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Entitled

Restoring the Voters' Trust in New York State Government: Reforming New York State's Campaign Finance and Election Laws by Increasing Accountability, Closing Loopholes & Implementing Public Finance

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The New York State campaign finance system needs to change. We have the highest contribution limits in the nation; and even these are almost meaningless because of the many legal loopholes. As a result, wealthy donors dominate our elections and our politics. Candidates spend their time and effort currying favor with this “donor class,” which in turn expects influence with those candidates once they take office.

Voters who cannot afford to donate many thousands of dollars become an afterthought. These voters have a lesser say in who becomes a candidate, who gets elected, and what agendas are followed after the election. In essence, these voters have almost no role in crucially important parts of the political process. And this inability to participate meaningfully leads to disaffection and to cynicism. It is no wonder that when our state is hit by political scandals like the ones we are living through now, many New Yorkers think, “well, that is just politics as usual.”

The current scandal has led to many proposals for reform. But the most important, in my view, is the proposal for public financing of campaigns that has as its central element matching funds for small donors. This is the system that was enacted locally for New York City elections in 1988 when the late Ed Koch was mayor, Peter Vallone, Sr. was Council President, and I was the corporation counsel. A program like that, if it is effectively administered and enforced in a non-partisan way, can combat the widespread cynicism and disaffection enveloping the political process by giving voters with limited financial means a more meaningful voice in that process. It also has the hope of changing the “show me the money” culture that seems to pervade our politics.

New York City's Small Donor Matching System Has Transformed City Elections

New York City's public financing law, adopted in response to widespread corruption scandals in the 1980s, has turned a substantial number of people into first-time donors in city elections. A comparison of the broad participation in City elections to the anemic participation

in State elections is telling. In 2009, almost 90% of New York City's census block groups¹ had at least one person who gave \$175 or less to a City Council candidate. By contrast, in 2010, only 30% of the city's census block groups had at least one small donor to a State Assembly candidate.² Plainly, increasing the impact of small donations through a matching program creates powerful incentives that have increased the number of people who give. And because voters who give even modest campaign contributions are more likely to volunteer and otherwise participate in political campaigns, the City's reforms have increased civic engagement as well.

New York City elections also draw contributions from far more diverse areas that are much more representative of the electorate. Residents in areas with lower income, higher poverty rates, and higher concentrations of minority residents are much more likely to contribute in a City Council election than in a State Assembly election. The poor and predominantly black Bedford-Stuyvesant neighborhood had 24 times more small donors for the City Council in 2009 than for the State Assembly in 2010. This trend was found in many other neighborhoods as well: Chinatown had 23 times as many donors in City elections as State races, and the significantly Latino neighborhoods of Upper Manhattan and the Bronx had 12 times as many donors.³

Because the amounts contributed are so small and are from so many people, these donors are not and cannot be seeking influence through their donations. They are, however, increasingly involved in our democratic processes and adding their views and voices to the electoral ensemble. Because their contributions are multiplied by matching funds and because people who contribute, even small amounts, are more likely to volunteer their time, candidates must pay attention to their views.

Support is Widespread for Reform

Comprehensive campaign finance reform with small donor matching at its core has strong support across the state. Good government and community groups have long supported reform. Participation across New York City in the city's campaign finance program shows that it is popular with voters of ordinary means.

Business and civic leaders across New York have expressed their support for comprehensive reform as well. I and other New Yorkers in business, finance, real estate, law, and philanthropy have come together to form New York Leadership for Accountable

¹ A census block group is "a geographic unit created by the U.S. Census Bureau" that "will generally contain between 600 and 3,000 people . . . with an optimal size of 1,500." ELISABETH GENN, MICHAEL J. MALBIN, SUNDEEP IYER & BRENDAN GLAVIN, DONOR DIVERSITY THROUGH PUBLIC MATCHING FUNDS 8 (2012), available at <http://www.brennancenter.org/publication/donor-diversity-through-public-matching-funds> (quoting U.S. Census Bureau, *Cartographic Boundary Files: Census Block Groups*, CENSUS.GOV, <http://www.census.gov/geo/www/cob/bgmetadata.html> (last visited May 2, 2012)).

² GENN ET AL. at 4, 12 figs. 4-5.

³ GENN ET AL. at 4.

Government, or NY LEAD, and are working hard to support comprehensive campaign finance reform in New York.

In short, a diverse coalition has come together to demand reform because comprehensive campaign finance reform is the single most valuable change we can make to ensure the health of our democracy.

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Reducing the influence of money in politics is one of the most important issues facing our state today. Adopting robust campaign finance reform, with a small donor matching system, lower contribution limits, and effective, non-partisan administration and enforcement is the best means to enhance the role of voters with limited means and return them to their rightful place in our democracy. Candidates should be spending their time and effort listening to voters and working on legislation, not pursuing big donors. Comprehensive changes to our campaign finance system are the answer to the problems that continue to plague State government. Now is the time to introduce the proposed legislation and to enact it.