

NYC Quadrennial Advisory Commission

Testimony of the 2015 Quadrennial Advisory Commission for the Review of Compensation Levels of Elected Officials

Before the New York City Council Committee on Governmental Operations and Committee on Rules, Privileges and Elections

Hearing on Proposed Local Laws and Rules Relating to Compensation of New York City Elected Officials

February 3, 2016

INTRODUCTION

Over the last two-and-a-half months of 2015, the Quadrennial Commission analyzed the compensation for New York City's elected officials by looking broadly at the relationship between the pay of those officials and their constituents, the value of good government, characteristics of New York City, mandated duties and responsibilities for each office, implicit ceilings on government pay, the passage of time since the last raise (9 years), changes in median household income, how New Yorkers are faring economically, and many other factors. The Commission recommended salary increases for all elected officials and linked the salary increases for City Council members to several significant structural reforms. In January, after 30 days review, the Mayor endorsed the Commission's recommendations and submitted them to the City Council for its consideration.

The City Council proposes to adopt local laws and Council rules to codify the Quadrennial Commission's proposed structural reforms and to adopt all the recommended salary increases except for the office of City Council member. The Council's proposed law increases Council members' salaries by \$10,185 beyond the Commission's recommended salary of \$138,315.

THE CITY COUNCIL'S PROPOSED LAWS AND RULE CHANGES

The City Council's proposed laws and rule changes are praiseworthy in many respects. They will bring about important governmental reforms that have been suggested for decades. But the Council has not yet made its case for the proposed additional raise for its members.¹

The Quadrennial Commission applauds the Council for accepting the Commission's central concept that raises for elected officials should, among other things, reflect the economic conditions of their constituents.² The Council also deserves praise for accepting the Commission's structural recommendations that lulus be eliminated and the job of Council member be classified as full-time, as is the case for all other City elected officials.³ These two structural reforms have been talked about by reformers for at least three decades. However, never before have they been recommended forcefully by a Commission. When this Commission

¹ Some have criticized the Council proposal for being the first time the Council has departed from Quadrennial Commission pay recommendations. But no other Quadrennial Commission had proposed reforms that make significant structural changes. The Council's proposed new laws and rules adopt all those reforms. The proposed extra pay for Council members relates to one of those reforms.

² See 2015 Quadrennial Commission Report (hereinafter "Report") at e.g., p. 1, para 1, p. 51, para 1, pp. 52-53, p. 54, para 3.

³ For the Commission's reasons for urging classification as full time and elimination of lulus, see Report, pp. 21-25.

recommended raises for City Council members in our Report, we stated that the proposed raise for Council members was “conditioned upon, and inseparable from, the change to full-time classification and elimination of lulus.”⁴ Prior Councils had not enacted such reforms despite suggestions by good government groups and prior Quadrennial Commissions. This Council has commendably done so.

In addition, the Council deserves praise for accepting the reform recommendations of the Commission and good government groups that

(1) changes be made that would facilitate future Commissions recommending that pay changes not take effect until after the next election, akin to the U.S. Constitution’s 27th Amendment;⁵ and

(2) disclosure forms of elected officials should be placed on-line.⁶

As the Quadrennial Commission wrote, the City Council has evolved over the past 30 years to become an “able body with a sense of its representative obligations and policy-making responsibilities;” it is “no longer a rubber stamp or a junior partner [but now is] a fully functioning branch of government.”⁷ The Council’s positive evolution has been reflected in the pay raises it has been given over the past three decades, and in the raise that our Commission

⁴ Report, p. 25, para 1, and p. 55, para 5.

⁵ At Report pages 62 to 64, the Commission indicated the legal and equitable reasons why its proposed raises should take effect as of January 1, 2016, despite arguments for a delay until January 1, 2018 — after the next election. Nonetheless, at pp. 65-66, the Commission, in its “Thoughts for the Future Based on Our Experience,” recommended that the City explore making that change for the future. The Council has now proposed a local law which would “afford future commissions greater flexibility to consider—and make it more likely they will recommend—that increases in compensation go into affect in the session after which they are voted on and approved.” (See Int. No. __, Sec. 1.)

⁶ See Int. No. __, and see Report, p. 67, item 5.

⁷ See Report pp. 17-25 and 55-58, with the quoted language at pp. 18 and 57.

recommended. Indeed, throughout the history of Quadrennial Commissions, from the pay levels in 1983 (four years before the first Commission) up to our Commission, City Council members received the largest percentage increase of all the City's elected officials: 136.84 percent.⁸ This year, our Commission continued this trend by proposing the largest percentage increase be given to Council members—15 percent.⁹ (A similarly large increase was proposed only for the mayoralty.)

**THE PROPOSED ADDITIONAL SALARY INCREASE FOR
THE OFFICE OF CITY COUNCIL MEMBER**

The proposed law now before the City Council would give the office of Council member an additional salary increase of \$10,185. This is an added 9.1 percent increase to members' current base salary of \$112,500. (It would bring Council member salaries to a level that is 7.36 percent higher than our Commission recommended.) The Council's proposal is that this additional increase be awarded to the office of Council member because their job will now be formally classified as full-time—as is already the case for all other City elected officials.¹⁰

⁸ See Report, Appendix, p. D-3, "Changes from 1983–Current."

⁹ The Quadrennial Commission proposed all City elected officials and the District Attorneys be given a "base salary increase" of 12 percent. See Report, p. 53. For the offices of Mayor, City Council member and Comptroller—the Commission proposed an additional bump upward because of increased responsibilities: (3% for the offices of Mayor and Council member and 1% for the office of Comptroller.) The Council's 3% bump was based upon its increased responsibilities since 2006 (Report, pp 57-58).

The additional \$8,940 assigned Council members on account of the even distribution of money previously spent on lulus, was "not actually a raise." (See Report, p. 58.) Therefore, contrary to almost all press coverage, the actual "raise" for Council members proposed by the Quadrennial Commission was 15 percent, not 23 percent.

¹⁰ A few reports suggest a basis for the proposed additional increase was the elimination of lulus as well as the banning of outside income. However, after separating out \$25,000 allocated to the Speaker, the remaining money previously spent on lulus was evenly divided among Council members by adding \$8,940 to each member's salary.

The Commission did not recommend any additional “bump” in pay because of the formal classification of members as full time. We noted our research indicated that only a fraction of Council members (no more than four) appear now to have outside income of the sort that would be prohibited by a full-time requirement. To avoid potential unfairness to those members, the Commission recommended that the Council consider “grandfathering” for their current terms of office those few Council members who now have non-city employment that will be barred.¹¹ The Council has proposed that.

Moreover, in the course of accepting then Speaker Christine Quinn’s proposal for a 25 percent pay increase, the 2006 Quadrennial Commission noted that the Speaker had informed them that “by and large Council members serve full-time.” The 2006 Commission added that its “recommended salary increase reflects this fact.”¹² Its recommendation was that Council members receive a 25 percent base salary increase, far higher than the recommended raise for any elected official except the District Attorneys. (The Mayor, for example, got a raise of 15.38 percent.) The 2006 Commission’s large salary increase for Council members, which was enacted, “reflect[ed]” the increased responsibilities given to the Council by the 1989 Charter but it also “reflected” the fact most City Council members worked full-time in practice if not by law.

Over the decades, the number of Council members earning outside income that will in the future be banned has steadily declined. Today, there are very few, probably four or fewer, current Council members who would be impacted by the new full-time rule and they are grandfathered until January 1, 2018, if they notify the Speaker of their intention to continue to do

¹¹ See Report, p. 24, n.57.

¹² See Report, p. 56, quoting the 2006 Commission’s report.

so.¹³ Indeed, because of the grandfathering, until January 2018 there will be no current Council members adversely affected by the full-time requirement.

For all these reasons, the Quadrennial Commission did not recommend any additional bump in pay for City Council members on account of the change in classification to full-time.¹⁴ Nonetheless, we recognize that requiring Council members to work full time does remove an option, including for individuals thinking of running for the Council for the first time. Some value could be assigned to removing the option. However, any such value is limited in this case where the trend has been running rapidly toward members choosing to work full time.

The Council is free, as a matter of law, to adopt increases in pay that exceed the recommendations of a Quadrennial Commission, which is an advisory body. The question is what is the basis for proposing this extra increase. We would like to understand, and the public is entitled to understand, the Council's reasons for its proposed additional pay increase.

