



PRESS RELEASE

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FOR IMMEDIATE RELEASE

CFB ANALYSIS: HALFWAY THROUGH THE ELECTION CYCLE, FUNDRAISING REACHES UNPRECEDENTED HEIGHTS

Recent changes to the Campaign Finance Act should help renew focus on small contributions

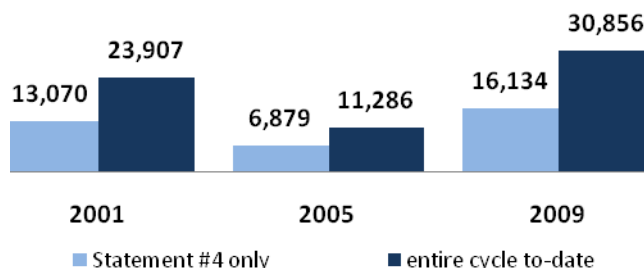
February 6, 2008—With twenty months until the September 2009 citywide primary elections, the Campaign Finance Program is preparing to mark its 20th anniversary. Halfway through the 2009 election cycle, more contributors are getting actively involved in the political process as more candidates are starting their campaigns earlier than ever, according to an analysis of financial disclosures filed with the Campaign Finance Board covering the six-month period ending January 11, 2008.

Campaigns filed disclosures with the CFB on Tuesday, January 15 for all financial activity between July 12, 2007 and January 11, 2008. This was the fourth scheduled disclosure filing (Statement #4) of the 2009 election cycle.

“Even during this busy political year at the national level, more people are engaged in New York City’s local political life earlier in the election cycle than ever before,” said Amy Loprest, Executive Director of the New York City Campaign Finance Board. “Among these record fundraising numbers, there are encouraging signs that recent reforms will enable the Campaign Finance Program to provide average New Yorkers with an even more meaningful voice in the campaigns of those who seek to lead our city in 2009.”

With term limits creating open seats in 36 City Council districts, four borough presidencies, and all three city-wide offices, interest in the 2009 election is high. An analysis of this month’s disclosure filings shows many reasons to be optimistic about the state of the City’s political system.

Chart 1: Contributors to all candidates through Statement #4, 2001-2009

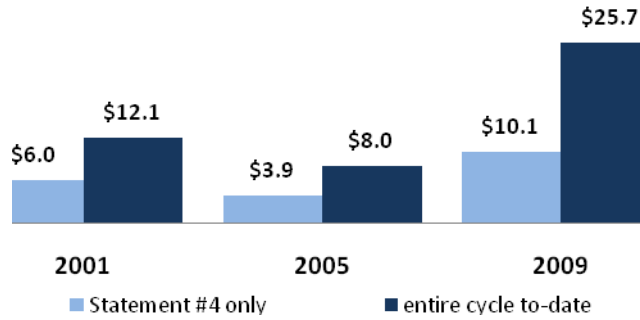


More contributors: Chart 1 shows the number of contributors for the six months just concluded, and for the entire cycle-to-date for similar periods in the 2001, 2005 and 2009 election cycles. Both represent significant increases over 2001, the last election with a similar number of open-seat

raises—the total number of contributors for the 2009 cycle represents a 29.1 percent increase over the similar period during the 2001 election cycle.

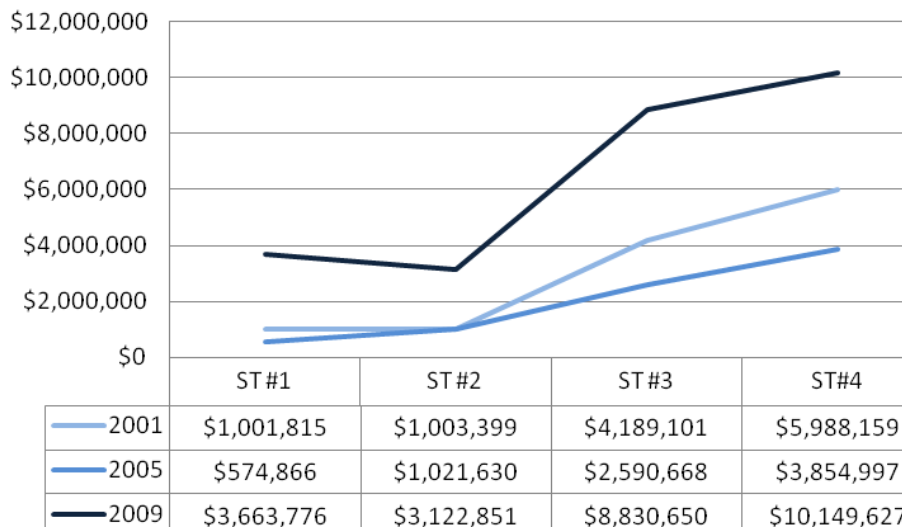
More fundraising: While the number of contributors has increased considerably, contribution totals have increased even more dramatically. Chart 2 shows the amount of net contributions (includes monetary contributions, in-kind contributions, and unreimbursed advances, net of refunds) raised by all candidates for the six-month filing period as well as the cycle-to-date. Driven by an unprecedented number of competitive campaigns for citywide office, more contributors, and larger contributions, the cycle-to-date total amount raised has more than doubled (to \$25.7 million, a 111.6 percent increase) from the amount collected through a similar point in the 2001 election cycle.

