## Memorandum in Support of Senate Bill 4729/Assembly Bill 6545 May 18, 2021

Senate Bill 4729/Assembly Bill 6545 is an important measure to further strengthen democracy in New York. By eliminating the state election law's exceptions for contributions candidates may collect from family members, this legislation closes a gap in laudable measures that reduce the outsized influence of wealth in New York politics. We applaud the sponsors for supporting this commonsense reform and urge the Legislature to pass the bills this session.

For years, wealthy donors have dominated New York's elections. Last year, our state's leaders took a critical step to boost the role of everyday citizens in funding campaigns. The state enacted a groundbreaking system of campaign finance reform: a voluntary small-donor public matching funds program to amplify modest contributions from New Yorkers to candidates who choose to participate. Properly implemented, the new program will be the most robust response in the country to *Citizens United* and will fundamentally transform the role that small donors play in our elections. Between recent advances in the state's campaign finance and voting laws, New York is poised to lead the nation in democracy reform.

Along with the new public financing option, lawmakers further reduced the role of extreme wealth in elections by lowering New York's exceptionally high contribution limits for campaigns for statewide and legislative offices. The new limits, which go into effect in November 2022, present a much-needed change. New York currently has the highest contribution limits for statewide candidates, and nearly the highest limits for legislative candidates, of any state that limits contributions.

Senate Bill 4729/Assembly Bill 6545 is important because it will close a notable gap that persists in the new contribution limits law and thus in the framework of progressive democratic reform the Legislature has worked hard to create. This gap risks allowing candidates who come from family wealth to enjoy a special campaign advantage. Unlike most states, New York's law provides separate, formula-based aggregate limits for candidates' immediate family members. As implemented by the State Board of Elections, these individuals and their spouses can collectively give up to the aggregate family limit, or one single person can give the full family amount. This carveout, which remained in the recent amendments to the law, makes it possible for family members to contribute amounts that far exceed what donors unrelated to candidates are able to give.

This legislation would correct this imbalance by holding all donors to a candidate to the same limits, regardless of their personal connections. For general elections, these separate limits currently allow a single family member to donate as much as \$310,521 to a statewide candidate, more than thirty-four times the maximum of \$9,000 that a non-family member will be permitted to contribute under the state's new contribution limits next year. Even though family contributions to legislative candidates are capped at lower levels, they still permit immediate family members to contribute significantly more

<sup>&</sup>lt;sup>1</sup> New York State Board of Elections Campaign Finance Handbook 2019, New York State Board of Elections, 43, <a href="https://www.elections.ny.gov/NYSBOE/download/finance/hndbk2019.pdf">https://www.elections.ny.gov/NYSBOE/download/finance/hndbk2019.pdf</a>.

<sup>&</sup>lt;sup>2</sup> 2021 Contribution Limits for New York State, New York State Board of Elections, 2, <a href="https://www.elections.ny.gov/NYSBOE/Finance/2021ContributionLimits.pdf">https://www.elections.ny.gov/NYSBOE/Finance/2021ContributionLimits.pdf</a>; N.Y. Elec. Law § 14-114(1) (effective Nov. 9, 2022).

money than non-family donors – currently, up to \$61,088.25 for Senate and up to \$26,181.75 for Assembly in general elections, depending on the district.<sup>3</sup>

This body already has shown its commitment to shoring up our state's democracy through meaningful campaign finance reform. Eliminating this loophole will help further consistency and equity in New York politics. We urge the Legislature to continue on its path of leadership and pass this important legislation.

Sincerely,

Brennan Center for Justice at NYU School of Law

Center for Popular Democracy

Citizen Action of New York

**Empire State Indivisible** 

Housing Works, Inc.

League of Women Voters of New York State

Long Island Progressive Coalition

New York Communities for Change

New York Public Interest Research Group

New York Working Families Party

Reinvent Albany

\_

<sup>&</sup>lt;sup>3</sup> *Id.* at 5, 10.