



Reinvent Albany Calls for Public Financing in Budget At Senate Hearing

Group Rebuts Myths, Presents Seven Key Facts About Small Donor Matching Program

[Watchdog group Reinvent Albany - one of over two hundred organizations in the Fair Elections coalition - called for the Assembly, Senate, and Governor Cuomo to pass public financing in the budget at a State Senate Elections Hearing today.](#)

Governor Cuomo proposed the foundation for a public matching program modeled on New York City's in his Executive Budget. The Senate and Assembly voiced support in their budget resolutions for the program that matches the first \$175 of a campaign contribution with \$6 in public money for every \$1 in private funds.

Yet recently Speaker Heastie, Governor Cuomo, and Senate President Stewart-Cousins have been backsliding, implying they lack the will to pass public financing in this year's budget.

Public financing must be done in the budget this year. No more delays - no more excuses.

1. Albany's Big Money Problem Skews Policy and is a Corruption Risk

The 100 top donors contributed more to state candidates in 2018 than all 137,000 estimated small donors combined, according to the Brennan Center for Justice. Candidates between 2009 and 2012 received 79% of their campaign funds (over \$180 million) from donors who gave more than \$500, 65% came from donations of \$1,000 or more, and only 3% from donations of under \$100.¹ According to the [Moreland Commission to Investigate Public Corruption](#), between 1999 and 2013, 1 of every 11

¹ The Commission to Investigate Public Corruption, Preliminary Report. December 2, 2013. Pages 30-31. Available at: https://publiccorruption.moreland.ny.gov/sites/default/files/moreland_report_final.pdf

lawmakers left office “under the cloud of ethical or criminal violations.”² That was before the convictions of both the previous Assembly Speaker and Senate President.

2. Public Financing Does Not Need More Study

28 years ago the NYS Commission on Public Integrity convened by Governor Mario Cuomo called New York State's campaign finance laws, 'a disgrace and an embarrassment' and recommended public financing of elections as the cure. Six years ago Governor Andrew Cuomo's Moreland Commission to Investigate Public Corruption came to the same conclusion. Public financing of elections is long overdue in New York State.

3. Public Financing is Worth the Cost - And May Save Money

The public financing of elections is estimated to cost \$60 million annually, according to the Campaign Finance Institute. [In 2013, five otherwise ineligible luxury properties on Billionaire’s Row in Manhattan received 421-a tax benefits costing New York City tens of millions of dollars in foregone revenue.](#)³ [The owners of those buildings gave hundreds of thousands in campaign contributions to state elected officials.](#)

4. Public Financing Has Little Impact on Independent Expenditures

A public matching system has little impact on independent expenditures for better or for worse. Independent expenditures are campaign spending by third party groups and individuals that do not coordinate with candidates. This is constitutionally permissible and will occur regardless of whether a public matching system exists. If candidates believe for some reason that they will be harmed by a public matching system, they can simply opt out as the system is voluntary for all candidates.

5. Public Financing Is Little Affected by Minor Party Lines

Public match funds are distributed to candidates based on reaching eligibility thresholds, and how much money they raise from small donors. Public money is tied to candidates, not party lines. Transfers by party or constituted committees are not matchable for major or minor parties. Candidates must have an opponent on the ballot to receive public funds (except if they run uncontested in a primary election, and there is also a Democratic or Republican primary for the same office).

6. Public Financing Has Little Impact on the Re-election of Incumbents

² Ibid, p. 11.

³ The Commission to Investigate Public Corruption, Preliminary Report. December 2, 2013. Page 34. Available at: https://publiccorruption.moreland.ny.gov/sites/default/files/moreland_report_final.pdf

Lawmakers privately express reservations that public financing could cause them to lose re-election. The facts do not bear this out. [The re-election rate for incumbent Councilmembers from 2005-2013 in New York City under a public matching system was 94.1 percent, while for state lawmakers from New York City it was 96.5 percent.](#)⁴ In 2017, only a single Councilmember (Elizabeth Crowley) of 41 incumbents lost a race for re-election. In the State Senate, 11 incumbents lost in the primary and/or general elections during the 2018 election without a public matching system.⁵

7. NYC CFB Enforcement is Not a Reason for Failing to Act on Public Financing

Reinvent Albany recognizes the New York City Campaign Finance Board (NYC CFB) can make improvements to campaign finance administration. Audits take too long. Candidates feel it is challenging to navigate the system without being penalized and fined. The Board needs to better utilize technology to make compliance easier. But state lawmakers can create a more customer-service friendly enforcement unit in the public financing legislation in the budget. And here are the facts: a majority of city candidates during the 2013 elections received no penalties (46.3) percent or less than \$1,000 in penalties (57 percent). 81 percent of candidates were fined \$0 to \$5,000.

-30-

⁴ Citizens Union, "Fair Elections For New York State, March 2014 Update: How Public Matching Creates Greater Voter Choice and Competition," November 2012, Page 3. Available at: http://rebranding.citizensunion.org/wp-content/uploads/2015/04/CUCompetitivenessReport_March20141.pdf

⁵ https://ballotpedia.org/New_York_State_Senate_elections,_2018