



Testimony to the New York City Council Committee on Governmental Operations, State & Federal Legislation

Comments on Intro 12-A (AI Political Ad Disclosure) and Intro 951 (Banning Use of Insider Info in Prediction Markets)

June 22, 2026

Good afternoon Chair Brewer and members of the Council Committee on Governmental Operations, State & Federal Legislation. My name is Alex Camarda, and I am a Senior Policy Advisor for Reinvent Albany. Reinvent Albany is a watchdog organization that advocates for open and accountable government in New York.

Reinvent Albany supports the intent and spirit of both these bills, but believes the Council needs to better account for how these proposals intersect with existing law.

Int. No. 12-A (Menin)

Reinvent Albany supports disclosure of when political communications are created by artificial intelligence or altered by it.

The advent of social media and, more recently, artificial intelligence, have made it very challenging for New Yorkers to discern between truth and fiction in digital media related to candidates running for office and political and public policy discourse. Social media platforms are awash in communications where the sources are not clearly identifiable and facts and untruths mingle together. The growing use of artificial intelligence compounds this already significant problem, with videos, sound, and pictures reflecting reality altered to create a false impression with the viewer often unaware of the manipulation.

Int. No. 12-A takes a first step in addressing the growing challenges to voters making informed choices about candidates by requiring provenance data – underlying metadata indicating when political communications were altered and by what tool – to be disclosed to the New York City Campaign Finance Board (CFB) and made available to the public online. While not explicitly indicated in the bill language, this disclosure appears to be implemented in concert with the CFB’s disclosure regime in its rules, and

subject to its existing enforcement procedures and penalties, the latter of which is referenced in the bill summary.

While Reinvent Albany commends the Speaker for tackling this issue, it is also imperative that the bill, at minimum, clarify that disclosure is required in the communication itself that simply states, “This (image, video, or audio) has been manipulated,” consistent with New York State Election Law. Reinvent Albany will only support legislation that contains this disclosure in the communication itself, because it ensures voters are informed in real time and can adequately process the message to make an informed consideration of the candidate running for office.

Beyond the recommended disclosure in the communication, there are several other issues the Council should clarify or consider before passing this legislation, [embodied in Governor Hochul’s Fiscal Year \(FY\) 2027 budget proposal](#) (specifically Part X in the TED-AI-Generated Content; Part S in the PPGG- Protecting Elections from Misleading and Deceptive AI Content; Part R in the PPGG- Preventing Voter Suppression in Elections) and contemplated in [briefs on the issue by national experts like the Brennan Center for Justice](#). Specifically, the Council should:

- Clarify in the bill summary or legislative intent how this legislation builds on and/or intersects with NYS Election Law 14-106, which already requires disclosure of “materially deceptive media” with few exceptions;
- Adequately define “synthetic content creation system” and “provenance data,” as the bill references section 1550 of the NYS General Business Law, which does not exist. In determining these definitions, the Council should consider whether to include personal identifying information (PII) as part of the provenance data, such as an internet protocol address;
- Charge synthetic content creation system providers like OpenAI and Meta with providing a tool to the public to read provenance data in political and policy-related communications, as mandated in The NYS FY27 executive budget proposals;
- Prohibit the creation or publication of a deepfake within 90 days of an election if the publisher knows or should know it was fake, it was intended to impact the election, and was made without a candidate’s or individual’s permission if they are featured in the deepfake, as was done in the NYS FY27 executive budget proposals. This will require considering constitutional permissibility.
- Clarify if copies of communications will be provided to the Campaign Finance Board and made public with the provenance data for communications sent by candidate committees. It is our understanding that, unlike independent expenditure committees, candidate committees are not required to submit originals or copies of their campaign communications until the post-election audit process, and are not posted publicly in the searchable database. If

provenance data is not provided until well after voters have cast their ballots, or is provided without a copy of the communication a voter can reference when reviewing the data, the utility of this disclosure requirement will be greatly diminished.

- Amend section 1 of the bill to not only reference new additions to the campaign finance database this bill requires, but also other disclosures beyond contributions and expenditures of a campaign's authorized committee. For example, reference to independent expenditure committees and other disclosures should be made.

Intro 951 (Thomas-Henry)

We support the intent of this bill to clarify that public officials may not use confidential insider knowledge gained from public employment to profit in prediction markets.

Governor Hochul recently enacted [Executive Order 60](#) that prohibits state employees from profiting from insider information that they learn while working as public servants. Reinvent Albany [supported this ban](#) because it clarifies the state Code of Ethics, Public Officers Law Section 74, and provides clear guidance to public servants serving under the Governor.

Intro 951 in its current form would create a diverging regime outside of Chapter 68 of the City Charter – the city's Ethics Code – which already prohibits using confidential government information for personal gain under Section 2604.

We urge the City Council to rework this legislation to ensure that it does not create a different enforcement regime from other prohibited conduct. Chapter 68 already prohibits profiting from confidential government information in Section 2604(b)(4). If the City Council wishes to explicitly include prediction markets in this prohibition, it should amend this section rather than include a new section of law in the Administrative Code with different definitions and covered individuals.

Specifically, Section 2604(b)(4) provides that public servants cannot disclose confidential information that is “obtained as a result of the official duties of such public servant and which is not otherwise available to the public,” and they cannot “use any such information to advance any direct or indirect financial or other private interest of the public servant or of any other person or firm associated with the public servant.”

Intro 951 would create a new Chapter 12 in Title 3 of the Administrative Code that diverges from some of the standards in Chapter 68 of the City Charter and Section 12-110 of the Administrative Code, the Annual Disclosure Law. Specifically:

- It creates new definitions of policymaker and relative. Chapter 68 applies to all public servants, and defines those “associated” with public servants, including children, spouses, domestic partners, and persons with whom the public servant has business or financial relationships. Intro 951 only includes policymakers and their relatives. Relatives under the bill include all those listed in Chapter 68 under “associated,” but adds stepparents.
- It would impose fines upon the relatives of policymakers who profit from insider information in prediction markets. Chapter 68 only provides penalties for public servants.
- It adds new reporting requirements for financial disclosure statements, requiring a listing of all transactions of \$50 or more for prediction market transactions – “event contracts.” Currently, the thresholds for reporting income start at \$1,000.

We also note that the bill excludes “event contracts” issued on platforms regulated by the New York State Gaming Commission. While this is likely an attempt to differentiate between sports betting authorized by New York State and betting related to city government or political actions that are regulated by the Commodity Futures Trading Commission, we caution that New York could decide at some time to regulate these markets.