Frederick A. O. Schwarz, Jr., Chair
Jill Bright, Commissioner
Paul Quintero, Commissioner

February 3, 2016

¹³ See Int. No. __, Sec. 3.

¹⁴ In 1936, when the Charter was changed to require that all other City elected officials be classified as "whole time," there were no pay increases given to the elected officials whose outside income was to be limited. Indeed, their pay was cut back to their salaries in 1929 when pay raises had been given just before the crash. For example, the Mayor's pay was cut from \$40,000 to \$25,000. (See Lawrence Arnold Tanzer, "The New York City Charter of November 3, 1936." (1937).) Of course, the repercussions of the Great Depression were unique. No one would make such a pay cut proposal now. Nonetheless, it shows no tradition underlies the raise proposed by the City Council.



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Gale A. Brewer, Borough President

FOR THE RECORD

**Testimony of Manhattan Borough President Gale A. Brewer
New York City Council Committee on Government Operations
Jointly with the Committee on Rules, Privileges and Elections
February 3, 2016**

In New York City, there is a process set forth in the New York City Charter for recommending and setting the salaries of elected officials.

The Charter requires the Mayor to empanel an Independent Quadrennial Advisory Commission (the "Commission") every four years to review the compensation of elected officials in New York City. This Commission then makes its recommendations and the Council can, by local law, set the salaries.

Before the Commission was empaneled last October, there had not been a review of salaries since 2006, making this the longest period without such a review. Unfortunately, following this Charter requirement has been the exception rather than the rule, and in the last 15 years this is only the second salary commission. This is bad for everyone. I understand that it was politically difficult to call a salary commission in the wake of the September 11th attacks or in the midst of the great recession, but continued failure on the part of Mayors to follow the law is more likely to result in distortions when a commission is finally empaneled. And I believe this makes both the Commission's and the Council's job much more difficult.

My salary recommendations to the Commission were very close to where both the Commission came out and what your legislation proposes. In the case of all elected officials, I recommended an across the board increase of 15 percent. This was based on the fact that nationally, since 2007, the cost of living has increased approximately 15 percent and that during the relevant time period managerial pay increases of approximately 15 percent have been awarded to City managers. In addition, according to a recent *Crain's* report,ⁱ New York City wages have risen approximately 10 percent between the middle of 2009 and mid-2014, with the first substantial increases occurring since the beginning of 2014. In addition, according to a CNN report the average raise for 2015 was 3 percent.ⁱⁱ So that would likely put wage increases of our constituents slightly above 13 percent.

A look at the 5 largest cities in the U.S., appears to indicate that modest raises in this range are appropriate. The Mayors of Los Angeles and Houston both earn more than New York City's mayor and New York City has the lowest City Council salaries of all five cities except Houston. The elected official salaries for those cities are listed below.

City	Mayor	Comptroller	Council Member	D.A.	Borough President	Public Advocate
New York	\$225,000	\$185,000	\$112,500	\$190,000	\$160,000	\$165,000
Los Angeles ⁱⁱⁱ	\$245,753	\$207,945	\$189,041	\$317,685 ^{iv}	N/A	N/A
Chicago ^v	\$216,210	\$133,545	\$117,333	\$192,789 ^{vi}	N/A	N/A
Philadelphia ^{vii}	\$217,820	\$133,329	\$129,373	\$172,791 ^{viii}	N/A	N/A
Houston ^{ix}	\$234,000	\$156,000	\$ 62,400	\$170,810	N/A	N/A

So given the findings contained in the Charter, it would appear that modest increases of about 15 percent are in order for all offices, for the period covering the last 9 years. Given a 15 percent increase, Council Members would make \$129,375 and the Mayor would earn \$258,750.

While my numbers came out slightly higher than the Commission's numbers there was one major difference. I do not believe these salary increases should take effect immediately upon passage of legislation. The 2006 Commission stated that "limiting the ability of government officials to raise their own salaries and receive them immediately would improve the integrity of government and public confidence in it." I believe the effective date of the proposed local law should be January 1, 2018 -- the first day of the next term of office for all New York City elected offices.

I know when I was a Council Member I approved a pay raise that went into effect immediately. However, I have thought long and hard about this and believe that what I now advocate is the better approach. The proposal to modify the timing of future Commissions to allow them to more easily make their salary recommendations apply prospectively is a welcome improvement and I believe if future Commissions and Councils make use of it, it will result in increased public confidence in government. As for myself, I ran for Borough President two years ago knowing the salary and if I do accept any pay raise, will only do so if reelected to office, regardless of the wording of any legislation. At that point my constituents will be able to judge the job I have done and decide whether or not I am worth the salary.

Finally, let me address the job of Council Member -- a job that I was honored to hold -- and the salary issues relating to that job. I have long taken the position that the job of Council Member is and should be treated as full time job and that lulus should be abolished. My proposal to the Commission would have added an additional \$20,000 to a new Council base salary only if lulus were abolished and the job became officially full time for a total of \$149,375 to begin in 2018.

I think "lulus" have become a way of giving all but the least favored Council Members additional compensation and I believe that your proposed rule to eliminate them will further democratize the Council. I testified to this effect before the Commission and recommended that the effective date of the local law be dependent upon adoption of such a rule. I am heartened to see that provision in your legislation.

I also believe that declaring the job to be full time will provide significant public benefit -- it will underscore the idea that Council Members work for the taxpayers who pay their salaries. I understand your desire to make this requirement effective at the beginning of the next Council

term in fairness to current members who have outside employment but this just underscores why all such changes, including the raises themselves, should wait. At a minimum that portion of the salary increase attributable to a change in status should be delayed.

Finally, I must comment on the process for consideration of this legislation. It should not have been rushed in this manner. The Commission and this proposal are part of our Charter. You are not doing anything inappropriate by considering it. I think you should lay the bill aside today, consider the testimony received and hold another hearing in a few weeks at which people may also speak before voting.

Thank you for the opportunity to express my thoughts.

ⁱ *Crain's New York*, For the first time in years, wage hikes in NYC are big enough to make a difference, " Aaron Elstein, April 12, 2015.

ⁱⁱ Here's the Kind of Pay Raise you can Expect Next Year, August 10, 2015, Jeanne Sahadi, CNNMoney.

ⁱⁱⁱ City of Los Angeles Interdepartmental Correspondence, August 26, 2015, Salary Increases for Elected Officials, stating the new salaries for elected officials in Los Angeles effective July 1, 2015 due to increases in salaries for Superior Court Judges to which elected officials' salaries are tied by law.

^{iv} <http://ceo.lacounty.gov/forms/06%20Salary%20Tenure.pdf>

^v http://www.cityofchicago.org/city/en/depts/dhr/dataset/current_employeenamessalariesandpositiontitles.html. Alderman salaries appear to vary by a few thousand dollars but appear to range up to \$117,333.

^{vi} BallotPedia (this number is likely outdated as most information appeared to be from 2010-2012).

^{vii} City Council, Mayor's and Controller's salaries provided by the Philadelphia City Council Human Resources Department, November 24, 2015.

^{viii} Found in City of Philadelphia Budget Detail.

^{ix} Office of the Houston City Controller, November 24, 2015. Houston elected officials' salaries are tied to District Judges who are currently paid \$156,000. The Mayor makes 1.5 times that of judges, the Controller's salary is equal to that of a Judge and Council Members make 40 percent of judges.



**TESTIMONY OF SUSAN LERNER
EXECUTIVE DIRECTOR, COMMON CAUSE/NY
BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON GOVERNMENTAL OPERATIONS and
COMMITTEE ON RULES, PRIVILEGES AND ELECTIONS
RE. SALARY INCREASE AND RELATED REFORMS
February 3, 2016**

Thank you for the opportunity to address you today. I am Susan Lerner, Executive Director of Common Cause/New York. Common Cause is a national nonpartisan, nonprofit public advocacy organization founded in New York in 1970 by John Gardner as a vehicle for citizens to make their voices heard in the political process and to hold their elected leaders accountable to the public interest. With nearly 400,000 members and supporters and 36 state organizations, Common Cause is committed to honest, open and accountable government and to encourage citizen participation in democracy. Since its inception, the New York chapter has always been and continues to be one of the most active state organizations in the country, representing tens of thousands of New Yorkers throughout the state, many thousands of whom live in New York City.

