November 10, 2009

Mayor Michael Bloomberg City Hall New York NY

Re: Campaign Finance Plan That Could Favorably Impact the Mayoralty of Michael Bloomberg

Dear Mayor Bloomberg

I am proposing a Campaign Finance Approach that could revolutionize campaigns and end stigmatizing well-to-do persons spending large sums as is their right under the Constitution. Basically, it would equalize campaigns, particularly legislative races where inequalities are particularly blatant and significantly reduce the deleterious effect of money. The plan might be supplemented by reforming ballot access procedures, which remove many qualified candidates (more than any state in the union) from the ballot and tie up others in costly time-consuming litigation. Promoted by Mayor Bloomberg, the concept should have the same effect of Richard Nixon going to China. It could be tried out next year in New York State Legislative races and perhaps attract national attention.

In this respect, currently The Campaign Finance Board has responsibility for only such municipal special elections to fill vacancies that might occur in 2010. Therefore, it will have ample time to carry out my suggested proposals at no extra expense other than printing and mailing the enhanced Voter Guide, that I am suggesting.

(1) Publish Voters Guide covering all elective offices (e.g. Congress, State Senate, Assembly, Judiciary etc.) within geographical jurisdiction of New York City Board of Elections

(2) Make such time as is required for carrying out program below on the Public Access Cable Channels

In the 2010 primary and general elections, the offices of Governor, Lieutenant Governor, Attorney General, State Comptroller, both US Senators, members of Congress, State Senate and Assembly will be on the ballot. There is little likelihood that the New York State Legislature or the United States Congress will adopt a meaningful Campaign Finance Law in time for 2010 election..

Moreover, based on New York City's experience, it is evident, that the two-fold approach of campaign finance reform focusing on providing candidate with matching funds combined with spending restrictions rarely provides a equitable result. Consider the 1997 Democratic primary race for mayor: Former Manhattan Borough President Ruth Messinger obtained \$1,281,407 in matching funds while former City Councilman Sal Albanese received. \$254, 250 while two ethnic minority candidates Al Sharpton and Eric Ruane-Melendez were provided with no matching funds by the Campaign Finance Board (CFB).

These inequities were particularly noticeable in this year's Democratic primary. City Councilmember Tony Avella raised from 1,982 contributors \$294,947. City Comptroller William Thompson, who had the advantage of being able to obtain funds from persons interested In the New York City Pension Funds, of which he was managing trustee, received from 8,404 contributors \$4,390,999. *Tony Avella received no matching funds from the CFB which provided William Thompson with \$1,623,554.*

The above stated facts should not surprise anyone familiar with campaign finance history. I made a study of the 1997 Public Advocate Race which I provided The New York City Charter Commission on December 7, 2005. In that year, the CFB provided Mark Green with \$566, 745 for running against a phantom opponent i.e. Roger Green who announced withdrawal well before the primary. An examination of Mark Green's expenditures revealed:

1) On page 1, there are eight expenditures of \$99, 999 totaling \$798,008 to the firm TRIPPI, MCMAHON & SQUIRE, located in Alexandria, Virginia. It is unlikely that this money was used to defeat either Roger Green or Jules Polenetesky, Green's nominal Republican opponent who did not qualify for either debates or matching funds.

2) Page 2 consists of out-of-town expenditures more appropriate for a Senate campaign, which Mark Green conducted and lost in 1998

3) Page 3 includes \$15,000 in fees to FISHER, FISHER & BERGER (Henry Berger is the power in Citizens Union is an election lawyer, specializing in removing challengers from the ballot).

4) Page 4 contains \$500 to Marty Mack, made in 1996 when Mack was running for Congress in the Syracuse area

5) Page 36 includes hotel bills in Buffalo and Syracuse

6) Page 38 reveals a \$600 payment to Harry Kresky, the election lawyer for Leonora Fulani's wing of the Independent Party then in full control of the Independent Party's machinery. Kresky, like Berger specializes in removing people from the ballot. Kresky knocked Mark Green's Independent Party primary challenge Ismael Betancourt off the Ballot. Despite a plea to Mayor Bloomberg from Congresswoman Carolyn Maloney, Kresky was selected over me (George N Spitz) for the Charter Commission.

