



**New York City Council**  
**Testimony of Brooklyn Borough President Eric L. Adams**  
**Committee on Governmental Operations**  
**March 16, 2018**

Good morning Chair Cabrera and members of the Committee on Governmental Operations. Thank you for the opportunity to testify today on the proposal to establish a charter revision commission to draft a new or revised city charter. I want to thank my fellow borough president, Gale Brewer, Public Advocate James, and Speaker Johnson, for providing this framework for how to create a more inclusive charter revision commission at a time when all too often decisions that impact future generations are left to one or two voices in a room. I support Intro. 241 being heard today for that reason, and I urge the Committee, the Council, and the Mayor to adopt this bill putting us a path for a charter review that couldn't come at a more apt time.

In this review, I believe we, as a city, must take a hard look at our campaign finance laws. Our system is often regarded as one of the best public-private campaign finance models in the country. While this may be true, it certainly does not mean that it has been a truly effective enough system to eliminate the barriers to entry for those interested in serving their fellow New Yorkers in elected office. In his 1907 State of the Union address, President Theodore Roosevelt called for a federal public financing system. In one paragraph, he touched on the role of corporations in elections, the presence of corruption, limits on contributions, the time politicians must spend soliciting money, and the role that public financing could have in helping to alleviate these challenges. It took over 60 years for a federal public financing regime to be put into place. That system is all but useless today because \$100 million is not enough to run a viable presidential campaign in the era of *Citizens United*.

New York City should be looking to refine its campaign finance system, not sit on its laurels and pat itself on the back. Our system still injects too much private money into our politics and shuts out the voices of those who have the least among us. Citywide candidates are much less likely to go door-to-door in East New York, one of the poorest census tracts in the United States, looking for donations and connecting with residents than they are to be in five-star restaurants on the Upper East Side. Imagine if residents at Gowanus Houses had as equal an opportunity to bend the ear of candidates as those living in Gramercy Park. Do we really think NYCHA would still have a heating crisis?

This charter revision must take a fresh look at our public financing system and see where we can learn from other cities that have either fully taken out, or severely limited the role of, private donations in political fundraising.

For example, in November 2015, voters in Seattle, Washington passed a citizen-led initiative known as "Honest Elections Seattle" (I-122). This enacted several campaign finance reforms that changed the way campaigns are typically financed for Seattle municipal candidates.

According to the program:

One major reform allows the Seattle Ethics and Elections Commission to distribute "Democracy Vouchers" to eligible Seattle residents. Other campaign reforms include campaign contribution limits for lobbyists and contractors.

Seattle is the first city in the nation to try this type of public campaign financing. The Seattle Ethics and Elections Commission is committed to increasing transparency, accountability, and accessibility for how Seattle elections are financed. Democracy Vouchers are a new way for Seattle residents to get more involved in their city government. Eligible Seattle residents will receive four \$25 paper certificates they can use to support a candidate running for Seattle City Council or City Attorney. The program will expand to include the Mayor's race in 2021.

Assigning Democracy Vouchers to a candidate is the same as donating to a candidate's campaign. Candidates may use Democracy Vouchers to finance campaign activities and are held to the same City of Seattle campaign spending laws under the City's election code. Candidates participating in the Democracy Voucher Program must follow strict reporting guidelines to qualify for the program.

In Arizona, Connecticut, Hawaii, Maine, and Minnesota, full public funding systems attempt to remove money as the determining factor in elections for governor, lieutenant governor, and state legislative offices. The Full Public Funding (FPF) mechanism generally works like the following:

1. A candidate for office, whether state or local, depending on the plan, collects a certain number of small donations, usually \$5. These donations do not go directly to the candidate, but rather to a pool of money that helps supplement the funding of the public funding system.
2. After collecting the required number of small contributions, the candidate qualifies to receive a set amount of money for the primary, if there is one, and another amount for the general election, if they win the primary.
3. In exchange for this publicly-funded financing, the candidate agrees not to accept contributions from anyone else. They also agree to return any unused portion to the fund. The amounts received are based on the office you are running for. All qualifying candidates for the legislature get the same allocation (at least in the

absence of a trigger mechanism). All qualifying candidates for the State Senate get the same amount as each other, but more than the State House candidates due to their larger districts.

The FPF system is voluntary, although there can be public pressure to join when your opponent has done so. The general idea is that the candidate is not accepting donations that go directly to his/her campaign, but to a public fund. By not accepting money directly for the campaign, candidates are less likely to be influenced by donors. The small, limited donation prevents any *quid pro quo*, at least as to the donation. Disclosure is also prevalent in these systems. Expenditures have to be detailed in regular reports to the State agency in charge of elections.

The goals of these FPF systems are to prevent corruption and the appearance of corruption, to minimize the influence of money in electoral politics, to allow candidates more time with constituents and less time with potential donors, to encourage more diverse participation in our electoral process in terms of candidates and voters, and to reignite public faith in democratic elections.

New York City uses a limited matching funds system where the first \$175 of a donation from a City resident is matched six times. However, it still allows for some fairly sizable donations directly to the candidate. It allows individuals to host fundraising parties for candidates. These individual “bundlers” are not hidden from the candidate; they know exactly who did what for them. Finally, the candidate still spends considerable time raising funds — and not talking to voters.

Public financing alone cannot solve all of the problems facing our election system, but it is a start. While the goal of raising the influence of the small donor is laudable (i.e. limited matching funds), too many people cannot afford to donate at all. Their voices are among those drowned out by massive spending by a small number at the top of the economic ladder. Matching funds do not help climb a ladder that you cannot even see. Alternatively, full public funding aims to remove the impediment that drowns out those voices.

I have called for, and am reiterating again now, for 100 percent publicly-financed campaigns where every candidate has an equal footing to express their ideas. Fully publicly-financed elections will see more women running for office at a time when representation in the City Council has decreased since our last election. Fully publicly-financed campaigns have shown to increase minority participation in elected politics. A fully-funded system also takes away the *quid pro quo* corruption and will help restore faith in our electoral system.

I believe it is important we achieve a campaign finance system that:

1. Is fully publicly financed
2. Only contributes to candidates through a public pool of funding, rather than direct individual contribution.
3. Sets contribution maximums at a significantly low level.

I urge the upcoming charter review process to make 100% public financing a reality; it is, in fact, the most important reform I believe this review can pursue.