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

**TESTIMONY BEFORE THE NYS SENATE ETHICS COMMITTEE
SENATOR JOHN L. SAMPSON, CHAIRMAN
JUNE 2, 2009
ALBANY, NEW YORK**

Good morning, Senator Sampson, and members of the New York State Senate Ethics Committee. My name is Sally Robinson, Vice President of the State League. With me today is Barbara Bartoletti, Legislative Director of the New York State League of Women Voters.

The League of Women Voters is a multi-issue, nonpartisan political organization, which encourages informed and active participation in government and influences public policy through advocacy and education. Along with improvements in the voting process, good government issues such as ethics have long been a main focus of our advocacy efforts.

The League appreciates the opportunity to discuss ethics reform issues that are addressed through these four bills and through the Governor's ethics reform program bill. We commend Majority Leader Smith for his statement in support of ethics reform, Senators Squadron and Krueger for introducing this legislation in the Senate and Governor Paterson for submitting his own proposal. However, we urge the Assembly and the Executive to come to the negotiating table to work together with you to forge ethics legislation in the few remaining weeks of session. Proposals are good; laws are much better.

We look forward to working with you, the Assembly, and the Governor to adopt legislation that will make New York a leader in state government ethics and improve the public's confidence in our elected officials.

Draft Bill - Commission on Governmental Ethics/Governor Paterson's Program Bill

Combination of Oversight Function into One New Entity

The League, along with our other good government colleagues, supports combining the Commission on Public Integrity (CPI), which oversees the executive branch, and the separate Legislative Ethics Commission (LEC), which oversees the legislative branch, into one entity with independent and effective oversight over both branches of government. Ethics reform will

not be achieved without enforcement by an adequately funded, independent body with the power to conduct audits and investigate complaints.

Senator Squadron's bill would accomplish this through a new Committee on Government Ethics whose nine members would be appointed by the governor, the legislative leaders, the comptroller and attorney general. No one elected official would control a majority of the appointments. The Governor's program bill would create a new independent five member State Government Ethics Commission to oversee and enforce ethics laws for the legislative and executive branches.

Appointment

The creation of a unified oversight entity for both branches is a critical step in the right direction. However, with respect to the selection of the members of the new entity we prefer the approach of Governor Paterson's program bill. Unlike the Senate bill, a State Government Ethics Designating Commission would select the members of the Commission instead of direct appointment by elected officials. The League was an early supporter of this type of independent "commission-based qualifications commission" with respect to judicial nominations and remain convinced of the merits of this more independent approach to appointments.

The Executive Director of the oversight agency should be appointed for a term of years, as is the case in the Senate bill, be removable only for cause, and should control the staff of the new entity.

Campaign Finance Enforcement by New Entity

Both the Senate bill and the Governor's bill empower this unified agency to enforce Article 14 of the election law with respect to campaign finance. We will discuss our preferred changes to campaign finance enforcement in our testimony before the Senate Elections Committee tomorrow, but moving campaign finance enforcement out of the Board of Elections is not in itself a magic bullet. Without adequate funding, greater criminal and civil penalties, and better mechanisms, including the power to conduct random compliance audits, effective enforcement will not be achieved regardless of where the power to enforce campaign finance laws rests. We remain concerned about adequate funding to enforce both ethics and campaign finance laws.

Draft Bill - Disclosure by Public Officials

The League of Women Voters has always considered disclosure, transparency and enforcement to be critical in ensuring the public's confidence in the conduct of public officials. As Senator Smith noted, "a lack of enforcement coupled with little disclosure is not a healthy combination." In fact, poor disclosure is often a segue into poor enforcement. Therefore we support the effort towards expanded disclosure provided by the Disclosure by Public Officials bill. The new reporting requirement for business dealings with lobbyists is in particular a significant step to improve disclosure by public officials.

In our view, the enforcement of these new rules would be better addressed through the new combined oversight agency covering both the legislative and executive branches as envisioned

by both the Senate bill's Commission on Governmental Ethics and Governor Paterson's new Commission described above. This new oversight agency should conduct random audits of financial disclosure forms required to be filed by public officers as is contemplated by this bill under the purview of the CPI and LEC.

S.744-A-“Pay-to-Play” Limits and Disclosure of Lobbyist-Legislator Relationships

Along with our good government colleagues, the League of Women Voters has consistently called for stricter restrictions on campaign contributions by contractors and lobbyists who do business with the state. The fact that New York has not done so has created widespread public cynicism and a belief that those who do business with the state are paying campaign contributions to play with the state.

Pay-to-Play contribution limits will have the additional benefits of reducing the appearance of undue pressure for campaign contributions as well as reducing the real or perceived influence of lobbyists and contractors who do business with the state.

We support the bill's:

- reasonable lowered contribution limits for lobbyists and state contractors
- restriction on the appointment of lobbyists, state contractors and near relatives to state public boards or commissions that have authority to award or audit any public contract
- disclosure requirements for campaign contributions by lobbyists, including related entities and PACS, and government contractors but suggest that consistent filing requirements for lobbyists and contractors might be easier to understand and administer.

S.743-A-Personal Use & Disposal Requirements

Another long-standing concern of ours has been to strengthen the limited ban on the use of campaign contributions for personal use by elected officials. It is clear that current statutory restrictions have not worked well since they leave too much discretion to the candidate as to what is a permissible use.

The League's 2008 proposed “Campaign Finance Reform, Enforcement, Transparency and Accountability Act” would have banned the personal use of campaign contributions except as allowed by federal law. We still prefer that approach, but the clarification provided by this bill in how candidates can expend contributions for personal use through a list of specified permissible and impermissible expenditures is a significant improvement over current law.

In closing, we emphasize that what the League is looking for with respect to both ethics and campaign finance reform is not a perfect system, but a functional system to replace a broken one that ranks near the bottom of the nation in transparency, accountability and enforcement.

Too long we have had an enforcement culture that does almost nothing to encourage compliance or penalize violations. We are in favor of greatly expanded disclosure and independent enforcement of rigorous civil and criminal penalties, and far greater transparency in both ethics and campaign finance regulation. We look forward to entering discussions with all parties over the next month with the hope that a package can be agreed to that will help restore the public's trust in the institution of state government.