

September 27, 2023

Members of the Board New York City Campaign Finance Board Via Email

Dear Members of the Campaign Finance Board,

As strong supporters of the New York City campaign finance system, we write to request that the Campaign Finance Board (CFB) issue a public explanation of why it is permissible for The Madison Square Garden New York Political Action Committee (MSG's PAC) to make campaign contributions to candidate committees exceeding the \$250 Doing Business contribution limit for candidates for City Council, or \$400 limit for candidates for citywide offices in New York City.

New York City's "Doing Business Law," Local Law 34 of 2007, was intended to reduce pay-to-play by organizations and people doing business with the city by sharply limiting the size of campaign contributions that might influence elected officials. Unfortunately, it appears that the Doing Business Law is either being ignored or has a giant loophole in it that allows politically active business owners like James L. Dolan, CEO and owner of Madison Square Garden, to easily elude it.

We draw the CFB's attention to Garbriel Poblete's September 6, 2023 article in The City, <u>Madison Square Garden PAC Funds Council Members Who'll Vote on the Arena's</u> <u>Future</u>, which shows that MSG's PAC gave a number of City Council candidates contributions over the \$250 limit for persons in the Doing Business Database.

According to Reinvent Albany's analysis of contribution data from the NYS Board of Elections public reporting system (see attached) MSG's PAC attempted to make contributions to 21 candidates for City Council since 2021, one candidate for Borough President, and two candidates for Mayor. NYC CFB's filings show not all of these contributions were accepted. It appears 12 candidates for City Council accepted contributions from MSG's PAC of \$1,000 or more (10 of these candidates were participants in the public matching program) and Eric Adams' mayoral campaign accepted a contribution of \$2,000 (Adams also participated in the public matching program). Local Law 34 of 2007 restricts contributions from individuals who do business with the city and requires them and their employer to disclose themselves to the Mayor's Office of Contracts, which publishes their identities in the city's Doing Business Database.

Madison Square Garden, listed variously as MSG Arena Holdings LLC, MSG Builders LLC, MSG Entertainment Group, and MSG Sports and Entertainments LLC, is listed in the Doing Business Database, as is its CEO and actual controlling owner, James L. Dolan. Individuals listed in the Doing Business Database can contribute a maximum of \$250 to New York City Council candidates, and \$400 to candidates for Mayor.

According to the CFB website list of <u>registered political committees</u>, the Chairperson and Treasurer of Madison Square Garden New York PAC are employed by MSG Entertainment Corp – which is owned and run by James L. Dolan. The largest single contributor to MSG's PAC is James Dolan, who gave \$85,000 of the \$241,000 to the PAC, according to the NYS Board of Election public reporting system (analysis attached), by far the largest amount of its 85 contributors.

We thank you for your attention to this matter.

Sincerely,

John Kaehny Executive Director Reinvent Albany

Betsy Gotbaum Executive Director Citizens Union

Susan Lerner Executive Director Common Cause/NY Kai Rosenthal and Deborah Brodheim Co-Presidents League of Women Voters of the City of New York

Blair Horner Executive Director N.Y. Public Interest Research Group