

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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DECEMBER 20, 2018
Start: 10:17 A.M.
Recess: 12:19 P.M.

HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: FERNANDO CABRERA, CHAIR

COUNCIL MEMBERS: BEN KALLOS
ALAN N. MAISEL
BILL PERKINS
KEITH POWERS
YDANIS A. RODRIGUEZ
KALMAN YEGER

A P P E A R A N C E S (CONTINUED)

2 SARGEANT AT ARMS: Test, test, this is a
3 test. Today's date is December 20th, 2018. This is
4 a Committee Hearing on Governmental Operations being
5 recorded by Sargeant at Arm.

6 CHAIR FERNANDO CABRERA: (gavel
7 pounding). Good morning and welcome to this hearing
8 of the Committee on Governmental Operations. I am
9 the Chair of the Committee, Council Member Fernando
10 Cabrera. Today we will be holding a second hearing
11 and a vote on two Bills. The first proposed,
12 introduction 748A, sponsored by myself in relation to
13 the Taxi and Limousine Commissioner related hearing
14 procedures of the Office of the Administrative Trials
15 and Hearings. The second is proposed Introduction
16 1288A, sponsored by Council Member Ben Kallos in
17 relation to the campaign financial laws to be in
18 effect for covered elections held prior to 2021
19 primary. Council Member Kallos will say a few words
20 on his Bill, proposed introduction 1288A in a moment
21 but in brief, it will apply some of the changes for
22 the Campaign Finance Law instituted under ballot
23 question #1 which voters approved in our most recent
24 election. To all special and primary and general and
25 runoff elections for City Office between now and the

2 2021 primary. Just with that primary, participating
3 candidates will have an option of which system to
4 follow while non-participating candidates will follow
5 the existing system. Additionally, because of the
6 compressed time frames of special election the Bill
7 will have the threshold to qualify for matching funds
8 in a Special Election and lower the threshold to
9 quality to participating debates for Citywide Special
10 Election. Proposed Introduction 748A address the
11 hearing process used by oath when hearing Tax Related
12 Violation. The nature of taxing and Taxing and the
13 Taxi, the Taxi business is such that responding to a
14 TLC summon is a serious matter. Respondents have to
15 appear at OATH in person if a driver wants to contest
16 a summons. It may mean hours or even entire days
17 spent away from earning a living. Therefore, it is
18 incredibly important, it is incredibly important that
19 we ensure that these hearing procedures are as fair
20 as possible. We want the TLC to be able to enforce
21 its laws and regulations without drivers losing a day
22 of income just to respond to a summons and we want
23 the outcomes to be as far as possible as well. With
24 that in mind, this Bill sets forth a number of
25 requirements for hearings on possible violation of

2 TLC laws or regulation. First, it will require that
3 a TLC representative be present at hearing either in
4 person or remotely. Second it will permit a
5 respondent to appear remotely through an internet
6 video. We heard at our last hearing about the need
7 for drivers to appear remotely and I am happy to
8 report that we have added that into the amended
9 version of the Bill, being voted on today. Third, it
10 will permit OATH to reduce a violation if it finds
11 that doing so may be in the interest of justice
12 provided that TLC will have 20 days to review the
13 decision. Fourth, it will require automatic
14 dismissal of any duplicate notice of violation and
15 finally it will require hearings to be held in a
16 timely manner so drivers don't waste precious time
17 and money waiting for the hearings to start. I would
18 like to thank the members of the Committee for the
19 vigorous discussion we have recently had on our
20 campaign finance laws as well as for the commitment
21 to making OATH hearings fairer for our hardworking
22 Taxi and Limousine drivers. I also want to thank our
23 committee staff, Brad Reed, Elizabeth Cron, Emily
24 Forgon, Sik Harry as well as Rob Newman, Counsel to
25 the Speaker as my own Legislative Director Clair

2 Michael Vane for all of their hard work. I will now
3 turn it over to Council Member Kallos to speak on his
4 Bill.

5 BEN KALLOS: Good morning, I am Council
6 Member Kallos for those of you watching at home
7 that's @BenKallos. I want to thank our Chair,
8 Fernando Cabrera for his long-standing support for
9 campaign finance reform and for hearing Introduction
10 1288, that is co-sponsored by Council Member Keith
11 Powers and Costa Constantinides who signed on before
12 introduction following our hearing last week. We
13 also have the support of members who have signed on
14 including Justin Brannan, Brad Lander, Steve Levin,
15 Rafael Espinal, Robert Holden, Fernanda Cabrera, Rory
16 Lancman, Donovan Richards, Chaim Deutch, Antonio
17 Reynoso, Robert Cornegy, Alicka Ampry-Samuel and
18 Rafael Salamanca to name a few and really appreciate
19 all of the support that we have received from our
20 colleagues. On November 6, New York voted to get big
21 money out of politics after a decade long fight for
22 Campaign Finance Reform, voters took matters in to
23 their own hands and they overwhelmingly voted yes on
24 Ballot question 1. Over 1.4 million voters flipped
25 their ballots on to page 4 to vote on one Ballot