Common Cause/NY has consistently supported setting appropriate compensation levels for elected officials, to insure that salaries for those who dedicate themselves to public service are sufficient to attract and retain talented and creative individuals. Most recently, that has translated into strong support for salary increases for both the New York City Council and for New York State legislators. Accordingly, Common Cause/NY strongly supports the procedure established by New York City's Charter for addressing what we recognize is the politically sensitive issue of raises for elected officials – the regular appointment of a commission to study and make recommendations regarding salary. We believe that the City's procedure is one that sets an appropriate model for how other jurisdictions, including New York State, should handle the issue of setting salaries for elected officials.

It has been, and remains, Common Cause/NY's consistent policy that elected officials should not try to serve two masters but should work, first and solely, for the people they have been elected to represent. In today's world, legislators for entities as diverse and complex as New York City should work for the people on a full-time basis, without significant outside employment. Similarly, it is our policy that supplemental stipends or "add-ons", called "lulus" here in New York, should be eliminated or limited to a very few heavily administrative positions, such as that of the speaker. All too often, such stipends have been doled out on the basis of political loyalty or favoritism. We believe that all legislators, with virtually no exception, should be paid the same fair and adequate salary. We do not agree that serving as a committee chair deserves additional compensation, particularly when virtually ever Council member hold such a post.

For all of these reasons, we strongly endorsed the recommendations of the City's Quadrennial Commission, as chaired by Fritz Schwarz, which we believe did an admirable and fair job of weighing various factors and announcing a thoughtful and well-reasoned set of recommendations.

We are quite pleased to see that, unlike prior Councils which adopted prior Commission's salary recommendations but ignored their recommendations for reform, the measures before the Council today incorporate the significant reforms advocated by the Quadrennial Commission in addition to establishing raises for the City's elected officials. These reforms, which Common Cause/NY and other

good government groups have long advocated for and urged the Commission to endorse, include abolishing lulus and making the Council full-time by adopting significant restrictions on the amount and type of outside income which Council members can earn, as well as finally placing elected officials' financial disclosures online. Additionally, Intro 4073 seeks to modify the Charter's procedures so that future raises will be prospective rather than retrospective, a change which we whole-heartedly support.

We believe that these measures, if adopted by the Council, are important reforms which will provide significant benefit to the public. Making the Council full-time, like other elected City officials, is a significant change which eliminates potential conflicts of interest and sends a strong message that Council members recognize that their primary allegiance is to their constituents.

We are sorry that the Council has chosen to introduce these important reforms in a manner that obscures the long-term benefit which we believe accrues to the public from their adoption by coupling them with a raise which is, without advance explanation to the public, higher than that proposed by the Quadrennial Commission. While the amount ultimately chosen by the Council for its raise is within the range we recommended to the Quadrennial Commission, the Council's actions contrast poorly with the careful calculations supporting the amount of the raise recommended and fully explained by the Commission. The public is entitled to, and should have received, a similar explanation from the Council either before or when it introduced a higher amount for its own raise.

If the Council has concluded, with adequate justification, that, as contained in Intro 4070, it is entitled to a larger raise than that recommended by the Commission as a consequence of making the Council full-time, as set forth in Intro 4072, then the preferred course would have been to adopt the Commission's recommended salary level now and institute a justified amount of increase relating to full-time employment when that requirement is applicable to all Council members in 2018. Compensating members who are not currently earning outside income for giving up something they do not have, while allowing those who do currently earn outside income to continue to earn that outside income and also receive increased compensation tied to giving up outside income in the future is difficult to understand, much less defend.

We appreciate that the Council has moved decisively to implement the desired reforms as soon as possible. We hope that the council will also consider placing charter changes which would make these reforms a permanent part of the City charter and so not easily reversible by future councils, before the voters.

Finally, we believe that Intro. 4071, which importantly requires that financial disclosure forms filed by elected officials be available to the public online, could be improved. As currently drafted, there is a contradiction between the existing and new portions of Paragraph 2 of subdivision e of section 12-110 of the administrative code of the city of New York, as amended by local law 58 for the year 2012. We fail to understand the logic behind maintaining the requirement that the Conflicts of Interest Board notify an official of the identity of the person who requests inspection of a hard copy of the disclosure when such forms will be available to any member of the public online and, obviously, no such reporting would be required for online inspection. We believe that the entirety of Paragraph 2 should be stricken. Further, we believe that Intro. 4071 should require that the disclosure forms should be made available online in machine-readable, downloadable, and manipulable (i.e. spreadsheet) form, as is our position regarding the posting of any disclosures or forms online.

With these provisos, I would like to close by again reiterating our strong support for a raise for the Council members and for the other elected officials covered by the Quadrennial Commission's report and for making the Council full-time and eliminating lulus.

Committee on Rules, Privileges and Elections
Jointly with the Committee on Governmental Operations
City Hall Council Chambers
Monday February 3, 2016
Testimony of Joy Simmons, Chief of Staff for the Office of a New York City
Council Member

Good Morning Chairs Landers & Kallos, Committee Members, Council Members, staffers and attendees. My Name is Joy Simmons. I joined the City Council in 2005 as the Legislative Director of then-City Council Member Charles Barron. I was promoted to serve as his Chief of Staff in 2009 (approximately) and I currently serve as the Chief of Staff for the Office of NYC Council Member Inez Barron. While I work in between both offices, I spend most of my work time in our local district and district office.

Speaker Melissa Mark-Viverito stated in her testimony to the – commission, regarding Council Member raises, that this term, “Council Members already made 105% more bill and resolution drafting requests, introduced 42% more bills and enacted 32% more local laws.”

I would like to add to the speaker’s quantitative analysis by pointing out that the respective numbers of people in each Council District has also increased over the years reflecting New York City’s consistent population growth.

The speaker further stated in her testimony that “at the local level, each member represents on average about 160,000 New Yorkers, and much of their impact is felt on the ground by their constituents. The time commitment for Council Members is considerable and most describe their jobs as 24/7, requiring them to be available around the clock.”

While the speaker’s testimony focused on the extra work for City Council Members, I would like to respectfully add that a great portion of this heavy and steadily increasing workload falls on the shoulders of the respective Council Members’ staff, those located both at the City Hall offices and the District offices.

Specifically with regards to the district office staff responsibilities, we attend community meetings, from groundbreaking to ribbon cuttings; from tenant meetings to cabinet meetings; from attending funerals to filling in for Council Members on invitations to speak or participate in events; from community organizing to coordinating victims services; from crisis response to organizing community forums; from organizing rallies to meeting with organizations requesting funding; from sitting in on meetings with developers to assisting with community planning; from facilitating the local discretionary budget process to staying on top of thousands of emails, phone calls, snail mail, to coordinating the distribution of thousands of turkeys on holidays. And more.

Overall, in the community we serve as neighborhood planners, public speakers, organizers, policy experts, negotiators, trainers, writers, humanitarians and other roles that require great skill.

Then there are constituency services, dealing with human social needs. We encounter and must help people who walk into our office or call with various emotional, mental states, and life situations. Thus we have no choice but to serve in the roles of counselors, social workers and therapists being the front line of constituency services. From rape victims to gang victims to flood victims, our offices must appropriately deal with it all before we can make the proper referrals or resolve the problems.

The point is that of City Council Staff Members should receive raises along with Council Members.

Here are some additional considerations:

Staff members are not usually reimbursed for carfare, personal cell phone use, and other personal resources. For example, we must bear the costs of travel to the various and many community meetings out of our own pockets.

Despite the fact that the work of Council Offices are very similar, Council Members have different configurations of how much they pay and in the number of staff. Council Members can and have hired more workers to extract more human labor—making the pay for staff members across different council offices doing similar work wildly different. Unfortunately some Council Staff are not far from the poverty line in terms of income.

There is a great pay disparity between Council Staff management and Central staff Management, in favor of Central Staff management. The skills needed to run City Council offices as described above and in my colleague, Ms. Washington's testimony, appears to be less valued, and there appears to be no basis for such a manifestation.

Vacation days are arbitrarily set by Council Members which leaves many workers with less sick, vacation and personal days off than their counterparts in government (other agencies) doing equally hard work.

