



4. Restoring Public Trust

The Executive Budget supports structural changes to reform campaign finance laws, including the public financing of campaigns.

Overview

New York's reformation of ethics enforcement began in 2011 with passage of the Public Integrity Reform Act (PIRA). PIRA created the Joint Commission on Public Ethics (JCOPE), which provides a single investigative body with jurisdiction over both the Governor and the Legislature, and increased penalties for certain campaign finance violations.

In 2012, the Legislature passed a Constitutional amendment to reform the process, which occurs every ten years, by which State Legislative and Congressional

District lines are drawn. Approved by voters in November 2014, this amendment expressly prohibits partisan gerrymandering and creates a new commission to draw the district lines that will require approval by appointees of both the majority and the minority party leaders.

In 2014, Governor Cuomo passed the Public Trust Act to address ethics issues within New York's government and elections process. The Public Trust Act created a new class of public corruption crimes and enhanced New York prosecutors' ability to crack down on public corruption across the state. The Governor also created an independent division of Election Law enforcement within the State Board of Elections. This new, fully independent division, ensures vigorous enforcement of our election laws.

A pilot program which was designed to provide public campaign financing of state comptroller elections was enacted as part of the 2014-15 Budget. The 2015-16 Executive Budget will expand public financing of campaigns to all State offices beginning in 2018. This proposal aims to restore public confidence in the democratic election process and ensure that State

elected officials are accountable to all voters regardless of their position or wealth.

Campaign Finance Reform and Public Financing of Elections

The Executive Budget includes comprehensive campaign finance reform and publicly financed elections reform to amplify the impact of smaller campaign donations and help enable a diverse pool of candidates.

- **Implement a Public Financing System.** The Executive Budget puts in place a public financing system modeled on New York City's, where contributions up to \$175 are matched \$6 to \$1. Strict limits will be in place to protect taxpayers. Currently, New York ranks last in the nation for percentage of population that contributes to a political campaign, meaning political candidates rely far more upon large donors than do candidates in other states.
- **Establish Limits on Campaign Contributions.** The Executive Budget regulates the bundling of campaign contributions for the first time and reduces the annual limit on aggregate contributions from a contributor to a party or constituted committee. Specifically, contributions to party "housekeeping accounts" will be limited to \$25,000 per year, party committee transfers to candidates will be limited to only small donations (less than \$500 per

contributor), corporate contributions will be limited to \$1,000 per year, and the LLC loophole will be closed so that LLCs will be treated as corporations rather than individual contributors. Candidates who receive the benefits of public matching financing will have to adhere to lower limits. Currently, large contributions to, as well as transfers from, political party committee accounts are unlimited.

- **Authorize Contributions for Campaign Finance Reform.** The Executive Budget contains provisions that will allow resident taxpayers to make a donation to a new Campaign Finance Fund through a check off box on their State income tax return.
- **Enhance Restrictions on the Personal Use of Campaign Funds.** The Executive Budget limits the use of contributions to expenses that are directly related to elections or public duties. Expenditures for the exclusive personal benefit of the candidate or office-holder will be prohibited and a long list of expressly prohibited expenditures will be memorialized in statute.