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Co-chairs Fitzpatrick, Rice, and Williams, and members and staff of the Commission, thank you for the opportunity to testify today on behalf of the Brennan Center for Justice at NYU School of Law.¹ As you know, democracy cannot function without the trust of the people, and your mission is vitally important to restoring public trust.

The problems we face are systemic, and the solution must be comprehensive. Piecemeal, limited measures will not lead to the cultural change that we desperately need in Albany. Meaningful change will occur only if we enact sweeping campaign finance reform — including a small-donor matching system; robust, independent, and bipartisan enforcement; lower contribution limits; and meaningful transparency.

Bribery and extortion scandals harm public trust, but that damage is compounded by public awareness of the legal corruption pervading the system. Even the ablest prosecutor can't address the ability of moneyed interests to use legal campaign contributions to secure access and influence. When big money holds so much power over Albany, members of the public turn away in disgust, and democracy loses its lifeblood.

The package of reform that the Brennan Center and others recommend is not merely a laundry list of discrete policies, it is an interlocking set of reforms with public campaign financing as the keystone. New York's current system makes

¹ The Brennan Center for Justice is a non-partisan public policy and legal advocacy organization that focuses on fundamental issues of democracy and justice. Our Money in Politics project works with policy makers and activists to help draft and enact legislation, defend campaign finance laws in court, and promote innovative public financing solutions nationwide, particularly small donor matching funds. The Brennan Center is affiliated with New York University School of Law, but this testimony does not purport to represent the school's institutional views on this or any topic.

policymakers dependent on a tiny slice of the population to fund their campaigns, skewing legislative priorities. Implementing reform will make Albany represent all of us.

In 2012, state legislative candidates raised 74 percent of their funds from donors of \$1,000 or more and special interest groups; only 8 percent came from individuals who gave \$250 or less.² In contrast, candidates participating in the New York City public funding system in 2009 gathered 37 percent of their private contributions from donors who gave \$250 or less.³ When public matching funds are considered, small donations take on even greater importance to the candidates, constituting 64 percent of their funds, as compared to 24 percent from donors of \$1,000 or more and special interests.

Lowering contribution limits from their current sky-high levels will reduce the disparity between what most can afford to give and the highest contributions, ensuring that the public match acts as a strong incentive for candidates to seek out donations from average New Yorkers. In order to make lower contribution limits meaningful, loopholes must be closed and there must be a strong, independent enforcement agency.

A professional and adequately funded agency is necessary to effectively administer a public funding program, as well as to enforce all of the state's campaign finance laws. The current lack of enforcement encourages scofflaws. Robust administrative enforcement would be a valuable tool in rooting out and preventing corruption.

Independent expenditures are protected under the Supreme Court's *Citizens United* decision, and they continue to increase, forcing candidates to fundraise under the looming threat of massive outside spending. In 2012, just three outside groups spent at least \$5 million; the total amount for last year's state elections is impossible to know because of inadequate disclosure requirements.⁴ New York State needs detailed, mandatory disclosure to allow the voters to properly evaluate

² CAMPAIGN FINANCE INST., PUBLIC MATCHING FUNDS IN NY STATE, REVERSING THE FINANCIAL INFLUENCE OF SMALL & LARGE DONORS, WOULD LEAVE THE CANDIDATES "WHOLE" WHILE COSTING NEW YORKERS ONLY \$2/YEAR (2013), http://www.cfinst.org/Press/PReleases/13-04-01/Updated_CFI_Research_on_Public_Matching_Funds_Proposal_for_New_York_State.aspx.

³ CAMPAIGN FINANCE INST., MICHAEL MALBIN ET AL., WHAT IS AND WHAT COULD BE: THE POTENTIAL IMPACT OF SMALL-DONOR MATCHING FUNDS IN NEW YORK STATE ELECTIONS (2012), http://www.fairelectionsny.org/old/wp-content/uploads/2012/02/CFI_Impact-Matching-on-NYS.pdf.

⁴ Jimmy Vielkind, *NYSUT Spent \$4.5M to Be Heard at the Polls*, ALBANY TIMES UNION, Nov. 14, 2012, <http://www.timesunion.com/local/article/NYSUT-spent-4-5M-to-be-heard-at-the-polls-4038821.php>; Jimmy Vielkind, *Outside Groups Will Boost Cecilia Tkaczyk*, ALBANY TIMES UNION, Oct. 22, 2012, <http://blog.timesunion.com/capitol/archives/161389/outside-groups-will-boost-cecilia-tkaczyk>.

the trustworthiness of the sources of campaign messages.⁵ But even with improved transparency, significantly lower contribution limits, and robust enforcement, candidates could still be drowned out by independent and unaccountable spending. A small-donor match is needed to amplify grassroots support and allow candidates who depend on small donations from constituents to effectively respond to outside spending with their own messages.

Public financing has the power to improve our democracy by reducing corruption, making elections more competitive, allowing candidates to spend less time fundraising and more time engaging with constituents, and substantially increasing the number and diversity of people who donate to campaigns. Anything less than comprehensive reform with public financing at its core will fail to change the culture of Albany and cannot be called real reform.

⁵ See *Buckley v. Valeo*, 424 U.S. 1, at 67 (1976). The Supreme Court recognized that the disclosure of information about political spending “allows voters to place each candidate in the political spectrum more precisely than is often possible solely on the basis of party labels and campaign speeches. The sources of a candidate’s financial support also alert the voter to the interests to which a candidate is most likely to be responsive and thus facilitate predictions of future performance in office.”