Attendance record sheets from City Council HR, that we are required to sign, indicates that all Council Member's staff work 35 hours or less a week. However, this is not the case for all staff. Many staffers work much more than 35 hours a week, plus evenings and weekends and our employment category means that we are not eligible for overtime.

In conclusion and summary: Pay raises at the least and the addition of standardization of compensation at the most is suggested and requested.

Committee on Rules, Privileges and Elections
Jointly with Committee on Governmental Operations
City Hall Council Chambers
Wednesday, February 3, 2016
Testimony of M. Ndigo Washington
Legislative Director/CUNY Liaison
Office of Council Member Inez D. Barron

Good morning Speaker Melissa Mark-Viverito, Chairs Lander and Kallos and Committee Members. My name is M. Ndigo Washington. I am the Legislative Director/CUNY Liaison for Council Member Inez Barron. I was hired in 2009 by former Council Member, now State Assemblyman Charles Barron and worked in the same position. I have worked here for a total of 7 years. I am joined today by my colleague and our Chief of Staff, Joy Simmons and we have taken a personal day to testify. We will address the bills being considered today and offer testimony in support of raises for Council Members staffers and Central staffers.

I like many of my fellow colleagues here at the Council are overworked and grossly underpaid. Over the past few years, we have witnessed the Mayor, the Speaker, the Progressive Caucus, members of the BLAC and other CMs support worker's rights; airport, carwash, fast food and more recently freelance workers. We too have to worry about the cost of living in NY. Many of us are stressed over paying rent, supporting our families, repaying student loans and live paycheck to paycheck.

There is no "set rate" or uniformity between the legislative/budget directors. We are not paid based on our skill set. This is the same for Central Staffers. Although our business cards state our positions, our official title is Councilmanic Aide and Legislative Analyst for Central Staffers. Workers are not valued in the same way as management and we lose valuable employees because of this. They leave and seek employment elsewhere, either the Mayor's office, the private sector or at a nonprofit. Each CM is allocated a budget and unfortunately it's not enough to offer a decent salary amongst their entire staff. To compensate for this imbalance in pay inequity, a few CMs have used their lulus as bonuses for their staff. If the "good government" groups and the public were aware of this issue and not simply thinking that CMs use this extra money to line their pockets, perhaps they wouldn't be so quick to pressure CMs to eliminate lulus.

The media and some "good government" groups in their quest to seek reforms and inform the public about the inner workings of civic governance also miss the mark when they claim CMs work part-time. This couldn't be further from the truth. In fact this is an insult to not only their responsibilities and workload, but ours as well.

Here at the legislative office we are responsible for submitting legislation, seek support from CMs to co-sponsor our bills and get a hearing, submit the CM approval to sign onto other CMs bills, attend briefings on issues pertinent to pending legislation and policies that affect our

districts and the city overall. If a CM is the Chair of a committee, we coordinate hearing topics with the counsel and policy analyst assigned to each committee. CMs also sit on several committees and we must keep CMs abreast of when the hearing will be held and the topic. We attend meetings during the budget process, attend caucus meetings, draft press releases, hold press conferences and meet with groups seeking support for bill passage or funding to maintain their programs. We confur with the Mayor's offices and other citywide offices as necessary. We juggle all these tasks, while preparing for bimonthly Stated meetings.

As we know Speaker Melissa Mark-Viverito submitted testimony to the Quadriennial Commission and highlighted the increase in legislation and bill passage to justify the need for salary increases. This legislative package contained over 4,000 pages and clearly showcases the work of the legislative division and council staffers. We see the same level of work during the budget season. The Finance Division and the Chair of the Finance Committee hold numerous hearings and briefings to prepare a response to the Mayor's budget proposal and pass the budget. CMs and their staff attend briefings and field numerous inquiries and requests for meetings, which can be extremely overwhelming and stressful.

Additionally, the 1989 Charter Revision transferred the responsibility of landuse to City Council. Due to this reform, CMs and their staff must have an increased technical knowledge to review zoning, landmarks and housing development projects.

We hope the Mayor, the Speaker, and CMS will support us with the same tenacity as their support for raising fast food workers salary to \$15.00 an hour. **Unlike unions, we are "at will" employees, which means we do not have the protection that other union employees have. We can be hired today and fired today!!**

Lastly, before I turn it over to my colleague. It is my personal opinion that the Quadriennial Commission could have done a better job at being transparent and reaching out to the public. They should have been required to hold hearings in each borough. I don't remember seeing any notices from QC in my neighborhood/Harlem. I certainly would have testified.

I would have advocated that CMs get out of the business of handling constituent services. They have enough to cover handling legislation, budgetary matters and landuse. This work could be covered by the community boards, the borough presidents and the public advocate. This would have had a direct impact on the salary increase and while it may have still been considered, I don't think 32% would be on the table.

Looking forward to your thoughts on staff salary increases and continuing this discussion around governance reform. I'm open to any questions you may have.

Thank you.



TESTIMONY of DICK DADEY
Executive Director, Citizens Union of the City of New York
Before the City Council Committees on Rules, Privileges and Elections and
Governmental Operations
on Compensation of Elected Officials
February 3, 2016

Good morning, Chairs Lander and Kallos, and other members of the committees on Rules, Privileges and Elections, and Governmental Operations. My name is Dick Dadey, and I am the executive director of Citizens Union of the City of New York, a nonpartisan good government group dedicated to making democracy work for all New Yorkers. Citizens Union serves as a civic watchdog, combating corruption and fighting for political reform.

I wish to start by thanking the excellent work of the Quadrennial Advisory Commission on Elected Official Compensation chaired by the esteemed Frederick A. O. ("Fritz") Schwarz, Jr. and served by fellow commissioners Jill Bright and Paul Quintero. The report produced is an exceptional piece of work full of thoughtful research, sound analysis and helpful historical information. The process the commission used in soliciting public input was admirable as they held two public hearings and ran their operations and conducted their deliberations in an accessible, transparent, and inclusive style. Citizens Union supports the commission's recommendations because its case for higher salaries is compelling and made persuasively and because the process the commission used was fair and laudable.

Citizens Union values public service, especially those who hold elected office. We believe that the salaries currently paid to our city elected officials is insufficient and not in line with the level of responsibility and authority they hold in managing the largest city in the United States with all its diversity and complexity. We also believe that nine years is too long a period of time for elected officials not to receive a salary increase. If we are to attract the best, the brightest and the most capable of representing our wonderfully diverse city to elected office and achieve much-needed compensation reform, we - as constituents and taxpayers - must be willing to put a premium on such valued service and pay an appropriate salary that is considerably higher than that which we are paying today.

It is easy to be for reform when it applies to someone else, but it is harder when it affects oneself personally. Elected officials are tested on their commitment to reform in how they handle matters from which they personally benefit or are accountable for such as public ethics, legislative districting, campaign finance, election rules, their own operational rules, and their own compensation.

This council, under the leadership of Speaker Melissa Mark-Viverito and Rules Committee Chair Brad Lander along with Governmental Operation Chair Ben Kallos, pursued and enacted far-reaching rules reform that built and improved upon earlier reform efforts. The process then used by the Council and its Rules and Governmental Operations Committees was open, transparent, consultative, deliberative and inclusive. You brought to that process a commitment to reform that resulted in the Council

committing itself to a new and better set of rules - a set that was designed to make it a more inclusive and deliberative legislative body. With those new rules, you set out to make the council a more effective branch of city government that empowered members and enabled them to better represent the districts they serve. You held two sets of public hearings – the first was simply to solicit ideas and reactions – with no set of rules yet proposed. The second set of hearings was designed to elicit reactions to a proposed set of rules. It was a great process that set the standard for how this council would be run.

So today is a defining day for this council.

The cause of good government seeks to achieve a common good that the serves the public interest and is realized through a process that is open, inclusive, transparent, accountable, and fair. For Citizens Union, our democracy functions best when the journey taken is just as important as the destination it arrives at. We are for the most part happy with the destination at which we appear to be arriving regarding elected official compensation reform with four major reforms being proposed. However, we believe the reform outcome that includes an additional \$10,000 increase for city council members that is above and beyond the commission's recommendation is severely tarnished by a lack of public input and council deliberation and the short circuited process that the council is using on a matter that it will personally benefit from.

Citizens Union has a number of specific recommendations that it urges the council to embrace that we believe strengthens the intent of the council's actions and solidifies the reforms that the council and Citizens Union together support.

