



The League of Women Voters of New York State  
62 Grand Street, Albany, New York 12207  
Phone: 518-485-4162 Fax: 518-465-0812  
www.lwvny.org E-Mail: lwvny@lwvny.org

# THE LEAGUE OF WOMEN VOTERS *of New York State*

## JOINT LEGISLATIVE PUBLIC HEARING ON 2017-2018 EXECUTIVE BUDGET PROPOSAL LOCAL GOVERNMENT OFFICIALS & GENERAL GOVERNMENT

### TESTIMONY TO THE JOINT FISCAL COMMITTEES OF THE NEW YORK STATE SENATE AND NEW YORK STATE ASSEMBLY

*January 30th, 2017*

*Hearing Room B, Legislative Office Building, Albany, New York*

#### **Introduction**

My name is Barbara Bartoletti and I am Legislative Director of the League of Women Voters of New York State. I want to thank the Legislature for this opportunity to provide recommendations for the 2017-2018 proposed budget as set forth in the Appropriations bill and the related Local Government Officials and General Government Article VII legislation.

The League of Women Voters is a nonpartisan political organization working to promote civic responsibility through informed and active participation of citizens in government. We have 51 local leagues throughout the state registering and educating voters, on local and state issues. The League does not support or oppose political candidates.

After reviewing the legislation proposed by Governor Cuomo to address corruption in New York State we would like to make the observations and suggestions regarding his Article VII legislation as well as his proposals for constitutional amendments. This testimony is divided into four sections. Part I addresses the Governor's proposal on outside income and the constitutional amendment proposals. Part II addresses campaign finance. Part III addresses his state contracting proposals. Part IV addresses the upcoming ballot proposal on holding a constitutional convention. Although this issue is not explicitly mentioned in the Governor's budget we believe that it is crucial to allocate funding in the 2017-2018 budget for public education and for the creation of a Convention Commission to assess the feasibility and necessity of holding a convention in 2019.

#### **Part I. Outside Income**

We have long urged that all outside income of state legislators be subject to strict disclosure requirements. All clients and services should be disclosed if the matter involves business before the state, whether or not the legislator personally performed services or referred the client.

The League would consider supporting a percentage limit on the outside income of legislators

similar to that proposed by the Governor as a constitutional amendment subject to a review of all provisions regarding outside income and legislative salary. While we support four-year terms for both the Senate and the Assembly, we are opposed to term limits.

### **Advisory Opinion for Outside Income for the Legislature**

We fully support efforts to increase disclosure and reduce potential conflicts of interest of outside income of legislators. Requiring an advisory opinion from the Legislative Ethics Commission could potentially help to reduce the instances of conflict of interest if the Commission is truly objective.

### **Financial Disclosures for Local Elected Officials**

Ensuring transparency at all levels of government is crucial in restoring the public's trust in its government. Without strong safeguards to limit the influence of money in the political process, voter turnout is diminished and the representative character of our democracy is undermined. The League supports this proposal but also urges the legislature to consider adding additional changes to strengthen JCOPE.

### **Additional Recommendations**

In addition to the above proposals, the League encourages you to consider the following reforms related to campaign finance:

1. Reform ethics oversight and enforcement by changing JCOPE's structure, scope, and voting procedures to boost public confidence in its actions. Changes should increase transparency of its operations, meetings and votes; expand jurisdiction to include all executive and legislative branch employees; and elevate the independence of the commissioners from their appointing authorities.
2. Strengthen financial reporting disclosure requirements for public officers to allow the public to more easily spot conflicts of interest.
3. Streamline and standardize disclosure of lobbying activity for better analysis and easier evaluation by the public.

## **Part II. Campaign Finance**

The League has repeatedly advocated for the following reforms and strongly supports their inclusion in this budget. We believe that effective, independent and adequately funded enforcement of the campaign finance system and reasonable limits on contributions, including contributions to parties, and increased disclosure, are fundamental to reforming New York's broken campaign finance laws. They are not reforms that should be viewed as mere additions to implementing a public financing system. New York cannot build a public financing system on top of the existing weak enforcement structure and sky-high contribution limits. Robust, independent, adequately funded enforcement, greater campaign finance restrictions, and public financing must all go hand in hand.

### **Closure of the LLC Loophole**

We fully support making LLCs subject to the existing contribution limits for corporations and publicly attributing these contributions back to their source. This one measure is an important step forward in reducing the influence of money in politics in our state. We have long supported

stricter limits on contributions to, and the use of, party “housekeeping accounts” which have been considerably abused. The provision in this bill will begin this process but more remains to be done.

