

Watchdog to Campaign Finance Commission: Public Financing Program Requires an Independent Enforcement Agency

Details Process for Selecting Board Members and Addressing Campaign Finance Violations

Reinvent Albany testified today to the Public Finance Reform Commission with recommendations on how to establish an independent campaign finance agency, including the process for choosing board members and determining if violations of campaign finance law occurred. The Commission held its second public hearing in Albany this morning and will issue binding recommendations on a public financing system by December 1st.

Reinvent Albany believes that the Commission should establish a Campaign Finance Board completely outside and independent from the Board of Elections, with a process for nominating board members that ensures the Board remains independent. A public financing system cannot function properly without a campaign finance agency overseen by a board that is securely funded and able to credibly enforce the program.

Most states with a public financing option for legislative candidates, have a campaign finance board with five members, with no more than two from the same party, and the chair and vice chair chosen by board members. Reinvent Albany recommends that board members should meet certain requirements, such as being a resident of New York state, not having run for or served in office within the past five years, and not having been a registered political consultant or lobbyist within the past two years.

The board should be nominated by an entity outside of the public financing system, such as the Commission on Judicial Conduct, or even a nongovernmental entity such as the New York State Bar Association, both of which are highly regarded. That entity could receive and review applications for Board positions, evaluate candidates, then submit its

www.reinventalbany.org OPEN, ACCOUNTABLE, EFFECTIVE GOVERNMENT 148 Lafayette, 12th Floor, New York, NY 10013 nominations to the Governor, who could pick five that would be subject to approval by both houses of the legislature. This would be similar to the nomination process for Hawaii's Campaign Spending Commission. Board members are nominated by the Hawaii Judicial Council for the Commission, and then selected by the Governor.

Reinvent Albany also urged the Commission to codify a streamlined process for addressing campaign finance violations. The new campaign finance agency enforcement officials should have discretion to assess routine civil penalties for violations of campaign finance law. The current process at the Board of Elections for enforcing campaign finance law requires the chief enforcement counsel to commence a hearing to determine a violation occurred, and a civil proceeding to assess penalties for routine violations such as late or incomplete filings. This process is unwieldy, bureaucratic and discourages timely and consistent enforcement. Just as the police have the authority to issue tickets for motorists for speeding, the Board should be able to quickly issue fines to candidates for minor violations with due process proceedings initiated by the alleged violators.

Reinvent Albany also asked the Commission to tie the new campaign finance agency's spending to that of the Division of Budget. Without a fixed budget, the Commission's budget will be subject to the will of the legislature every single year. In every state with public financing for legislative candidates, legislators have tried to diminish or eliminate the campaign finance's agency's funding, often successfully. In some cases, such as Hawaii County, unstable funding has ultimately led to the shuttering of the program. One model to follow would be New York City's Independent Budget Office, whose budget is a fixed percentage of the Office of Management of Budget. The Commission could also follow Connecticut and provide for backup funding in case of insufficient funds.

-30-