

**New York City Campaign Finance Board – Post-Election Hearings
December 1-2, 2009**

Opening Statement of Father Joseph P. Parkes, S.J., Chairman

Good morning. Welcome to the Campaign Finance Board's post-election hearings. I want to extend our thanks to all of those who have joined us -- and those who will join us later on today and tomorrow -- to talk about their experiences with the Campaign Finance Program during the elections just concluded.

One important reason this Program has flourished over the years is the requirement for rigorous self-evaluation every four years. The lawmakers who wrote the Campaign Finance Act in 1988 had the foresight to include a provision that requires this Board to evaluate the effectiveness of the Program after each citywide election and recommend changes to the law. Since that time, this important reform has grown into a basic piece of the City's political culture, but the Charter literally requires we continue striving to perfect the Program by learning from the election just concluded.

The hearings we've convened today and tomorrow provide a way for us to begin learning the lessons of this past election. We've reached out to candidates and campaigns, to members of the public, elected officials, civic organizations, and other interested parties to provide us with their thoughts, and we're very gratified by the responses we've gotten. We have a full schedule of individuals joining us to testify here today, and we have another good group tomorrow. Thank you all for your time.

The reason you've joined us is to answer one simple question, to borrow a phrase: How are we doing? The goals of the CFB are pretty basic, but sometimes are difficult to measure. The Program aspires to enhance the voice of the average New Yorker in the political system, and help maintain New Yorkers' confidence in our elected officials by limiting the role of big money in the electoral process. We work very hard to provide to voters with important information about candidates through disclosure of campaign finances, and through the Voter Guide and our Debates. We aim to provide campaigns with clear, consistent guidance, and enforce the City's

Campaign Finance Act evenly and without bias for all candidates. Our hope is that those of you who have joined us will bring some of your perspective to bear on these broad goals as well as the specific issues raised during the 2009 elections.

The 2009 elections were unique in many ways. It was almost three years into the four-year election cycle when we were forced to respond to protect the Program with the extension of term limits. We implemented a solution that encouraged incumbents to join the Program, participate in these elections on a more level playing field, and encourages them to re-enter the Program for the next election.

As we have in past elections, the Board spent time monitoring instances of potential coordination between candidates and outside parties. In a system of voluntary public financing like ours that requires participating candidates to accept spending limits, independent spending by outside groups can represent an avenue for candidates to gain a significant advantage over their opponents. When this outside spending is done with a wink and a nod between the candidate and the outside actor, it may constitute a violation of the Act. The Board will continue to look at ways to more effectively enforce the law in this area, and we hope to hear thoughts on the issue during these proceedings.

In each of the last three elections, a self-funded candidate with seemingly unlimited resources has challenged the ability of the Program to create a level playing field for all candidates. The issue of high-spending candidates who decline to join the Program is not a new one. While the results in this year's mayoral election were closer than the previous one, this election requires we again address the question of whether the Program's ability to help participating candidates compete with high-spending opponents is sufficient, or whether new policies are needed.

The staff here worked very hard to implement reforms adopted after the last citywide elections. The matching rate was increased, to further incentivize small contributions. Limits on contributions from individuals doing business with the City were enacted, to assure New Yorkers that decision-makers are not distracted from the City's best interests by large campaign

contributions. We hope to hear how campaigns adapted to these new limits. Legislation attempted to further limit the ability of so-called “sure winners” to access public matching funds in elections where they face only nominal opposition, an issue that has generated heated commentary in this and past elections, and continues to present a challenge for the future.

Some of the results of these changes and the staff’s hard work are clear. These were perhaps the most competitive set of elections held under the Campaign Finance Program since its inception. In the primary and general elections, fewer candidates ran without opposition on the ballot than in 2005. Incumbents usually hold a perennial advantage; in no election previous had more than two been defeated. This fall, an unprecedented five incumbents on the Council failed to win re-election. While the Program has not yet been—and may not ever be—able to completely counteract the advantages incumbents enjoy, it is clear that challengers are finding the ability to connect with voters and communicate their message with the help of public funds.

Another impact was the increased presence of small donors in City politics. This is exciting, because it is exactly what the Program intends: to get more New Yorkers involved and interested in the process by which we choose our leaders. Average citizens who can afford to give \$25, \$50, or \$100 have become an important part of campaigns’ fundraising efforts, and these grassroots efforts can help ground candidates in the broader concerns of their communities.

I’ve had the opportunity to observe the staff performing the day-to-day work of administering this Program, which can be complex. So much of their time and effort is focused on striving to ease the complexity of the Program for candidates, so that everyone can focus on achieving the goals I’ve spoken about this morning. I hope those of you who have joined us will choose to address this or any other of the issues we’ve faced during this election year.

To begin these proceedings, I would like to introduce our executive director, Amy Loprest, who will provide some substance to the outline I’ve drawn here, introduce some data that help explain what took place during these elections, and talk more specifically about the focus of the Board going forward.

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