question and of those 1.0 million of those voters chose yes. To put it in perspective, more people voted in favor of this measure than voted for all candidates for Mayor in 2017. New Yorkers could not have been more clearer in their mandate. Now by way of background in 2016, I had authored Introduction 1130 which was co-prime sponsored by Council Member Fernando Cabrera, which had 31 total sponsors in the Council. It received a hearing, I as the Chair supported it. One total sponsor in the Council. It received a hearing, I as the Chair supported it. I was interested in voting it out; however, I was not able to get it done. Uhm I re-introduced that Legislation late March of this year and as Introduction 732 of 2018 and it has already received 21 sponsors. When the Mayor formed the Charter Vision Commission, I testified in favor of Campaign Finance Reform on May 9th, June 19th, July 23rd and August 9th, calling for Reduction on Contribution Limits, increasing mature ratios and increasing public bonds payments all of which were in part and whole adopted for the vote on November 6. However, despite New Yorkers making it clearly known that this reform is what they wanted, the changes will not be

in effect until the 2021 election cycle.

Introduction 1288 extends the newly adopted Campaign Finance Reform Rules to special elections and the elections that will follow in the interim until 2021.

It lowers contribution limits for Citywide from 2550 in a special to 1000. It increases public matching for every small dollar contribution under 175 with public tax dollars to matching up to 250 for Citywide and continuing to match 175 at 8 public tax dollars.

It increases the public grant for those who opt in from 55% to 75% of the spending limit. For

candidates participating in the soon to be called

Public Advocates race it will lower contribution limits and increased matching would be retroactively applied to Campaigns that select this option. In

addition to apply ballot question 1 to the Special Election, the Legislation goes further by lowering

the minimum thresholds raised to qualify for a public grant by half for both options just as the other

limits have been halved. The thresholds for public advocate controller will go from 125,000 to 62,500.

Now under the new option only the first \$250 of an individual New York City resident's contribution is applied toward meeting the dollar amount thresholds.

2 Participating candidates would still need to collect
3 the same number of contributors, 1,000 for Mayor, 500
4 for Public Controller. Now, to be very clear,
5 Introduction 1288, as applied in 2019 to the February
6 Special Election, September Primary Election and
7 November General Election for Public Advocates
8 provides a new option but not a mandate. Just as
9 with question 1 on the Ballot candidates may chose
10 not to participate in this option but participate
11 under the current system of \$175 matched 6 to 1 up to
12 55% of the spending limit or they can use the new
13 system. Under the new system, a candidate for Public
14 Advocate who opts into the new system would only need
15 to raise \$250 from 854 donors to see \$213,516 matched
16 8 to 1 for a full \$1.7 million public grant which is
17 75% of the spending limit leaving only 15% remaining
18 to be raised. With these reforms, candidates for
19 City Office can finally run for office without big
20 money, instead relying solely on small dollars and
21 public dollars to win. I want to thank Rob Newman,
22 Brad Reed, Elizabeth Cronk, Central Staff for their
23 work on this Bill and uhm thank you for a longer than
24 normal opening statement but we have been working on
25 it for quite a while and uhm Chair Cabrera has been

2 there for a lot of this fight, so thank you. I urge
3 my colleagues to vote yes.

4 CHAIR FERNANDO CABRERA: Then, I will
5 voting yes, in a little while, we are going to hear
6 from Council Member Yeger but I want to commend you
7 for this Bill that is truly, truly uhm is going to
8 uhm have a fairer system. Uhm to help those who want
9 to run for Public Advocate. We are going to have
10 this race coming up but there are upcoming races all
11 the way to 2021. And with that, let me turn it over
12 to my esteem colleague, uhm Council Member Yeger.

13 KALMAN YEGER: What it's called, thank
14 you Mr. Chairman, good morning, uhm sometimes in my
15 view the process by which we do Legislation is as
16 important as the intended result and as an example,
17 look at Amazon. It's about the process, that's what
18 we are talking about here in the Council. Now, the
19 result is important as well, but the process, the
20 process by which we get to this place is just as
21 important. This Bill, uhm introduction 1288 was
22 introduced last Tuesday, there was a hearing on
23 Wednesday and today 10 days after introduction we are
24 voting on it. In 10 days from introduction to
25 passage. Under the Charter, the Bill would have been

