



MEMO OF OPPOSITION

[A7760 \(Walker\) / S7564 \(Myrie\)](#)

Makes Structural Changes to NYS Public Campaign Finance Law

June 15, 2023

OUR GROUPS URGE GOVERNOR HOCHUL TO VETO THIS BILL, which we believe does huge structural damage to the state's landmark public campaign finance law and is counter to the law's goals.

The public campaign finance law was established to amplify the voices of small donors in a state known for pay-to-play scandals connected to its high contribution limits. The law made it so that only donations of up to \$250 could be matched with public funds.

Under this bill, a \$10,000 donation to a state senator from a corporate CEO with state contracts will be matched with \$2,300 from the state. No serious person would ever argue that this helps build a stronger, more inclusive democracy.

The bill also makes a number of changes that appear intended to protect incumbents, such as raising the number of donations needed to receive matching funds, and reducing the amount of public funds that Assembly candidates can receive. Candidates who do not have strong connections to wealthy donors will find it much more difficult to meet the thresholds under this proposal.

Finally, we note that while the 2020 public campaign finance law was the product of years of campaigning and months of public discussion, these changes are being

introduced in the last few days of session, with little time for the public to review or even understand this complicated and lengthy proposal. How is this democratic?

Please veto this bill.

TITLE OF BILL

An act to amend the election law, in relation to public campaign financing; and to repeal section 11 of part ZZZ of chapter 58 of the laws of 2020 amending the election law relating to public financing for state office; amending the state finance law relating to establishing the New York state campaign finance fund; and amending the tax law relating to establishing the NYS campaign finance fund check-off, relating to the severability of the provisions thereof.

SUMMARY OF PROVISIONS

Section 1 amends Election Law §14-200-a(11) to:

- Clarify that to have their donation matched with public funds, donors must live in the candidate's district at the time of the donation.
- Make it so that *any* donation up to the maximum can be matched with public funds, rather than just donations of \$250 or less.

Section 2 amends Election Law §14-200-a(19) to redefine "surplus" so that public funds must be returned to the state if the surplus is more than the difference between the public matching funds received and the total qualified campaign expenditures.

Section 3 amends Election Law §14-203 to provide that in order to qualify for matching funds, candidates must not have unpaid fines for public campaign finance programs (for example, New York City's program) from the last 10 years, and that having unspent public funds from the primary election reduces the amount of public funds candidates can receive in the general election.

The section also changes the thresholds for qualifying for the program:

- For the Assembly, candidates must raise \$12,000 from 145 in-district donors (up from \$6,000 and 75 respectively).
- For the Senate, candidates must raise \$24,000 from 350 in-district donors (up from \$12,000 and 150).
- For low-income districts, the monetary thresholds will be \$6,000 in the Assembly (up from \$4,000) and \$16,000 in the Senate (up from \$8,000).

This section also clarifies that the portion of any contribution above \$250 may not be matched, and adds that candidates who participated in the program in the primary election are not required to participate in the general election.

Section 4 amends Election Law §14-204(1,2,5) to reduce the amount of public funds Assembly candidates may receive from \$175,000 to \$145,000, while candidates in minor party elections may receive more than \$5,000 in certain cases, but not more than \$15,000 in total.

Section 5 amends Election Law §14-205(3,4) to provide that the Public Campaign Finance Board (CFB) shall schedule payouts on:

- December 15th of the year preceding the covered election;
- January 15th, February 15th, March 15th, April 15th, and three payments dates within the 45 days preceding a primary election; and
- July 15th and a minimum of four times within the 90 days prior to a general election.

The section also provides that an election shall be considered “competitive” if at least one of the following conditions are met:

- The margin of victory for general elections in the last eight years was 20 points or less for the seat;
- An opponent has received the endorsement of a current or former statewide official, or current or federal elected official representing all or a portion of the district;
- An opponent has received three or more endorsements from other current or former state or local officials representing all or a portion of the district;
- In the past 10 years, the candidate’s spouse, domestic partner or family member held elective office in all or a portion of the district;
- An opponent has received state public matching funds;
- An individual is self-funding and has given or loaned themselves \$24,000 for Senate or \$10,000 for Assembly; or
- An opponent previously held elective office.

Section 6 adds a new subdivision 3 to Election Law §14-206 to provide that campaign communications such as television ads and printed flyers must add a disclosure that the candidate is a “New York State Public Campaign Finance Program participant.”

Section 7 adds a new subdivision 3-a to Election Law §14-207 to provide that the PCFB shall develop and administer an in-person/online training for individuals to be certified as compliance officers under the program.

Section 8 amends Election Law §14-208(1)(c) to provide that the names of candidates randomly selected for an audit shall not be disclosed unless the PCFB finds wrongdoing.

Section 9 amends Election Law §14-208(2)(c) to provide that unspent funds must be returned only if the amount of qualified campaign expenditures is less than the amount of public funds remaining, and candidates shall have 30 days to cure violations found by the PCFB in audits before there are declarations of wrongdoing.

Section 10 amends Election Law §14-212 to remove the previous limited severability clause, adding a new severance clause that applies to the entire law.

Section 12 [sic] repeals the previous non-severability clause.

Section 13 [sic] states that the bill takes effect 90 days after becoming law.