



New York City Campaign Finance Board

40 Rector Street, 7th Floor, New York, NY 10006

tel. 212.306.7100 fax 212.306.7143

www.nyccfb.info info@nyccfb.info

Testimony of Amy Loprest, Executive Director New York City Campaign Finance Board

City Council Committee on Governmental Operations June 12, 2007

Good morning, Chairman Felder, and Committee members. I am Amy Loprest, Executive Director of the New York City Campaign Finance Board (CFB). With me are Deputy Executive Director Carole Campolo and General Counsel Sue Ellen Dodell. I am here to testify on Intro No. 586.

First, I would like to congratulate the City Council and the Mayor for reaching agreement on legislation that has the potential to transform the relationship between money and politics in New York City.

We are pleased to have been able to inform these negotiations with the practical lessons of two decades successfully administering the Program. While it's true there are significant challenges ahead in implementing the "pay-to-play" restrictions under consideration, the Board has always believed those limits should have the force of law if they are to be effective. We're confident that with continued cooperation among the Campaign Finance Board, City Hall, and the responsible agencies, the databases that the bill envisions will be created in a timely fashion, and this reform will succeed.

Intro No. 586 contains several other provisions that could help advance some of the Program's underlying goals. One central aim of the Program is to amplify the voice of small donors in New York City's political system; lowering the contribution amount eligible for matching funds from \$250 to \$175 should encourage candidates to focus even

more attention on ordinary New Yorkers who lack the means to make large contributions to political campaigns.

The proposed ban on contributions from LLCs and partnerships is a positive step towards eliminating all organizational contributions, as the Board has recommended since the creation of the Program. The new, more inclusive definition of intermediaries will help the Board provide New Yorkers with more complete disclosure of those interests funding campaigns for City office. And the provisions meant to limit the amount of matching funds provided to participating candidates with nominal opposition should provide taxpayers with greater protection against the waste of public resources.

* * *

As I'm sure you are aware, other parts of the bill—especially the proposed deadlines for CFB audits—will require significant changes in the way the Board operates. We have already begun a thorough evaluation of our audit procedures, which we will continue in conjunction with completing the last of the audits from the 2005 election cycle.

In order to enable the Campaign Finance Board to hold all candidates for covered offices to the highest standard of integrity, the lawmakers who created the Board gave it a certain measure of independence from the political process. Subsequent City Councils have found it appropriate to respect the independence of the agency that regulates them in their role as candidates for City office.

Despite our reservations about any legislative intrusion into the Board's administration of the Campaign Finance Act, we are supporting Intro. No. 586 because we are confident we will meet the bill's mandates without sacrificing the independence of the Board or the quality of our work.

We have communicated a statement of the Board's revised fiscal needs for FY2008 to the Mayor and the Speaker of the Council, and we will further assess our staffing and

funding levels for the years to come in light of the bill's requirements. We appreciate the Council's commitment to provide the resources the Board will need to meet these new mandates while making it possible for the Board to protect the public's investment in the political process with the same diligence New York City taxpayers have come to expect since the Program was created almost twenty years ago.

There are some outstanding technical issues with this legislation we are working with Council staff to resolve. These include some recommended improvements to the debate program, and providing for bonus payments to candidates facing high-spending non-participants.

Thank you for the opportunity to testify, and we look forward to answering any questions you may have.