### **Contribution Limits**

Although the proposed contribution limits are certainly an improvement from the current limits (highest in the country for any state that has limits), they are still unacceptably high. They should be even further reduced. In addition, we believe we need to go further in addressing Albany’s pay-to-play culture with strict limits on the amounts of money that can be contributed to campaigns by lobbyists as is done in a number of other states. We need to place reasonable limits on party housekeeping accounts, the \$25,000 in the Governor’s proposal is too high and further limit contributions to party committees and party transfers to candidates.

### **Public Financing**

The League of Women Voters has supported public financing in New York State elections for many years. Among the many well-documented benefits of public financing are a greater diversity of candidates elected to office and an increase in the number of overall contributors, especially the number of small donors.

Campaign finance laws enhance the quality of our democracy by promoting the values of a free society. Public confidence and trust in government is lost. Campaign finance laws restore people's faith in government and help reconnect citizens to the political process. They encourage greater individual involvement in public affairs and produce a more responsive, transparent and accountable government.

### **Additional Recommendations**

1. Strengthen enforcement. We believe in the importance of the Attorney General having concurrent jurisdiction to prosecute criminal violations of campaign finance laws. We urge that a steady stream of funding be provided for the enforcement unit to ensure its effectiveness in years to come as well.
2. All candidates should be limited to one campaign committee and committees should be closed after an election. Abuse by legislators of campaign contributions is one of the most pervasive and long-standing scandals in Albany. As a clear “fix” to this problem, the League has urged that the state adopt the federal rules on personal use. Any rules that are adopted should clearly prohibit the use of campaign funds for legal fees that are not associated with campaign activity.

### **Part III. State Contracting**

In 2016 the US Attorney and State Attorney General opened cases to investigate a potential bid rigging scheme involving several high ranking government officials, New York construction companies, and taxpayer funded government contracts. The cases have not been settled but there is significant documentation showing that contracts were drafted in a way that disqualified all applicants except those who contributed large sums of money to the Governor. The League has been working in conjunction with our good government allies to push for reforms that would strengthen transparency during the RFP and grant awarding process. The Governor’s proposals do not adequately address the concerns our groups have raised over the last several months.

### **Appointment of Chief Procurement Officer**

A Chief Procurement Officer appointed by the Governor will not provide adequate independent oversight. The Governor should restore review and audit power to the State Comptroller and not his own appointee. We support strengthening the ability of the Department of Law to bring actions independent of a referral from state entities. While it is important and appropriate for the executive to review what has gone wrong, it is the role of the legislative process to strengthen the laws to ensure independent oversight.

### **Prohibiting Government Vendor Contributions**

The League supports the Governor's proposal to prohibit persons or entities actively involved in a government contract bid from contributing to and office-holder or candidate. This proposal would help reduce the potential for conflicts of interest. Nineteen states and NYC have such "pay to play" laws.

### **FOIL**

The League supports reforms that would strengthen the Freedom of Information Law and help citizens have greater access to pertinent government documents. The Governor has proposed a reform that would include the state legislature under The Freedom of Information Law. While we think this is a positive first step, it fails to include the Governor's office and does not address other barriers citizens face when they seek information from our government.

### **Additional Recommendations**

In addition to the above proposals, the League encourages you to consider the following reforms related to government contracts:

1. Require competitive and transparent contracting for the award of state funds by all state agencies, authorities, and affiliates. Use existing agency procurement guidelines as a uniform minimum standard.
2. Transfer responsibility for awarding all economic development awards to Empire State Development Corporation (ESDC), and end awards by state non-profits and SUNY.
3. Empower the comptroller to review and approve all state contracts over \$250k.
4. Prohibit state authorities, state corporations and state non-profits from doing business with their board members.
5. Create a 'Database of Deals' that allows the public to see the total value of all forms of subsidies awarded to a business – as six states have done.

### **Part IV. Constitutional Convention**

On November 6<sup>th</sup> of this year all New York State voters will be asked to vote on a ballot proposal which would allow the state to call a Constitutional Convention. This question is mandated by the New York State Constitution to appear every 20 years. In prior years funds have been allocated to allow for the creation of a Convention Commission and for public education. This year no funds have been allocated.

### **Convention Commission**

In his 2016-2017 budget Governor Cuomo had included a budget line item that would have allowed a commission to be assembled. The funding was not included in the final budget package. Constitutional Convention Commissions are typically assembled ahead of the initial convention ballot proposal. They study what potential issues could be addressed during a convention and what impact a convention would have on the state. These commissions make recommendations to the state and public as to whether or not a convention should be convened. They can also provide other relevant information to the public and press. If voters decide to hold a convention the commission can make recommendations to the elected delegates including what issues they should address and how they should organize themselves during the convention.