But before I get to those, let me urge the council to bring to this compensation discussion the same set of values you brought to the council rules reform process. You cannot put the genie back in the bottle by pulling back your proposals and withdrawing these bills, but you can partially cure the problem you alone have caused.

Though over a year late in its formation, Citizens Union strongly supported the appointment of the Quadrennial Advisory Commission on compensation, particularly given the long hiatus since the last commission was formed in 2006. We believe that the process the Commission represents – elected officials not making the initial recommendations about their own salaries without the benefit of public input and deliberative analysis – and the precedent past commissions and Councils have set has been essential to building support for any salary increase then and now.

In now introducing legislation before the benefit of a public hearing on the contents of the Commission's report, however, the Council is breaking from past precedent on matters of compensation - by putting forward bills before receiving public input on the Commission's report, and not formally giving the public the rationale it deserves for the salaries it is proposing for itself, which are higher than proposed by the Commission. Indeed, this is the first time in 25 years that the Council is proposing a salary higher than that put forward by the Commission.

It is for these reasons that we call upon the council to delay a vote on these four bills until the next stated meeting following the one scheduled this Friday. To use a permissible but short-circuited process that allows these bills to be preconsidered for just 8 days but not yet formally introduced at the council until the day they are to be voted upon and passed is not simply unacceptable but inconsistent with the spirit of how you intended for this council to be run when you adopted the reform-minded rules you did less than two years ago.

It also makes it less likely that any recommendations of the public – whether substantive or technical – will be considered and the bills amended. Delaying will not deny the councilmembers their increased salaries because these intros call for the raises to be retroactive to January 1 no matter when you pass these bills. But not delaying denies the public sufficient input on a matter that they will pay for and from which you personally benefit.

At a time too when trust in our public officials is low – made worse by the scandals involving our former state leaders Dean Skelos and Sheldon Silver and their corruption convictions involving their abuse of the public trust – the Council needs to consider the environment in which it is acting, particularly when it is considering legislation with an all too quick process that financially benefits its own members.

On the recommended salary for city councilmembers, Citizens Union had said that an increase to \$143,000 was probably appropriate, provided that committee stipends or “lulus” were abolished, and outside income limited, not banned but for de minimus amounts. It has been told to us that he increase would account for: a) a cost of living adjustment to cover the past ten years (when in fact is nine, not ten since the current salary was effective November 2006 and will even cover the 22 newly elected councilmembers who have not gone without a raise in 9 years since they only assumed their office just two years ago) ; b) an additional increase of \$10,000 for ending the unnecessary practice of committee chair stipends; and c); an additional increase of \$10,000 to account for limits on outside income and enactment of other compensation reforms should also be considered.

The recommendation of \$148,500 in Preconsidered Intro T2016-4070 (Mark-Viverito) goes beyond what Citizens Union and the Commission proposed – even though it is following the recommendations of the Commission for all other city elected officials. We believe that the Council owes the public a full and formal explanation of why it believes this increase is warranted. That the council has not produced a written public response to the commission’s recommendation other than the bills makes this point. We neither oppose nor support the proposed new salaries for all elected positions because we believe the public is being denied sufficient time to consider and react to the specific recommendations for which the council is at variance with the commission proposed.

The salary increase proposed has been unfortunately tainted by the process used in determining the proposal and has also overshadowed the important reforms being presented. We have long supported reforms in the categories the Council is considering today: (1) making future pay raises prospective and changing the timing of appointing commissions; (2) restricting outside income and redefining the position of Councilmember to that of full-time; (3) ending committee stipends or “lulus”; and (4) online financial disclosure forms. While we support the intent of the bills, we believe that in some areas, there may be too much discretion left to future Councils and Commissions, and believe that the language should be tightened.

1. Making Future Pay Raises Prospective and Changing the Timing of Commissions

Under the current provision of the New York City Administrative Code governing elected official compensation – though it was not followed in 2003, 2007, 2011 – members of the Council have been and continue to be placed in the undesirable position of having to vote on a recommendation to raise their own salaries while serving their current term in office. It was not followed in 2007, because an off-year use of it occurred in 2006. Though we know that when the process was first established nearly twenty-eight years ago, the intent of the present structure was to schedule the work of the

Commission as far away as possible from any election, so that it is less likely that a vote on the proposal will become a major campaign issue.

We believe philosophically that currently serving Councilmembers should not vote themselves a raise, and that the structure of the system that puts them in that position needs to be changed. In fact, 37 current councilmembers in response to Citizens Union candidate questionnaires supported our proposal that any future increase in councilmember salary only apply prospectively to the following term, a change which is also supported by Mayor de Blasio. See the attached listing of members' support at the end of my testimony.

We recommended to the Quadrennial Commission that future increases be made prospectively, and note that your Preconsidered Intro T2016-4073 (Van Bramer) *might* accomplish this goal. However, the drafting of the legislation does not require it, as it merely changes the timing of the appointment of the commission and the receipt of its report. The next occurrence would be in 2020, between January 1st and 15th, with a report produced within 120 days after its appointment, in approximately 4 months, so by mid-April 2020. The preamble notes that "Amending the timing of when a commission is appointed will afford future commissions greater flexibility to consider - and make it more likely that they will recommend - that increases in compensation go into effect in the session after which they are voted on and approved." That language leaves too much room to enact an immediate raise.

The City Charter currently prohibits pay increases following the General Election in a Council election year, but there are no other prohibitions upon when salary changes would take effect. Given the next election in 2021, under the preconsidered introduction, it would be possible for salary changes to take effect in 2020, or in 2021 prior to the General Election.

On the issue of prospectivity, we recommend the following:

- **The best fix is to require that salary changes take effect January 1st following any election year after the appointment of a Quadrennial Commission, while retaining the current ban on "lame duck" Councils enacting salary changes after the General Election.** We understand that this would require a referendum, and urge the Council to consider making this change in separate legislation.
- **For this legislation, a simple short-term fix would be to have commissions appointed in July of the 3rd year of the Council term rather than January,** as this would make it more likely for the commission to make recommendations prospectively. The Commission should make recommendations by January of the 4th year, giving it more time for deliberation and hiring of staff.
- **Beyond the timing of appointing commissions, the Council should also seek to enact the recommendations from the 2015 Commission's report regarding the operations of the commission.** Specifically, they recommended codifying the transparency standards they used, such as posting all of their memos and all public testimony received online, as well as publicly releasing documentation of their intended plans and process.

2. Banning Outside Income, and Making the Council Full Time

Citizens Union had recommended to the Commission a cap on outside earned income of no more than 25 percent with full disclosure. The Preconsidered Intro T2016-4072 (Kallos) would prohibit the earning of outside income altogether by amending the City Charter's references to the Rules of the City Council in Section 46, which establish its governance, requiring that the prohibit outside income, as defined by the Rules. It also amends Section 1100, which specifies that elected officers are to give full time attention to their duties, to no longer exempt members of the Council.

The legislation, however, grandfathers in members of the council who have "engaged in any other occupation, profession or employment," previously in the 2014-2017 session prior to January 1, 2016, allowing them to continue this outside employment if they submit a letter to the speaker by March 1, 2016. Citizens Union believes that these members should chose: either they receive the salary increase, or they refrain from getting outside income.

T2016-4076 (Mark-Viverito, Lander) repeals bans outside earned income, though specifies that the following is allowed:

- Investment income, including interest, dividends, rents, annuities, and capital gains;
- Compensation for services before becoming a member;
- Income from pensions or retirement accounts;
- Copyright royalties;
- Compensation for speaking engagements or artistic performances, with approval from the Conflicts of Interest Board;
- Income from teaching at established academic institutions;
- Minimal earned income from activity involving only a limited time commitments and which does not interfere with the performance of official duties, and approved by the General Counsel.

We understand that the intent of the General Counsel approving the minimal outside income is to put in place a safeguard, however, it should be stronger, as an internal staff member would be the referee for the members, to whom they owe their employment. It might be appropriate for an outside entity to play a role in approval or at least have them be notified of the request, such as the Conflicts of Interest Board.

