

**Testimony of Nicole A. Gordon  
Executive Director  
New York City Campaign Finance Board**

**City Council Committee on Governmental Operations  
City Council Committee on Finance  
May 22, 2006**

Good afternoon, Chairman Felder, Chairman Weprin, and Committee members. I am Nicole Gordon, Executive Director of the New York City Campaign Finance Board (CFB). With me are Assistant Executive Director Amy Loprest and General Counsel Sue Ellen Dodell.

**Campaign Finance Board Updates**

In April, the Board held its 4<sup>th</sup> public hearing on the subject of campaign contributions from those who “do business” with the City. The hearing focused specifically on the issues of land use, franchises, concessions, revocable consents, and licenses, while continuing the Board’s general examination of “doing business” contributions. The Board heard helpful testimony from the Administration, civic groups, and private citizens. Their testimony, as well as previous testimony before the Board and the Board’s independent study of the issue, will inform the Board’s future recommendations and rule-makings on the issue. The Board recognizes this is a subject deserving of special attention and looks forward to continuing our work with the Council to reduce any undue influence these contributions have in the City’s election process.

The Board’s Charter-mandated Post-Election Report will discuss and assess how the Program operated for the 2005 elections and will include recommendations for change. Work on the report is well underway and will be submitted to the Council the first week of September.

The Board also expects to issue white papers, discussing high-spending non-participants and “doing business” contributions, before September.

In the meantime, I would like to discuss the Board’s FY2007 budget.

## **FY2007 Budget**

Pursuant to the New York City Charter, Section 1052(c), the CFB submitted its estimated budget for Fiscal Year 2007 to the Mayor and the City Council Speaker on March 10, 2006. The Charter requires that the Mayor include the CFB’s estimates in his Executive Budget. The Board’s FY2007 budget reflects a substantial reduction (about \$49 million) from the Board’s FY2006 adopted budget. The FY2006 budget reflected the expenses of administering the Campaign Finance Program during a citywide election year. To date, the Board has disbursed \$24,173,138 in public matching funds to qualified Program participants for the 2005 elections. In December, however, as the Board has done in every election since 1989, the Board returned undisbursed public funds to the Office of Management and Budget. The sum returned this year was \$20 million.

The CFB’s budget for FY2007 is approximately \$13.8 million. This budget reflects \$3 million in funding for a possible Voter Guide, which may be required if a referendum is on the ballot for the fall elections. The budget also includes \$1.5 million for the Fund in the event of any special elections that might occur during the fiscal year.

Additionally, the FY2007 budget reflects an increase to our core operations funding to implement an Enterprise Content Management/Imaging Project. As you know, in 2004, legislation was passed mandating that all candidates’ campaigns, regardless of Program

participation, must disclose their financial records to the CFB. This detailed disclosure has been a boon for good government in New York City. It has also, however, added to the volume of information submitted to the CFB. The Enterprise Content Management/Imaging project will allow the agency to improve the flow and organization of all documents received and sent by the CFB, and will allow all CFB documents to be stored electronically, available through remote retrieval for business continuity purposes.

Effective disclosure of campaign finances is one area in which the Program continues to be an unqualified success. Recent technological changes in the Board's website and candidate software have streamlined the ability of candidates, voters, and journalists to have access—almost instantaneously—to candidate disclosure information when it is filed with the Board. The CFB must continue to keep pace with important technological advances to ensure that the public is provided with real-time disclosure of campaign finance information.

## **Conclusion**

The Campaign Finance Program has enjoyed strong support from the City Council over the years, and I look forward to working with you to continue strengthening and improving the law and the Program's effectiveness. Thank you, and I will be pleased to answer any questions you may have.