That this type of conduct should take place in New York City is not surprising considering the experience of Wisconsin. In this regard, I referred to a July 26, 1999 New York Times article

titled "Wisconsin's Once Principled Politics Succumbs to Wily Campaign-Finance." Consider the following excerpts

Political strategists and interest groups in Wisconsin are coming up with tactics to dodge the state's strict campaign-finance rules -tactics not even conceived on the federal level.

The unintended effect to the lead-government mentality is that Wisconsin's stringent laws governing campaign donations and spending epaulet determined donors to be even more resourceful. This state was a pioneer in offering public subsidies for candidates limited their spending.

Now, Wisconsin has become a breeding ground for organizations to perfect techniques for bending for evading restrictions on how much political action committees and parties can contribute directly to campaigns.

What happened in Wisconsin also takes place in New York City. This was extensively reported in the local media, particularly the New York Sun before its demise, the Post and Daily News. Also, figures are available from the Independent Budget Office (IBO) So-called "bundlers" have accumulated contributions for City Council Members and previous Mayors and have been awarded by no-bid contracts in the New York City Budget. Contracting costs \$2.8 billion in Mayor Dinkins last year have risen to \$9.5 billion in 2008

It should be obvious that the time is right for consideration of new ways of dealing with the deleterious effect of money on the American political system. I submit that concentrating resources exclusively on creating a more informed electorate is worth a try.

Therefore, I propose utilizing the elections of 2010 for trial of an alternate campaign finance plan for elections, preferably under the jurisdiction of NYC's Campaign Finance Board (CFB), which has no responsibilities except for special elections until 2013, but the city budget is saddled with CFB's salaries and other expenses including rent until that time. Since spending restrictions are not involved, state legislation is not required and even his new city law may not be necessary. Costs, if not obtained through City Council appropriation could be raised from private sources, such as a foundation, particularly if the Municipal Broadcasting Corporation is involved.

A constructive experiment in campaign-finance reform not involving taxpayer funds handed over to political **candidates** and actually completely leveling the playing field. If successful, this plan could then be adopted by New York City at considerable savings to the taxpayers in 2013 and Mike well break down resistance in the New York State Legislature to campaign-finance reform, especially since the cost to taxpayers would be minimal.

The suggested plan is basically educational. The rationale is that a well-informed electorate is best able to resist campaign image hawking tailored to results of expensive polls, packaged in slick TV commercials over sure handouts by media. gurus. Public funds should not be used to hire pollsters, consultants and election lawyers skilled in removing opponents from the ballot. New York City's Campaign-Finance Program, which provides widely varying amounts (generally favoring incumbents) of so-called "matching funds" has proven vulnerable to fraud.

The educational plan provides all candidates, incumbents and challengers with the same amount of recognition.

Centerpiece of the educational strategy is an enhanced Voter's Guide mailed to party enrollees prior to the primary and general election. The Guide would, in addition to information supplied by candidates contained the following:

I) Listing of candidate appearance time (15 or 20 minutes each per contestant) on municipal radio and TV

II) Set aside at least three cable TV stations for the Video Voters Guide, which you at my suggestion introduced outside the CFB and enhance the Video Voters Guide with interactive candidate appearances on the cable channels. This has worked very well in Boston.

III) Dates and locations of candidate forums scheduled to occur after Voter Guide is printed and mailed

IV) Phone number and address of candidate headquarters

V) Directions for obtaining copies of candidate endorsements are/or related facts from non--profit interest groups, such as Sierra Club, Citizens Union, League of Women Voters etc. which assemble specialized information of interest to individual voters but lack resources for blanket mailings.

VI) Description of candidate stands on issues deemed important by an impartial committee of academic experts.

This educational program might draw special attention from the media if you publicly urge voters to take advantage of the information provided. <u>Your involvement could very favorably</u> <u>impact on a history of achievement and also propel you to real national leadership in the</u> <u>more immediate future.</u>

Respectfully yours,

George N.Spitz

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