



New York City Campaign Finance Board
100 Church Street, 12th Floor, New York, NY 10007
212.409.1800 | www.nyccfb.info

**Testimony of Amy Loprest
Executive Director
New York City Campaign Finance Board**

**City Council Committees on Governmental Operations and Finance
May 30, 2014**

Good afternoon to the Chairs, Council members Kallos and Ferreras, and committee members. I am Amy Loprest, Executive Director of the New York City Campaign Finance Board (CFB). I am joined today by Sue Ellen Dodell, General Counsel, and Eric Friedman, Assistant Executive Director for Public Affairs.

I want to start by thanking the Council for your continued support of the Campaign Finance Program and for the opportunity to testify today on our budget for fiscal year 2015.

The election year was an exciting and busy time for the CFB. Our administration of the matching funds program helped ensure that the voices and concerns of New Yorkers – not special interests – drove the conversation during the 2013 elections. The CFB disbursed \$38.2 million in public funds to all candidates. The wide-open, competitive race for City Hall generated both the greatest level of small-donor activity and the highest total of matching payments for mayoral candidates in the Program’s history—more than \$14 million. In primary elections for mayor and comptroller, public matching funds

helped participating candidates defeat high-spending, self-funded candidates. In the races for City Council, \$11.3 million in matching funds helped 129 candidates decrease their reliance on large contributions and get their messages before the voters.

The City allocated \$51 million to the Campaign Finance Fund for matching funds payments for fiscal year 2014. Following the election, the CFB returned \$12 million in undistributed matching funds to the General Fund.

The Campaign Finance Act requires the CFB to prepare a report of the effects of the matching funds program and our work on the 2013 elections. That report must be submitted to the Mayor and the City Council by September 1. Work on that report is underway, but it's clear from our preliminary analysis that, once again, candidates in New York City overwhelmingly financed their campaigns through a mix of small contributions and public matching funds.

New York City's political system was well prepared for the influx of outside spending that has been such a challenge recently in other parts of the country. Our robust disclosure rules and online searchable database provided voters with a wealth of information about which groups spent money to influence the outcome of City elections and how they did it. No other jurisdiction in the country provided voters with more timely information about outside spending than New York City did for the 2013 elections.

Our analyses strongly suggest that public funds continue to provide sufficient resources to candidates to communicate their own messages to voters, despite an unprecedented \$15.9 million spent by outside groups in 2013. Per office, the total public funds provided exceeded outside spending. Four members of this Council won election despite massive independent expenditure campaigns opposing them. It is clear outside spending will continue to play a large role in city elections; it is also clear that our campaign finance system is strong enough to endure.

A major focus of our work for the coming year will be an overhaul of our post-election audit program for the 2013 election cycle to make the audits smarter and more efficient. We already have made significant progress by completing a comprehensive risk analysis of our existing audit program, so that auditors can focus their reviews on the most risk-intensive items. During the election, our staff accelerated reviews of campaign bank statements and established an electronic filing process for backup documentation, streamlining the process of preparing and submitting the documents. In the coming months, we will continue to identify and implement improvements to our audit program.

Pursuant to New York City Charter, Section 1052(c), the Board submitted its budget for City Fiscal Year 2015 to the Mayor on April 7, 2014, and per the Charter it was included in his Executive Budget. Our budget is attached to this testimony.

The Board's fiscal year 2015 budget is \$12.3 million. This reflects a significant decrease from fiscal year 2014. We have reduced operating costs where possible, and reduced our

staff count slightly from the election year. Our OTPS budget has increased slightly to account for planned and ongoing technological improvements aimed at increasing voter engagement and further easing the disclosure and recordkeeping process for campaigns.

The Board always strives to maximize the value of New Yorkers' investment in elections. That starts with the matching funds program, and continues through our work publishing comprehensive campaign finance information, pushing for a modern election system, and engaging and helping voters cast an informed ballot. Our mission is to provide New Yorkers with fair elections that diminish the possibility for corruption and put the concerns of voters first.

As always, the CFB looks forward to working closely with the Council to further this mission. Thank you for your time, and I am happy to answer any questions you may have.



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Rose Gill Hearn
Chair

Art Chang
Richard J. Davis
Courtney C. Hall
Mark S. Piazza
Members

Amy M. Loprest
Executive Director

Sue Ellen Dodell
General Counsel

Delivered by Hand
April 7, 2014

Honorable Bill de Blasio
Mayor
City of New York
City Hall
New York, NY 10007

Dear Mayor de Blasio:

Enclosed is the New York City Campaign Finance Board's ("CFB") budget estimate to be included, pursuant to Section 1052(c) of the New York City Charter, in the Executive Budget for Fiscal Year ("FY") 2015.

The CFB's FY2015 budget reflects a decrease from the FY2014 budget because FY2014 was an election year. As you can see, where we could contain costs we have attempted to do so. Our Personal Services budget is down reflecting a non-election year reduction in seasonal staff.

The attached charts provide a more detailed description of the CFB's budget requirements.

Thank you for your attention.

Sincerely,

A solid black rectangular box redacting the signature of Rose Gill Hearn.

Rose Gill Hearn
signature on original

Enclosures

c. Hon. Ben Kallos, Chair, Governmental Operations Committee
Board members

**NEW YORK CITY CAMPAIGN FINANCE BOARD OPERATING BUDGET
FISCAL YEAR 2015**

	FISCAL 2014 CFB BUDGET		FISCAL 2015 CFB BUDGET		CHANGES FROM 2013 ADOPTED	
PERSONAL SERVICES (PS)	\$	7,686,424		\$7,632,777		-\$53,647
OTHER THAN PERSONAL SERVICES (OTPS)						
OTPS		\$3,223,000		\$3,269,000		\$46,000
VOTER GUIDE		\$9,955,000		\$391,500		-\$9,563,500
NYC CAMPAIGN FINANCE FUND		\$51,000,000		\$1,000,000		-\$50,000,000
SUB TOTAL OTPS		\$64,178,000		\$4,660,500		-\$59,517,500
TOTAL	\$	71,864,424		\$12,293,277		-\$59,571,147

HEADCOUNT	FY2014		FY2015		CHANGE	
	Full Time	Seasonal	Full Time	Seasonal	Full Time	Seasonal
	91	9	91	7	0	-2

New York City Campaign Finance Board

**Fiscal Year 2014
Operating Budget
By Appropriation Code**

Personal Services		
Unit of Appropriation 001		\$ 7,632,777
Other Than Personal Services		
Unit of Appropriation 002		
CFB Core Operations		\$3,269,000
Voter Guide		\$391,500
Sub total 002		\$3,660,500
NYC Election Fund		
Unit of Appropriation 003		\$1,000,000
TOTAL BUDGET		\$12,293,277