### **Public Education**

New York State law requires that the New York State Board of Elections publish the convention question and an abstract and statement on the law authorizing the submission, in one countywide newspaper in every county once in the week before the election. This is a completely insufficient and outdated way to alert the public. History has shown a significant portion of voters skip this ballot question because they are unaware of what a convention is. The state must provide the public with more resources than a small advert in a single newspaper in their county. The state should allocate funding for additional public education resources.

### **Delegate Selection**

The current convention delegate selection process in New York State is deeply flawed. Many citizens are discouraged from running because of the high threshold for petition signatures and difficulty of working with a party committee. Additionally, slate voting for stat-wide candidates limits voters' options on Election Day. In 2015, the League sent a joint letter to the Governor's office regarding the convention delegate selection process. We have included the letter as an attachment to this document. Please consider these recommendations both during budget negotiations and during regularly scheduled legislative session.

### **Conclusion**

The League thanks the Legislature for the opportunity to share our perspective on this Executive Budget and its reform proposals. I urge you to heed our call for the changes and supports needed to ensure a thriving and robust democracy in New York State. In particular, we urge you to seize this opportunity to pass comprehensive ethics and campaign finance reform and give New Yorkers the transparent, responsive, and ethical state government they deserve and overwhelming want. Anything less will represent continued systemic failure to address Albany's culture of corruption.



November 23, 2015

Mr. Alphonso David  
Counsel to the Governor  
Office of Governor Andrew Cuomo  
Capitol Building  
Albany, New York 12558

**Re: Reforming Constitutional Convention Delegate Selection and Convention Rules**

Dear Mr. David:

We write to ask that the Governor introduce legislation consistent with the joint efforts of our groups to reform the process for selecting delegates to a potential state constitutional convention, and ensure that robust transparency, ethics and lobbying rules apply to delegates.

Leading up to the forthcoming public discussion of the 2017 mandatory ballot measure, it is critical that fundamental and long-called-for statutory reforms be enacted as soon as possible. This is a choice of great importance to the voters, and is the only way that voters will be able to directly voice their collective will to change convention processes before the convention may be called. New Yorkers should be assured that key measures have been taken to make a possible convention more open, fair and representative of the state.

The list below is not inclusive of all the reforms that our various groups have supported in the past and may continue to urge in this area. Instead, it focuses on a few important modernizing steps that our groups believe have wide support and agreement, as well as directly addressing some of the significant concerns leading up to the 1997 vote.

- Signature requirements to get on the ballot for convention delegates should be significantly lowered.
- Slate voting for the 15 “at-large” delegates elected statewide should be eliminated and voters should vote for individual candidates.
- State-sponsored voter pamphlets (both in print and electronic form) that provide biographical information on candidates, including their past and current experience as elected officials or government employees, should be provided to voters.
- Current freedom of information, ethics and lobbying rules should be amended as necessary to ensure that they apply to convention delegates.
- While we recognize that the Constitution requires delegates be paid the full annual salary of a state legislator, reforms should be put in place that restrict elected officials from receiving two salaries, and ensure delegates who hold any government position (elected or appointed) cannot use delegate service to enhance pension benefits.

Some of these initiatives require the expenditure of state resources, for example the ballot pamphlet. Thus, we believe that the aforementioned package of reforms could be included in the 2016-17 executive budget plan. If that step is taken, it would ensure that there would be a robust reform debate during the upcoming session.

Such a debate during the 2016 legislative session could both educate the public on the importance of the looming constitutional convention vote in 2017 as well as clear the way for any additional measures during the 2017 session.

It is our view that greater attention should be drawn to the convention to ensure that New Yorkers have an opportunity to make an informed vote in 2017. One way to achieve this heightened public awareness is through the successful passage of reforms to the convention process; the Governor can ensure that delegates to a convention (if approved) would be more representative and that the convention would meet the same standards of openness as other important government processes.

We urge that the Governor support delegate selection reforms in his State of the State address and couple it with legislative reforms.

We would like to schedule a meeting to discuss these reforms in more detail. We will contact your office to determine your availability.

We look forward to your response.

Sincerely,

Dare Thompson, President  
League of Women Voters of NYS

Blair Horner, Executive Director  
NYPIRG

Susan Lerner, Executive Director  
Common Cause NY

Dick Dadey, Executive Director  
Citizens Union

John Kaehny, Executive Director  
Reinvent Albany

Larry Norden, Deputy Director  
Brennan Center for Justice

Stephen Greenwald  
Wagner College

