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

### MEMORANDUM IN RESPONSE TO ASSEMBLY AND SENATE ETHICS REFORM PROPOSALS, A.9535 (Heastie) and R.4330 (Flanagan and Klein)

**TO:** New York State Assembly and Senate  
**DATE:** March 21 2016

**After reviewing the ethics reform packages proposed by the Assembly and Senate, the League of Women Voters of New York State has the following observations on some of the included reforms.**

The League believes that the recommended reforms will fail to significantly impact our legislative system. These reforms skirt around the larger issues plaguing our state legislature. Proposals to cap outside income, restrict leaders' terms, and require pension forfeiture for elected officials convicted of a felony, are distractions from the larger issues that contribute to Albany's culture of corruption. We offer the following comments as you continue your negotiations.

#### **Outside Income**

While we have no position on an overall limit on legislative income, we fully support efforts to increase disclosure and reduce potential conflicts of interest. The limit on outside income for the "use of the legislator's name" will not accomplish its purported purpose and can be easily subverted. A clear limit on referral income of all types, or at least full disclosure, would be more effective. It is hard to see how this provision, or the codification of existing professional rules for lawyers, will have any long-lasting positive impact on better ethics.

#### **LLC Loophole and Housekeeping Accounts**

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.

#### **Pension Forfeiture**

The proposal, which was not considered by the Assembly, would require a Constitutional Amendment in order to take effect. The League supports this proposal but believes that the forfeiture of any public official's right to a pension should be subject to judicial discretion and other measures to ensure fairness.

### **Term Limits on Leaders**

In addition to pension forfeiture, the Senate's ethics package included term limits on legislative leaders. Limiting time in a leadership position could have the worthwhile result of giving rank and file members the opportunity to have a more significant impact on the legislative system.. It is a reasonable means the legislature could consider to begin to re-balance power within their chambers.

The League and its fellow good government allies sent a letter to the legislative leaders in November of 2015. The letter laid out our recommendations for what we believe should be addressed in a truly comprehensive ethics reform package. The Assembly has already partly addressed our recommendations to reform legislative compensation and close the LLC Loophole, but neither house has taken steps to restructure JCOPE, improve disclosure filings, or streamline disclosures for lobbying groups. Our full lists of recommendations are below.

1. Reform legislative compensation through considering the forthcoming recommendations of the recently appointed New York State Commission on Legislative, Judicial and Executive Compensation, to address issues of salary, bonus, and outside income.
2. Limit the influence of dark money campaign contributions and government spending that takes place in the shadows by closing the LLC loophole, requiring campaign contributors to disclose their employers, requiring disclosures of all lump-sum appropriation funds, and enacting much stronger restrictions on personal use of campaign funds.
3. 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.
4. Strengthen financial reporting disclosure requirements for public officers to allow the public to more easily spot conflicts of interest.
5. Streamline and standardize disclosure of lobbying activity for better analysis and easier evaluation by the public.

**The League of Women Voters of New York State strongly urges you to work with your colleagues to strengthen and improve on the goals of these bills. We support the measures in the proposed legislation that are real steps to reform, but much more remains to be accomplished through joint lawmaking by both houses of the state legislature.**