3. Ending Committee Stipends or "Lulus"

CU has long supported ending committee chair stipends, otherwise known as "lulus," and instead factoring this into a raise for the Council. Given the large number of committees – 38 – in addition to 6 subcommittees and 2 task forces, the addition of a stipend applies to nearly all members (47 of the 51 members are eligible for a stipend), and likely has driven the large number of committees. Many members have also forgone their lulus due to public pressure to reform this system, with 31 current members on the record supporting reforming them according to Citizens Union's candidate questionnaire (see the listing at the end of this testimony). The declinations of these lulus and their frequency together speaks to the need to eliminate them for committee chairs, and instead factor them into an across the board salary increase.

Accompanying resolution T2016-4075 would eliminate the provisions of the Council's internal rules that allow for stipends, effectively eliminating them for the current Council. It would be possible,

however, for a future Council to reverse what is being proposed and provide for stipends. To remedy this issue, we recommend the following:

- The ban on stipends could be specified in the City Charter in Section 46, which references the Rules of the Council, similar to how earned outside income is banned in Preconsidered Intro T2016-4072, but we recognize that this would require a referendum. We encourage the Council to consider separate legislation on this matter.

4. Online disclosure of all annual financial disclosure for elected officials.

Currently financial disclosure forms detailing outside income of officials must be requested from the Conflicts of Interest Board and viewed in person or photocopied, and are not available electronically. Further, officials are notified of requests for this information. This is antiquated given the city's work to open data to the public through online portals and otherwise promote accessibility, and runs counter to the practice at the state level; the financial disclosure forms of all New York State elected officials are available online, without the need for requests to be made or notifications. The information from the disclosures should be submitted electronically and be made available in spreadsheet form to allow for independent analysis.

We are pleased that Preconsidered Intro T2016-4071 would make information available from the financial disclosure forms, without written request, on the Conflicts of Interest Board website for the mayor, comptroller, public advocate, city council and district attorneys. The legislation, however, does not specify the manner in which the information would be made available. In this regard, we recommend the following:

- The legislation should be amended to specify that disclosures be made available electronically in machine-readable, spreadsheet form, consistent with the city's Open Data Law, given that the information is submitted electronically. The Council should also consider whether the forms for *candidates* for these offices should also be made available online.

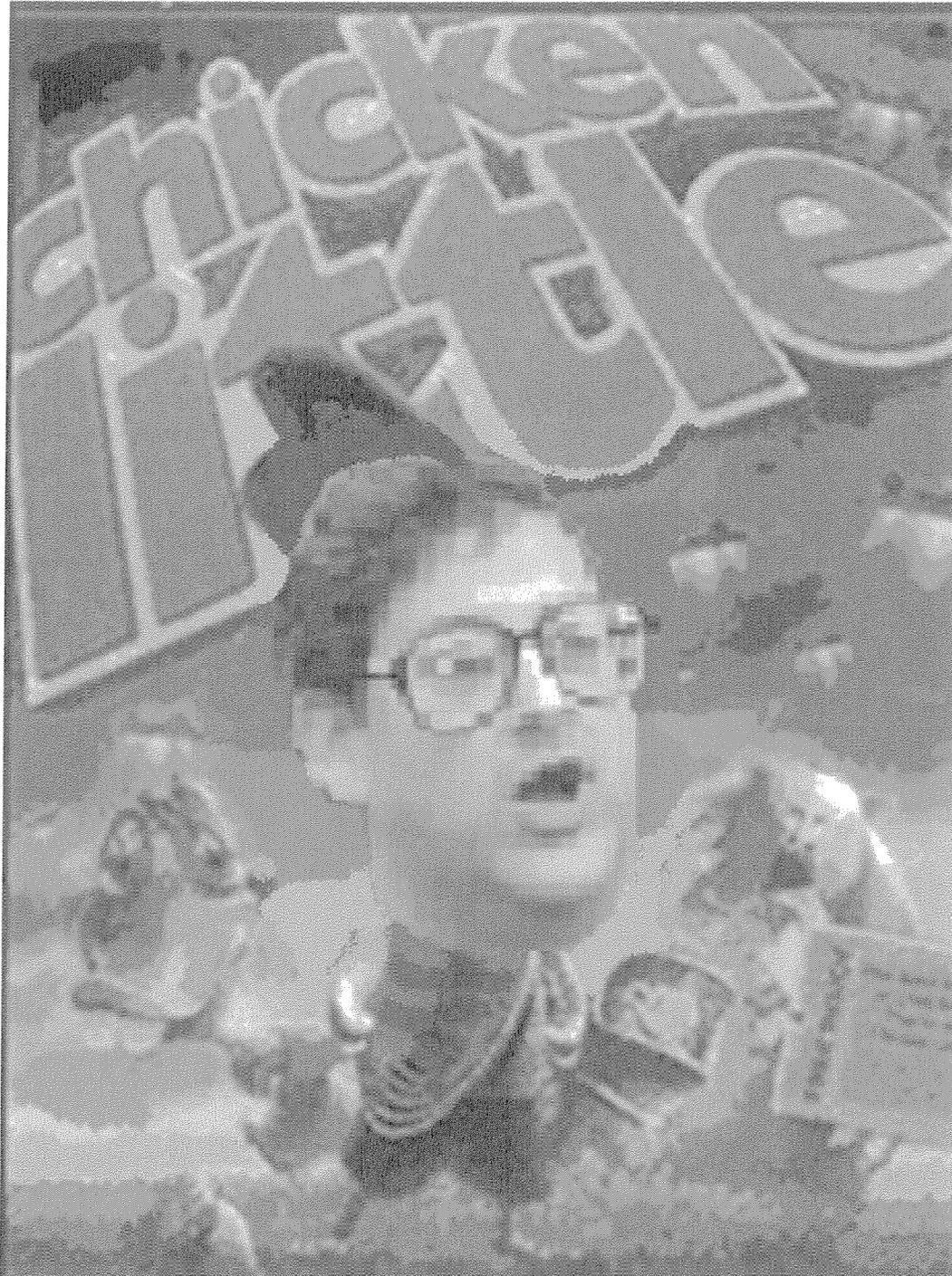
I thank you for the opportunity to present Citizens Union's thoughts and recommendations on this important topic, and am available to answer any questions you have.

COUNCILMEMBER POSITIONS ON COMPENSATION REFORM				
District	Member of the City Council	Year First Elected	Position on Ending Lulus for Committee Chairs	Position on Making Salary Increases Prospective ¹
1	Margaret Chin	2009	"Chairing a Committee comes with extra responsibilities, and I have always used the extra funds directly for the staff. Without the extra funds, I would have more difficulty funding the legislative staff I need for committee work. I would support a reform that standardizes the amount received based on committee chair leadership."	Support
2	Rosie Mendez	2005	Support	Support
3	Corey Johnson	2013	Support	Support
4	Dan Garodnick	2005	Support	Support
5	Ben Kallos	2013	Support	Support - "Council pay should be tied to local economic indicators, rising or dropping with local average individual incomes"
6	Helen Rosenthal	2013	Support	Support
7	Mark Levine	2013	Support	Support
8	Melissa Mark-Viverito	2005	Oppose	Support
9	Inez Dickens	2005	Oppose	Oppose
10	Ydanis Rodriguez	2009	Support	Support
11	Andy Cohen	2013	Support	Support
12	Andy King	2012	Support	Support
13	Jimmy Vacca	2005	N/A	N/A
14	Fernando Cabrera	2009	Support	Oppose
15	Ritchie Torres	2013	Support	Support
16	Vanessa Gibson	2013	N/A	"Would Strongly Consider"
17	<i>Maria del Carmen Arroyo (now vacant)</i>	2005	N/A	N/A
18	Annabel Palma	2003	N/A	N/A
19	Paul Vallone	2013	Support	Support
20	Peter Koo	2009	Support	Support
21	Julissa Ferreras	2009	N/A	N/A
22	Costa Constantinides	2013	Support	Support

¹ Responses to Citizens Union candidate questionnaires unless otherwise noted. Questionnaires available at: http://www.citizensunion.org/site_res_view_folder.aspx?id=c9c1b946-f4b4-4f30-aef4-9deec77a2765