Chart 2: Contributions to all candidates through Statement #4 (in millions), 2001-2009



Fundraising activity steadily increasing: Fundraising for the 2009 election grew significantly during 2007, and also greatly surpassed the levels seen in the previous two citywide election cycles. Chart 3, below, shows net contributions to all candidates for each of the four preceding six-month disclosure periods for the 2001, 2005, and 2009 election cycles. While the upward trend follows the example of the previous elections, the magnitude of early fundraising is clearly unprecedented.

Chart 3: Net contributions by disclosure period through Statement #4, 2001-2009



Click [here](#) to see a list of deadlines for campaign finance disclosure filings.

Campaigns focus on large contributions: As yet in the 2009 election cycle, active campaigns are relying more heavily on contributors who can afford to donate the maximum amount allowed by law. Chart 4, below left, shows contributors who have given \$250 or less to a candidate through this point in the election cycle for 2001, 2005, and 2009. Comparing 2001 to 2009, small contributors represent a significantly smaller proportion of all contributors (56.8 percent) and of money contributed (7.8 percent) in the current cycle than in 2001.

At the same time, campaigns' reliance on large contributions has skyrocketed. Chart 5 shows the proportion of contributors who have given the maximum amount allowed by law (who have "maxed out") through this point in the election cycle for 2001, 2005 and 2009. The recent disclosures show that 1,921 contributors maxed out through the first two years of the 2009 election cycle—more than double the 801 contributors during the same period in 2001. While these maxed-out donors were only 3.4 percent of all contributors in 2001, they comprise 6.2 percent of all contributors in the current cycle, representing 37 percent of all money raised by campaigns to date.

Chart 4: Small contributors (\$250 or less) through Statement #4, 2001-2009

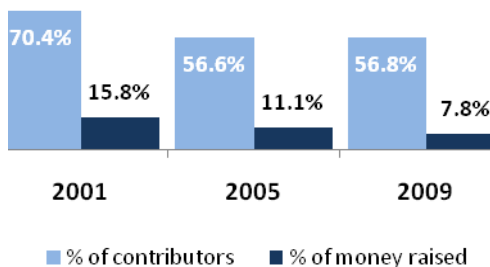
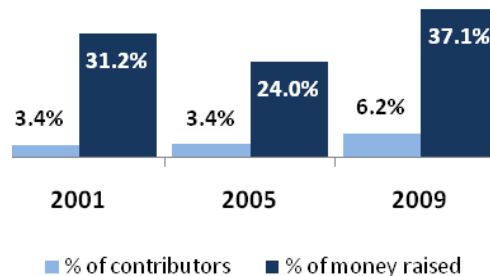


Chart 5: "Maxed-out" contributors through Statement #4, 2001-2009



While the increase in maxed-out donors seems driven largely by current officeholders seeking citywide or borough-wide office, many of those candidates have yet to officially declare an intention with the CFB to run for a particular office. [Note: [Contribution limits](#) increased between the 2001 and 2005 election for all offices. Chart 5 measures the number of contributions given at the maximum for each office. For undeclared candidates, it measures contributions for the citywide maximum, which is \$4,950 for the 2009 election.]

Contributors already responding to changes in the matching rate: Changes recently instituted to the rate at which eligible contributions are matched by the Program should increase the benefit to candidates who choose to concentrate their efforts on reaching out to average citizens for small contributions, however. Local Law #34 of 2007, signed by the Mayor in July, changed the matching formula for participating campaigns. Candidates who qualify by meeting a [two-part threshold](#) will have the first \$175 of each contribution from a New York City resident matched at a rate of \$6 to \$1, for a maximum

of \$1,050 per contributor. (Previously, the CFB matched the first \$250 at a rate of \$4 to \$1, for a maximum of \$1,000 per contributor.) As the CFB has worked with campaigns to educate them about the new matching rate, contributors have started to respond.

Table 1: “Matchable” contributions of \$175 through Statement #4, 2001-2009

	2001	2005	2009
Statements #1-#3	12	4	6
Statement #4	3	4	262

Table 1 shows the number of matchable contributions of exactly \$175 for disclosure periods 1-3 combined (covering 18 months at the beginning of the election cycle) and for filing period number 4 (corresponding to the six-month period just ended). While \$175 contributions were virtually non-existent previous to the passage of the law, 262 new contributors donated at the new matchable amount during the disclosure period just ended. (Table 1 counts contributions from New York City residents who have not previously donated in that particular election cycle.)

Through its Candidate Services Unit, the CFB has been working to explain the new law to campaigns. As more campaigns design fundraising appeals to take advantage of the new matching rate, the new law should encourage those campaigns to renew their focus on small-dollar contributors. The CFB is continuing to work with all campaigns to ensure they understand the impact of the new legislation.

Other restrictions on contributions contained in Local Law #34, including strict limits on contributions from entities doing business with the City, take effect during 2008. The first phase of the “doing business” restrictions, covering people associated with contracts, franchises, and concessions, and registered lobbyists, went into effect February 2 with the public launch of the [doing business database](#), which can be accessed through the CFB [website](#). More information on the recent changes to the law can be found [here](#).