

Testimony to the New York City Campaign Finance Board
Proposed Independent Expenditure Rules Public Hearing
October 27, 2011

from Assemblyman Keith Wright, Congressman Joseph Crowley, Assemblyman Carl Heastie,
Assemblyman Vito Lopez

Thank you, members of the New York City Campaign Finance Board, for hosting this hearing on the newly proposed Independent Expenditure Rules. These proposed rules, as currently written, will have a severe impact on organizations and individuals rightfully entitled to political free speech in New York City. In their current form, the proposed rules would now require that communication from any organization in any form totalling over \$1,000 be reported to the New York City Campaign Finance Board. In addition to adding another onerous level of bureaucracy to the already unnavigable campaign finance laws, this rule would put limits on free speech among non-political entities, give large corporations undue advantage in political communications and increase budgetary woes to an already fiscally overextended City agency.

Political speech is protected by the United States Constitution and this rule would prevent millions of people from getting the information they need to have their voices heard. Non-profit organizations, community benefit organizations, and unions would be subject to yet another disclosure requirement, even if they are only communicating to their own membership. This would drastically alter the way that these groups achieve their organizational goals and in some cases could prevent the free transmission of ideas, strategy and ultimately political power. No longer could a non-profit endorse one elected official over another, could a union tell their membership of who stands up for them or who opposes them, without them being subjected to this unnecessary regulation. This rule would remake the political discourse in our City, in a way that gives less power to the people, not more.

With the recent funding cuts in Albany and New York City coupled with the overall reduction in union membership, many of the organizations subject to this regulation cannot afford to hire an individual to parse the often illogical and always difficult campaign finance laws. Many of these organizations are already stretched to the brink and by having to hire a lawyer or other individual savvy in campaign finance law, they could be forced to reduce services provided to often vulnerable communities. Should our residents sacrifice services simply because the Campaign Finance Board needs another form to file?

Over the last few years we have seen an unprecedented push for more political rights for corporations, most notably the Citizens United decision in the United States Supreme Court. This proposed rule would help ensure that not only would major corporations have tremendous financial advantages over small community groups and shrunken labor unions, but also an advantage in their ability to comply with Campaign Finance Board regulations. Although it might be easy for a multi-billion dollar corporation to comply with such laws, this rule would put smaller groups and individuals at a distinct disadvantage and effectively limit their ability to exercise their right of free speech. If we remove the voice of an organization and place them in the same arena with unchecked political action committee communications, there is no telling what kind of

inequity could result, but assuredly it will be great.

With Mayor Bloomberg laying off school employees, claiming deficit during last years budget cycle, it is surprising that the Campaign Finance Board should seek to put another layer of bureaucracy and tax funding towards a system already overburdened with regulations. How many employees will the Campaign Finance Board have to hire in order to enforce this new rule? Is this rule worth more than putting a teacher in a classroom? How can one side of this administration call for cuts and more cuts while the other asks for more spending? These are questions unanswered and unaddressed by this proposed rule.

By law, the Campaign Finance Board has the ability to monitor and place rules upon political donations. Simply put, we do not believe that communicating to the membership of a private organization constitutes such a donation and that this rule will create a legal nightmare for both the Campaign Finance Board and the City of New York. It is illogical for the Campaign Finance Board to attempt to tip the scales in any way, much less in a way that appears to represent the special interests versus the average citizen and places limits on political free speech. We strongly urge you to reconsider on behalf of the thousands of dedicated organizations who would be impacted by this nearsighted rule.

Thank you.

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