

Testimony of Reinvent Albany for the Joint Legislative Hearing On Local/General Government

February 4, 2025

Thank you for the opportunity to provide testimony on local/general government budget issues. Reinvent Albany advocates for open, accountable New York government.

Today, we ask the Legislature to do three things related to items of general government in the budget:

- 1. Reject extraordinary budget powers, including giving the Governor authority to move around money without Comptroller oversight.
- 2. Approve the Governor's proposed funding for the NYS Public Campaign Finance Program.
- 3. Provide robust funding for the Board of Elections.

First, we thank the Senate and Assembly for acting previously, and ask you once again to reject extraordinary budget powers that grant the Governor sweeping authority to move money around, and that remove Comptroller oversight.

As in previous years, we sent a <u>letter with other watchdog</u> groups, including the Citizens Budget Commission, asking the Governor to *not* include the following in her budget:

- Removing competitive bidding requirements and the Comptroller's oversight via provisions added to individual appropriations;
- Allowing universal appropriation transfer and interchange authority within the State Operations bill;
- Authorizing up to \$4 billion in short-term revenue anticipation notes;
- Authorizing transfer of \$1 billion from the General Fund to the "Health Care Transformation Account," an executive slush fund/lump sum; and
- Increasing the "Special Emergency Appropriation" from \$1 billion to \$2 billion, another executive slush fund/lump sum.

Unfortunately, it appears that the Executive Budget included all of these items. The only item that we opposed in prior years that was not included in the executive budget was language limiting the Comptroller's oversight over bond agreements. We ask the Legislature to again reject all of these items in your one-house bills, and ensure they do not make it into the final budget.

Second, we urge the Legislature to protect New York State's Public Campaign Finance Program and match the Governor's budget request of \$114.5 million (\$100 million for matching funds, \$14.5 million for administration). The first cycle was a major success, with 228 program registrants receiving over \$35

The first cycle was a major success, with 228 program registrants receiving over \$35 million in payments, <u>according to the Public Campaign Finance Board</u>. Enrollment was also bipartisan, with high numbers of both Republicans and Democrats participating. Matching the Governor's request will ensure the program's continued success.

We also urge the Legislature to not make any changes that would undermine the program's goal of reducing the influence of big money, empowering small donors, and helping candidates of limited means run for office. This means:

- **Do not allow large donations to be matched with public funds.** New York's contribution limits are already among the highest in the country. Allowing \$10,000 contributions to State Senators to be matched with public money would make a mockery of the program.
- **Do not raise qualifying thresholds.** The program's thresholds are already higher than other programs nationally.
- **Do not make further changes to the surplus calculation** (as proposed in <u>S9835 (Skoufis) / A10539 (Magnarelli)</u> of 2024). This makes the program more expensive and wastes public money. The issue raised was also already addressed through <u>a recent PCFB resolution</u> (which Reinvent Albany opposed).
- Do not block the disclosure of the names of candidates selected for audits. This reduces transparency and accountability for the program.

Reinvent Albany supports improving the program through the following changes:

- **Require return of 100% of unused public matching funds to the PCFB by prohibiting de facto transfer of public funds to other committees.** The program will likely lose millions of dollars due to a <u>last-minute resolution</u> passed by the PCFB allowing candidates to deduct transfers from the amount of the money that they must return to the PCFB. This change should be reversed by the Legislature.
- **Move up payout dates for participants in the program.** We support the PCFB's proposal to have candidates receive funds six months before the election.

- Change the surplus calculation so that transfers are not allowed to be deducted from the amount that campaigns must return to the state.
- Change the due date for the PCFB report from January 1st to February. This was recommended in the PCFB report and will allow the board more time to propose improvements.
- Lower contribution limits. New York's are still among the highest in the country.
- Lower participation thresholds. The thresholds in this program are already higher than in other programs nationally.
- **Mandate post-election audits for all campaigns.** This will protect public funds.

Lastly, please match the Governor's budget request of \$142.4 million in funding for the State Board of Elections. New York's election administration is still very far from where it needs to be, but it has come a long way, and the last several cycles have been largely scandal-free. This is partly thanks to the election reforms enacted over the past several years. We encourage the Legislature to meet the Governor's proposal.

Thank you for your consideration. If you have any questions, please contact Tom Speaker, Legislative Director, at tom [at] reinventalbany.org.