COUNCILMEMBER POSITIONS ON COMPENSATION REFORM				
District	Member of the City Council	Year First Elected	Position on Ending Lulus for Committee Chairs	Position on Making Salary Increases Prospective¹
23	Barry Grodenchik	2015	N/A	Support (commitment made to NY Daily News)
24	Rory Lancman	2013	N/A	N/A
25	Danny Dromm	2009	Support	Support
26	Jimmy Van Bramer	2009	Support	Support
27	Daneek Miller	2013	N/A	Support
28	Ruben Wills	2010	N/A	N/A
29	Karen Koslowitz	1991/2009	Support	Support
30	Elizabeth Crowley	2008	Support	Support
31	Donavan Richards	2013	Support	Support
32	Eric Ulrich	2009	Support	Support
33	Stephen Levin	2009	Support	Support
34	Antonio Reynoso	2013	Support	Support
35	Laurie Cumbo	2013	Oppose	Support
36	Robert Cornegy	2013	Support	Support
37	Rafael Espinal	2013	Oppose	Support
38	Carlos Menchaca	2013	Support	Support
39	Brad Lander	2009	Support	Support - "With the exception of using the commission to equalize Council Member salaries in order to eliminate most lulus in the upcoming term."
40	Mathieu Eugene	2007	N/A	N/A
41	Darlene Mealy	2005	N/A	N/A
42	Inez Barron	2013	N/A	N/A
43	Vinny Gentile	2003	Support	Support
44	David Greenfield	2010	Support	Support
45	Jumaane Williams	2009	Oppose	Support - "I would like to discuss this further."
46	Alan Maisel	2013	N/A	Support
47	Mark Treyger	2013	Support	Support
48	Chaim Deutsch	2013	Oppose	Oppose
49	Debi Rose	2009	Support	Support
50	Steve Matteo	2013	Support	Support
51	Joe Borelli	2015	N/A	N/A
		Total Support	31	37
		Total Oppose	6	3
		Other	1	1

Exhibit A---May 2004: why we shouldn't put Council Memnbers in Isolation.



Only this time, it's not the sky that's falling ...
it's our real estate values!

And it's not a brave albeit assuming little chicken
screaming out "The sky is falling, the sky is falling" ...
it's thousands of frightened working families screaming
out "My mortgage is foreclosing,
my mortgage is foreclosing!"

Summary Sheet for: The Mortgage Foreclosure Emergency Prevention Program

A wide consensus has grown, from throughout the real estate market to the Mayor's Office of Management and Budget, that the real estate bubble is about to burst. Considerable statistics are in place right now showing that the residential real estate market, at the very least, is already leveling off.

As real estate values begin to fall or level, all the thousands of families who took out "balloon mortgages," gimmick mortgages and high loan to value specialty loans are going to find themselves unable to pay the balances due on their mortgages at the end of the balloon period, or when their no interest period ends, or when their interest rate floats to "adjustable." Their plan in taking out these mortgages was that when the bill was due the equity in their homes would have increased at the same rate as market prices have been increasing over the past ten years, allowing them the opportunity to conventionally refinance.

Yet as it becomes more and more evident that the equity these families once banked on is no longer a fiscal reality, our City is going to find itself full of homeowners with uncontrollable and unconsolidated debt. The picture painted by this far more grim, yet more truthful alternate fiscal reality will show many of these mortgages being foreclosed on and thousands of these homeowners screaming out for help. Our City will be filled with thousands of "Chicken Little's," shouting that the sky is falling on them ... or more accurately, that their real estate values are and along with them their home equity is falling in on them. Only this time, the danger will be very real ... *we will be in a true mortgage foreclosure crisis. Our working families, our newest homeowners and our seniors will be most at risk.*

Unlike the characters in the Little Red Hen ... okay, we are mixing nursery tales here ... the answer to "Who will help me?" cannot be the duck's "Not I." Our neighborhoods will suffer greatly as foreclosed properties begin a cycle of urban blight. This time we can be ahead of the problem, and through the Mortgage Foreclosure Prevention Initiative, we can have a safety net in place before the crisis occurs.

This initiative will provide \$1 million to establish ten neighborhood mortgage foreclosure experts at local community-based organizations (CBO's), selected by RFP, located throughout the City. Property tax bills and notices will direct homeowners in danger to these local debt and mortgage restructuring experts working out of these CBO's. The CBO's will be trained by the Parodneck Foundation, a not-for-profit organization that for many years has provided emergency and specialized mortgage and consumer debt consolidation, finding ways to treat "the entire patient" in coming to a financial recovery plan tailored for the individual. As such, the funding provided by this initiative will create the infrastructure desperately needed to deal with this debt crisis before it becomes unmanageable.

DON'T BE THE DUCK. JOIN HENNY PENNY, CHICKEN LITTLE AND FRIENDS IN SUPPORTING THE MORTGAGE FORECLOSURE EMERGENCY PREVENTION INITIATIVE.

No lobbyist will nag you about this and that's a promise.



TESTIMONY
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON RULES, PRIVILEGES AND ELECTIONS
COMMITTEE ON GOVERNMENT OPERATIONS
HEARINGS ON
COMPENSATION FOR CITY ELECTED OFFICIALS
CITY HALL
FEBRUARY 3, 2016

I am Gene Russianoff, senior attorney of the New York Public Interest Research Group (NYPIRG). NYPIRG is a non-partisan, not-for-profit, research and advocacy organization. Consumer protection, environmental preservation, health care, higher education, and governmental reforms are the principal areas of concern of NYPIRG and its affiliate, the Straphangers Campaign. We appreciate the opportunity to testify on the proposed compensation plan for New York City public officials.

As a multi-issue organization, NYPIRG has worked very closely with dozens of Council Members since our founding in 1973. We witnessed their determined organizing, coalition building and public awareness campaigns to give voice to the voiceless in their communities, and their healthy disregard for authority as independently elected officials.

We have come to value greatly the openness of the Council as an institution, especially compared to the often secretive, rigid and bureaucratic nature of the executive branch. In contrast, the Council has been an incubator for new ideas and a serious check and balance, despite being dramatically out-resourced by city agencies, with big budgets and staffing.

Over the years, NYPIRG has supported initiatives to empowering the Council as a check and balance in New York City government. These include the 1989 New York City Charter revisions which put the Council at the center of City government; the Council's (unsuccessful) lawsuit on its budget powers; and more of the Council's resources for fiscal monitoring and oversight.

All of which is to say we do not approach the setting of salaries as an exercise in bashing the Council or other elected officials.

The starting point is the final report of the New York City Quadrennial Advisory Commission. A new Quadrennial Commission has been appointed five times since 1986. The 2015 Commission has produced a thoughtful, well-researched document. It makes a strong case for its recommendations and NYPIRG has endorsed its proposal.

The Commission was tasked with weighing a variety of concerns. They took into account such factors as fairness, competitiveness, attractiveness of salary package, salary compression for non-costs of living in New York, and job responsibilities. As they had since 1986, civic groups also pressed the Commission to consider compensation-related reforms for the Council. The Commission agreed and its final recommendations had two basic elements.

First, **an increase in the overall Council Member salary, from \$112,500 to \$138,315**. This would represent the second highest legislative base salary among the nation's largest 25 cities (see page O-8 of the Commission report). This includes: a 12% increase in base pay for all City electeds; another 3% to reflect added Council responsibilities since 2006 each in base pay of Council Members; and \$9000 in lieu of existing lulus, eliminating leadership's ability to reward or to punish.

Second, **two compensation-related Council reforms, such as: 1) restrictions on outside earned income Council Member; and 2) elimination of legislative stipends (lulu's)**.

Late last Wednesday night, the City Council leadership introduced legislation and rules changes largely adopting the Commission's recommendations. However, there were two notable additions:

First, they called for web access to financial disclosure forms of elected officials. They also proposed to raise Members' salaries by another \$10,000 – to \$148,500. They cited the new ban on outside income. It should be noted that very few current members of earn substantial income.

NYPIRG cannot support “making up” a loss of non-existent income. What is the justification for the additional \$10,000? For this reason, it is not possible for NYPIRG to support a \$10,000 pay raise.

New York City Conflicts of Interest Board
Testimony before the New York City Council
Committee on Government Operations
In Support of Pre-Considered Introduction T2016-4071

Julia Davis
Director of Annual Disclosure and Special Counsel
February 3, 2016

Introduction

Good morning, my name is Julia Davis. I am the Director of Annual Disclosure and Special Counsel for the New York City Conflicts of Interest Board. Accompanying me is the Board's Acting Executive Director, Wayne Hawley, Deputy Director of Annual Disclosure Joanne Giura-Else, and Alex Kipp, the Board's Director of Training, whose duties involve maintenance of our website.

