



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

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

**STATEMENT BEFORE THE NEW YORK STATE SENATE
INTERACTIVE PUBLIC FORUM ON ETHICS REFORM**

MAY 4, 2011

Hearing Room A, Legislative Office Building, Albany, New York

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

We commend Senator Squadron and members of the Senate Democratic conference on holding this forum and giving us the opportunity to discuss these important issues. We urge the Assembly and the Executive to come to the negotiating table to work together with the entire Senate to pass comprehensive ethics legislation in the few remaining weeks of session. New York should be a leader in this area and the public deserves greater confidence in our elected officials.

Establishing an independent commission on governmental ethics (S31/Squadron)

Combination of Oversight Function into One New Entity

The League has consistently supported 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. Ethics rules that apply to both the executive and legislative branches should be interpreted and applied by one entity. The majority of states that have ethics commissions use this unitary model of a commission with authority over both the executive and legislative branches.

This bill accomplishes this through a new Committee on Government Ethics whose nine members would be appointed by the governor, but six of the nine would be done on the nomination of the legislative leaders, the comptroller and the attorney general. Therefore, no single elected official would control a majority of the appointments, something we have consistently supported as essential to true independence. We also support the appointment of the Executive Director for a term of five years, removable only for cause.

We believe that a unitary commission could be structured to preserve the Legislature's power to police the core legislative activities of its own members.

Campaign Finance Enforcement by New Entity

S31 empowers this unified agency to enforce Article 14 of the election law with respect to campaign finance. Moving campaign finance enforcement out of the Board of Elections is not in itself a magic bullet. Without adequate funding, increased penalties for non-compliance, and improved operations, 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.

Increasing financial and client disclosure requirements (S382/Rivera)

The League has always considered disclosure, transparency and enforcement to be critical in ensuring the public's confidence in the conduct of public officials. Since we believe poor disclosure often leads to poor enforcement, we strongly support the effort towards expanded disclosure provided by this bill. The new reporting requirement for business dealings with lobbyists is a particularly significant step in improving disclosure by public officials. As we stated earlier, we believe that the enforcement of these new rules would be better addressed through a combined oversight agency covering both the legislative and executive branches.

Stripping elected officials convicted of misusing office of pensions (S2333/Krueger)

The League has not studied and does not have a position on this issue.

Restricting the personal use of campaign funds (S3053/Krueger)

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.

As described below, the League strongly supports a comprehensive approach to “Pay-to-Play” and this bill goes a significant distance toward accomplishing that goal in both requiring more extensive disclosure of campaign contributions and other financial relationships between public officials and lobbyists, owners and senior managers of lobbyists, and their immediate family members, and reducing contribution limits for lobbyists and those who do business with the state. We support its restriction of the personal business activities that lobbyists and public contractors, owners and senior managers of such lobbyists and contractors and their immediate family members, can undertake with candidates, and their prohibition from serving as officers of political committees that work with candidates. We also support the bill’s restriction of appointments of lobbyists, state contractors, owners and senior managers, to a state public board or commission that has the authority over awarding or auditing a contract. Restrictions such as this, although they reduce the field of eligible individuals, reassure the public by eliminating actual or perceived conflicts of interest.

Eliminating Pay-to-Play (S1565/Addabbo)

Along with our good government colleagues, the League of Women Voters has consistently called for stricter restrictions on campaign contributions by those who do business with the state and lobbyists. 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 through campaign contributions to play with the state.

We have not had sufficient time to allow us to comment on the details of this bill’s ban on both contributions and independent expenditures by business entities that receive or renew state contracts. We can say, however, that we think the state should approach the

problem of pay-to-play with a comprehensive regulatory system for both state contractors and lobbyists, and those associated with them. This solution should be tailored to appropriately balance the well-documented concerns of undue influence with the rights of political speech of those impacted. Similarly, we think that the influence of independent expenditures on elections and the operation of government should be dealt with in a comprehensive manner.

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. In addition to more stringent requirements for financial disclosure, the system should address the corrosive influence of large amounts of money from all sources on our elected representatives.