

4

CHAIRMAN SCHWARZ: Have you
seen the movie Good Night and Good Luck?

5

MR. DAN FORMAN: Yes.

6

7

CHAIRMAN SCHWARZ: Because in
that era the other one was probably the prime
for movies, Channel 2 was.

9

10

11

12

13

14

MR. DAN FORMAN: Well, times
have changed, you know. I know, look, we
would love to see a strong Channel 2 and a
strong Channel 2 and a strong Channel 5,
because it's better for competition. It keeps
the rates up.

15

16

CHAIRMAN SCHWARZ: Good.
Thank you.

17

MS. GORDON: Thank you.

18

19

MR. DAN FORMAN: We had a good
time. Hope to see you again.

20

21

CHAIRMAN SCHWARZ: So we're
done.

22

23

(At 5:10 p.m. the proceedings
were concluded.)

24

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3 C E R T I F I C A T E

4 STATE of NEW YORK)

5 : ss.

6 COUNTY of NEW YORK)

7

8 I, Marc Russo, a Notary

9 Public within and for the State of New

10 York, do hereby certify that the within

11 is a true and accurate transcript of

12 the proceedings taken on December 13,

13 2005. I further certify that I am not

14 related to any of the parties to this

15 action by blood or marriage and that I

16 am in no way interested in the outcome

17 of this matter.

18 IN WITNESS

19 WHEREOF, I have hereunto set my hand

20 this 5th day of March, 2006.

21

22

23

MARC RUSSO

24

25

PAUL BECKER, CSR, P.C.