We are here to offer testimony on Preconsidered Introduction T2016-4071, which would require the Board to post the annual disclosure reports of the City's elected officials on the Board's website.

As you know, the City's Annual Disclosure Law requires the Board to provide the public portions of a public servant's annual disclosure report to any member of the public upon request. As way of background, I would like to briefly outline how the Board currently provides reports to the public. After the annual filing period, Board staff schedules the release of reports on three separate days for three groups of filers: the top 4 elected officials, all other elected officials, and, finally, all appointed officials. Once we publish that schedule, requests for reports are submitted by members of the public, generally the press. If any filer has requested that information that would otherwise be disclosed to the public be withheld from inspection, the Board determines any such request, which we refer to as a privacy request. All privacy determinations are made prior to the release of any report that contains such a request, and the law prohibits the Board from releasing a report for which privacy has been requested until at least 10 days after the Board's mailing of its determination of the privacy request.

In addition to requiring that the Board rule on a privacy request before releasing a filer's report, the Annual Disclosure Law also requires the Board to provide notice to the filer of the identity of the person who has viewed the report. This notice requirement has effectively barred the posting of annual disclosure reports on the Board's website. Introduction T2016-4071 would eliminate the notice requirement for the elected officials who are required to file annual disclosure reports and would require the Board to post the annual disclosure reports of those elected officials on its website. The Board supports this change and can implement it.

The proposed legislation also adds a requirement that reflects the Board's current procedure for releasing reports: the language added in section 2 would prohibit reports from being made available for public inspection during the time the Board evaluates a so-called privacy request. As I previously mentioned, that is the Board's current practice for reports before they are released for public inspection. So, as to the proposed change, if the added sentence in section 2 is intended to apply only to those reports not required to be posted on line, then the Board unequivocally supports the addition of that sentence as reflecting the current practice of the Board.

If, however, the added sentence requires that reports posted on line be removed from the Board's website until a subsequently made privacy request is determined by the Board, the Board would offer the following observations:

First, removing from the Board's website previously released public information is contrary to the Board's presumption of openness.

Second, more practically, once a report is posted on line, the notion that its temporary removal from one website will in fact remove it from public inspection may not accurately reflect how information moves once it is posted on line, for example, from one website to another.

Third, requiring the removal of a previously released report upon the filing of a privacy request allows an elected official to remove his or her report from the website by making a privacy request after the report is posted. That is, it could invite gaming the system by a filer intent on removing a report from the website by submitting a series of privacy requests.

Finally, as written, the added sentence arguably precludes the Board from posting an elected official's report for an extended period of time should its privacy determination be challenged in court.

Accordingly, for the foregoing reasons, the Board does not support the inclusion of the proposed new sentence to paragraph 2 of subdivision e of section 12-110 of the Administrative Code, unless it is clear that this language does not apply to the reports of elected officials posted on line but is limited only to reports that are not posted on line.

Conclusion

In conclusion, with the reservation I have stated, this bill will provide the public with greater access to the annual disclosure reports of elected officials – a move toward greater transparency that the Board indeed supports.

Thank you.

We would be happy to answer any questions.



Testimony of
Dominic Mauro, Staff Attorney, Reinvent Albany
before the
New York City Council
Committee on Rules, Privileges, and Elections
Hearing on February 3, 2016

Good afternoon Chairman Lander and Members of the Committee on Rules, Privileges, and Elections. I am Dominic Mauro, Staff Attorney at Reinvent Albany, a good government watchdog which co-chairs the New York City Transparency Working Group.

My organization urges the Council and the Mayor to amend the New York City Administrative Code and T2016-4071 (Vacca/Kallos) to require that all financial disclosure forms for elected officials and candidates for city office be published online, and be downloadable in a machine readable format. This would not create any burden for the Conflicts of Interest Board, because these disclosure statements are filed digitally with the Board.

Currently, disclosure forms are currently only available upon request, and must be inspected in person or picked up in hard copy form—with a cost of 25 cents a page—at the Conflicts of Interest Board (COIB) office. This practice is badly outdated.

In the year 2016, with apps, smart phones, and social media, the universal expectation for government transparency is that important public integrity data should be online and downloadable in a machine readable format. For New York City to do less than this would be a step back from public accountability and transparency.

Hi, I testified in both Quadrennial Advisory Commission hearings in November 2015. (Brooklyn and LIC)

The turnout was low and I believe it is because the public believes the elected officials will ignore the public and act on its best interest as it has done in the past.

In 2006, the city council voted themselves a retroactive 25% pay raise (\$112,500 from 90,000) and they disregarded the commission recommendation to eliminate stipends (lulus) and restrict outside income. They took the money and ignored the reforms.

Now today the city council is ignoring the commission's recommendation and jacking its own pay up to 32% to \$148,500. That's more than \$10,185 than the commission recommended. (\$138,315 a 23 percent raise) This is why elected officials should not vote for their raises because the human nature of greed clouds their judgment.

This narrative that you have not received a raise in 10 years is just nonsense. Shame on the media for repeating this false narrative. As per spreadsheet, ONLY 8 city council members have been in office since 2006, which is 10 years, 15 have been in office since 2010 which is 6 years and 22 of you have been in office since 2014, which is only 2 years. And 3 of you will be in office less than 4 months yet received a 32% raise. This is why this raise should be prospectively for Jan 1st 2018. Also when you ran for office in 2013, you all knew what the salary was for this position. If you didn't like the salary then you didn't have to run for office. You could have sought other opportunities that would pay you such a salary of \$148,500.

The argument that you are entitled to more money because you are forgoing outside income is nonsense as well. As per 2015 financial disclosure forms, 40 out of the 51 city council members have zero income. The other 7 city council members have less than \$5,000 in outside income. And the remaining 3 city council members (Deutsch, Koo, and Greenfield) do have outside income (between 100K-250K, 70K-195K and 60k respectively)

The argument that the public has to pay more to our public servants to reform a system for the betterment of the public and form good government is a shame. These reforms should have been done years ago as per your campaign promise to serve the people and keep our government corrupt free.

In regards to T2016-4072, how can city council member be exempt from rules prohibiting outside income till Jan 1st, 2018 yet still receive 32% raise retroactively? Therefore there will still be city council members with second jobs (therefore not a full time job) and outside income till Jan 1st 2018. Why make this reform prospectively yet the raise retroactively?

Also, I disagree with Citizen Union on a cap on outside income. It is not about dollar amount but the time. Either the city council is a full time job or not. A cap is not half right but half wrong. Ban outside income as the commission recommended and per the reason stated at the hearing today.

In regards to T2016-4071, financials disclosure forms available online can facilitate transparency and public participation. Open data in government is always a good thing but I wouldn't call this bill a reform piece. Dollars amounts instead of ranges on these forms should be mandated. Also a public servant should not have a privacy opt out. It took me less than 48 hours to have access to these forms. And again the exact amounts should be disclosed instead of these dollars ranges that don't offer much information.

In conclusion, I ask the city council to adhere to the commission recommendation and not raise their salary above the commission recommendation of \$138,315. Is the \$10,185 really worth damaging the little trust and expectation the public still has left in government and our democratic system. Why convene a commission and waste their time if you won't adhere to their recommendation. Also make the raises prospectively because no one should vote to raise his/her own salary. It is a conflict of interest and

Roxanne Delgado
Bronx NY 10461

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Name: Roxanne Delgado

Address: 1130 Dalton Pk Bx 10461

I represent: Spoke at both hearings

Address: of Quadrennial Advisory Commission

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Name: Julia Davis

Address: 72 Lafayette Street, NY, NY 10007

I represent: NYC Conflicts of Interest Board

Address: _____

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Name: Towaki Komatsu

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Name: DKK DASEY (PLEASE PRINT)

Address: 299 Broadway NYC

I represent: St James Union

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Name: M. Ndigo WASHINGTON (PLEASE PRINT)

Address: 375 W. 127th St. NYC

I represent: SELF

Address: _____

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Name: Joy Simmons (PLEASE PRINT)

Address: PO Box 360424

I represent: Self

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Name: Law Fidler

Address: 2182 East 27th Street Brooklyn

I represent: Myself

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Name: SUSAN LERNER

Address: 80 Broad St., ste 2703, NY, NY

I represent: Common Cause/NY

Address: _____

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