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

**TESTIMONY BEFORE THE NEW YORK STATE
SENATE STANDING COMMITTEE ON ELECTIONS
Regarding
CAMPAIGN FINANCE LAW REFORM
New York, New York
April 23, 2010**

Good morning. My name is Joanne Pugh and I am the chair of the Legislative Action Committee of the New York City League of Women Voters. I am testifying here today on behalf of the New York State League of Women Voters. I want to thank Senator Addabbo and the Senate Standing Committee on Elections for inviting us to this Senate Hearing on Campaign Finance Reform.

The League of Women Voters is a non-partisan political organization working to promote political responsibility through informed and active participation of citizens in government. We have been involved with the issue of campaign finance reform since the early seventies and believe that methods of financing political campaigns should ensure the public's right to know, combat corruption, as well as the appearance of corruption, and minimize undue influence, enable candidates to compete more equitably for public office and allow maximum citizen participation in the political process. Any proposed legislation must mandate not only the desired actions or prohibitions, it must also contain sufficient penalties for noncompliance and an independent enforcement agency with sufficient powers to investigate compliance and sanction noncompliance.

The League's advocacy has two tracks: 1) achieve regulatory reforms particularly in the area of campaign finance enforcement; and 2) build support for public financing as the best long-term solution to combat undue influence in the election process.

Along with others, we testified last summer before this committee at length about deep and long-standing problems with New York's campaign finance system ranging from loophole-ridden high contribution limits to ineffective enforcement.

At that time we said that we strongly supported Senator Smith's bill creating a new campaign finance enforcement office within the State Board of Elections and a Campaign Finance Advisory Board with a nomination process for appointing a Campaign Finance

Enforcement Officer to head this new office. This bill also increases civil and criminal penalties for violations, and adds random audits of campaign committees. We believe that strong and independent campaign finance enforcement is critical to improving the state's system of financing elections and are pleased that you added S5814 to today's agenda.

We believe that New York should dramatically reduce the amount that can be given to candidates and parties, and that unlimited contributions to party housekeeping accounts should be banned. The latter is a League goal for many years. Individual candidates should be limited to one political committee per election and we support closing the multiple LLC contribution loophole. We believe that the problem of personal use of campaign funds would be best addressed by banning the use of campaign funds except as allowed by federal law.

With respect to the disclosure bills, we support legislation that would require "bundlers" to report who they have collected contributions from, and on whose behalf. This would be in line with federal disclosure laws and the League strongly supports this approach. We also believe that political committees as well as individuals should be required to report the occupation, employer and business address of contributions.

With respect to public financing proposals, we continue to prefer a phased-in approach patterned after the NYC-style matching system that would include added grants for candidates who are being outspent. While we urge that budgetary concerns are kept in mind as any system of public financing is implemented, expenditure limits must not be so low as to result in the two major parties opting out of these voluntary systems.

With respect to legislative solutions to the issues raised by the Citizens United case, we urge that the strongest possible disclosure requirements be imposed on independent political spending. Direct and indirect political spending by those with business before the state should be banned. We support the concept that political expenditures should be approved by shareholders and that other corporate governance measures may be useful in this area, but care should be taken that any legislation is both effective and constitutional.

We applaud the attention that this hearing is giving to this critical issue. Again we want to emphasize that campaign finance laws enhance the quality of our democracy by promoting the values of a free society. Without strong safeguards to limit the influence of money in the political process, voter turnout is diminished and the representative character of our democracy is undermined. Public confidence and trust in government is lost. Campaign finance laws restore people's faith in government and help reconnect citizens to the political process. They encourage greater individual involvement in public affairs and produce a more responsive, transparent and accountable government. Thank you Senators, for this opportunity to contribute to the important discussion on Campaign Finance Reform.