

CITIZENS UNION OF THE CITY OF NEW YORK Testimony for the 2024 Joint Legislative Budget Hearing Local Government and General Government February 4, 2025

Citizens Union appreciates the opportunity to submit testimony regarding Governor Kathy Hochul's proposed Executive Budget for State Fiscal Year 2026. We will focus on the proposed funding for the Public Campaign Finance Board, the Commission on Ethics and Lobbying, and the State Board of Elections.

New York State Public Campaign Finance Board

The Public Campaign Finance Board (PCFB), which partly overlaps with the State Board of Elections, oversees administration of the statewide public matching funds program. In its first election cycle, this program, the largest of its kind in the country, successfully allowed candidates to run campaigns based on small-dollars, in-district donations, fostered greater participation in the democratic process, and amplified the voices of regular New Yorkers rather than wealthy donors.

In FY 2025, Governor Hochul and the State Legislature appropriated \$100 million for the Campaign Finance Fund and \$14.5 million for the PCFB's administrative needs. That support strengthened the public confidence in the program's solvency in its first cycle, encouraged candidates to join as participants, and gave campaigns the assurance that they may structure their fundraising plans to focus on obtaining small donations from supporters rather than big donations.

The financial commitment to the program proved effective. Close to 330 candidates chose to use the program in the 2024 election cycle. Remarkably, that means about 70% of all candidate committees for State Senate or State Assembly in this cycle registered in the program, including 66% of incumbent lawmakers in the State Senate and the State Assembly.¹

The Executive proposes to fund the matching funds program with \$100 million in aid to localities again this year. Citizens Union strongly supports this proposed appropriation for the matching funds fund and requests the Legislature to include this level of funding in the one-house bill and in the final state budget.

Recommitting to such robust funding sends a message to all New Yorkers that, in a time where campaign finance systems across the country are in disarray and suffocate the voices of the people, their votes here at home cannot be bought by those with special interests. Furthermore, people

¹ 2024 NYS Public Campaign Finance Program, End of Cycle Report https://pcfb.ny.gov/system/files/documents/2025/01/2024-new-york-state-public-campaign-finance-board-election-cycle-report-final.pdf

considering running for office will know the Public Campaign Finance Fund is ready to meet the needs of their campaigns in the 2026 election. Overall, this commitment persuades more people to run for office, encourages constituents to get involved, and engages more people in local issues, further strengthening democracy in New York.

The Executive also proposes \$14.5 in appropriations to support the PCFB's administrative work, including staff, office space, technology, software, communications, and outreach. FY 2026 will ensure the agency has the resources it needs to continue improving administering the program, including installing its online platform to better serve campaigns and watchdogs providing enforcement. We support the proposed appropriation for administration and oversight of the small-donor public match program and request the Legislature to include this level of funding in the one-house bill and in the final state budget.

New York State Board of Elections and Local Boards of Elections

We support the Governor's budget request for the State Board of Elections, which would ensure election administration is funded in the coming fiscal year, and would add new personnel to administer the Doctor John L. Flateau New York Voting and Elections Database.

In addition to the valuable investment in statewide election administration, Citizens Union believes the state should do more to support local boards of elections (BOEs). County election boards are particularly important in keeping our democracy safe during this period of election misinformation, but almost all of their funding depends on their county legislatures, and those legislatures often underfund election administration. We ask for an additional \$10 million in aid to localities to support local BOEs in needed upgrades and staffing to ensure an orderly election year.

In the long run, New York State should ensure county boards of elections receive steady, annual, and adequate funding. This would help create a more professional and independent election administration across the state. The quality of service voters receive should not depend on the goodwill of local elected officials or the type of elections held that year.

Citizens Union also supports legislation that ensures county BOEs have the capacity to run elections properly. That includes S1087 (Mayer), which would make election commissioners full-time employees, and S843 (May), which would set minimum staffing levels for county boards. These bills, the latter of which already passed the Senate (assembly versions have yet to be introduced this year), would help produce professional and independent election administration for all of New York. Another bill that would improve election administration in New York is S1356 (Skoufis)/A3649A (Taylor), which would require New York to join the Electronic Registration Information Center (ERIC). Citizens Union supports its passage.

The Commission on Ethics and Lobbying in Government

We appreciate the Executive's proposed funding of \$8.3 million to the Commission on Ethics and Lobbying in Government (COELIG), a \$250,000 increase from last year's budget, and ask it be included in the final budget. COELIG's responsibilities include training a workforce of more than 300,000 people and regulating a lobbying industry that has reached spending records of more than \$360 million a year.

In its second full year of existence, COELIG delivered on expanding its capabilities and improving its infrastructure. The commission increased the number of individuals receiving training by over 20,000, handled close to 40,000 lobbying inquiries, tracked over 60,000 lobbing filings, and answered 1,300 ethics inquiries, all increases over the year prior.

As the agency continues to expand its capabilities and improve its infrastructure, it may require further funding. Citizens Union supports the continued funding of the commission to complete its mission.

Reject the Governor's Extraordinary Budget Powers

We urge the Legislature to reject the provisions in Governor Hochul's budget that grant extraordinary budget authorities to the Executive. That includes removing competitive bidding requirements and the Comptroller's oversight via provisions added to individual appropriations; allowing universal appropriation transfer and interchange authority within the State Operations bill, authorizing up to \$4 billion in short-term revenue anticipation notes, authorizing transfer of \$1 billion from the General Fund to the "Health Care Transformation Account," absent more clearly defined uses in appropriations, and increasing the "Special Emergency Appropriation" from \$1 billion to \$2 billion.

We appreciate the Legislature's work to reject those powers in previous budget negotiations and request that you continue to resist this unnecessary expansion of executive power.

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