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March 2, 2012

Ms. Amy Loprest Executive Director NYC Campaign Finance Board 40 Rector Street, 7th Floor New York, New York 10006

Dear Ms. Loprest,

I applaud the Campaign Finance Board for its work to date in promulgating rules regarding the disclosure of independent expenditures in New York City elections, a requirement that came about as a result of a ballot referendum approved by voters in 2010.

I fully support greater transparency and disclosure when it comes to non-candidate election related spending. But as we have learned over the last few months, creating new reporting rules is complicated and requires detailed and thoughtful analysis. That's why, after reviewing the latest round of proposed rules, I feel it necessary to convey my belief that new independent expenditure requirements should not apply to membership organization's internal communications between its members, or so called member-to-member communications.

The purpose of the new Charter provision is clear: to require disclosure of expenditures directed to the general electorate and to ensure that the public knows who is funding these broad political communications. I fully support that goal.

But member-to-member communications are not sent to the general electorate. And when members receive these communications, they know exactly where they came from. When a member who has joined a group receives a message from that same organization, it is perfectly clear who sent it. And it is not being sent to the general electorate, but only those who have chosen to join that particular organization.

In addition, the text of the approved provision does not mention member-to-member communications. Nor is there anything in the legislative history that supports an interpretation that member-to-member communications are independent expenditures.

In addition, the Board's proposal would make New York City virtually alone in equating member-to-member communications with independent expenditures. While some jurisdictions, including the federal government, require less onerous disclosure, almost all recognize that member-to-member communications are different from independent expenditures.

Lastly, requiring organizations to disclose member to member communications would place onerous and perhaps insurmountable burdens upon them. Flyers and communications don't just come from an organization's leadership; they are initiated by and occur between members themselves. As a result, it is unrealistic to expect a membership organization to anticipate and track its members' activities and communications. These can range from explicit to implicit, are expressed in a variety of venues, and may or may not be mixed with policy or political messages. The tracking and reporting requirements would be overwhelming and in the end could stymie efforts by organizations and advocacy groups to participate in legitimate political activity.

As Susan Lerner of Common Cause/New York stated in her supplemental comments to the board, "We are concerned with organized money and not organized people. We see it as a positive thing that people band together to develop positions on important public policy issues and convince others to support or oppose candidates or specific positions or legislation." I couldn't agree more.

I want to reiterate that the work of the Board in establishing the rules and ensuring a compressive and extensive public process has been extraordinary. New Yorkers will have a more transparent and fairer electoral process because of it. And I am hopeful that the member-to-member issues can be solved satisfactorily to the benefit of all New Yorkers and our democratic process. Thank you very much for your consideration of my comments on this important issue.

Sincerely

Council Member

5<sup>th</sup> District - Manhattan