2 had to be laid on the desk of the members of this
3 body the day after it was introduced, 10 days from
4 start to finish. In no estimation, I don't think
5 anybody can make the argument that that is good
6 Government, it's not and I don't see how we can make
7 the argument no matter what the result is that good
8 Government has a Bill start, from start to finish in
9 10 days. Now with respect to my friend, Councilman
10 Kallos. Uhm he's a long-time champion of increasing
11 public financing for elections. He is true to his
12 word. He has held this option and beliefs for longer
13 than he has been in this body and I know that the
14 Bill, the idea, the concept and the intended result
15 comes from a good place, comes from good intentions.
16 I will also say in my District all three questions
17 lost. We are the only District in the City that had
18 that result but even Citywide where it did win, we
19 are substituting our judgment today for the judgment
20 of voters just a month ago. They voted for a Bill,
21 they voted to change the Law. They were told that
22 the Law would be effective in 2021. Here come along
23 us, we say no voters, you were wrong, the question
24 presented to you was 2021 but we are smarter than
25 that, we are going to make it effective immediately.

2 Not just effective immediately, effective 60-70 days
3 from now. Change the rules in the middle of the game
4 and create a two-tiered process by which some
5 candidates will raise \$2550 per person and they will
6 get a 6 to 1 match and those candidates who for
7 whatever reason decide that they are going to raise
8 only \$1000 per person will get the 8 to 1 match.
9 It's \$911,000 additional per up to per candidate and
10 the Fiscal Impact Statement which we did not have
11 available at the hearing on this Bill last week, I
12 presume that the speed by which it was heard
13 following introduction is somewhat responsible for
14 that. Shows that in this Fiscal Year \$1.78 million
15 is anticipated to be spent on this Bill. Now, we
16 have talked a lot in this Council about NYCHA, the
17 decrepit conditions of the homes that we as a
18 Government provide as affordable housing, decrepit.
19 We talk about school teachers that we need more.
20 Classroom sizes are too big. Maybe more cops, maybe
21 more fire fighters, our libraries could use some
22 help, road repairs, certainly we have a homeless
23 problem in this City, healthcare, just a couple
24 because I only have a couple of seconds. I can't
25 imagine a place where we have come to that it makes

2 sense to take newly \$2 million this year alone and
3 say here politicians in a race that's in 70 days,
4 here's some money to send out some more glossy flyers
5 into the mailboxes of New Yorkers. Here is some more
6 money for some consultants. NYCHA can stay the way
7 it is. We talk a lot here in this Council about the
8 needs of our constituents who are \$90 billion
9 organization, the City of New York but we have \$2
10 million to blow this way. I don't think it's right,
11 I don't think it's smart, I don't think it's good
12 Government. There is a fine line between responsible
13 good Government Public Financing Program of which, in
14 which I participated and which so many of my
15 colleagues participated, enabled us to raise enough
16 funds to be competitive and to come to this body
17 where so many great people were before I. But there
18 is a fine line between a responsible Public Financing
19 Program and pigs at a trough. That's what this Bill
20 is, it's pigs at a trough. Its, politicians eating
21 up the Tax Dollars for a program that's not
22 necessary. There is nobody who is going to say I'm
23 not going to run for Public Advocate because I can't
24 get that extra \$911,000. We have 25 candidates
25 talking about running right now, just right now, at

2 least, I think, maybe 26. The, there is nobody that
3 I've heard say well if only the Public Financing was
4 a little greater, I'd be able to participate in this
5 Democracy, this great New York City Experiment.
6 Nobody is saying that. The program that we have
7 works, I know, because I'm here and I was outspent 4,
8 5, 6 to 1 but I held down my spending to a cap. I
9 participated in the program and the covenant between
10 the Tax Payers and myself is that I was able to
11 receive Public Financing like so many of my
12 colleagues here today and in this Council. There is
13 nobody that I have heard of, maybe we will hear, that
14 has said I can't make this run because it's not 8 to
15 1, because \$2.4 million is not enough but only if a I
16 had \$3.4 or \$3.5 that would be good. I haven't heard
17 anybody say that, so I urge my colleagues to vote no.
18 Obviously, as we know here, no Bill comes to this
19 point unless it is a yes vote so I recognize that I
20 stand lonely but that's okay, I'm going to vote no, I
21 think my community wants me to do that and with that,
22 Mr. Chairman I thank you for your time.

23 CHAIR FERNANDO CABRERA: Well, I was
24 thinking of running but after you spoke, I'm not
25 going to run for Public Advocate.

2 KALMAN YEGER: Mr. Chairman it would be
3 26 or 27 candidates.

4 CHAIR FERNANDO CABRERA: I thought it was
5 22, but uhm, well so with that, let's go for the
6 vote. Roll call.

7 COMMITTEE CLERK WILLIAM MARTIN: William
8 Martin, Committee Clerk, Roll Call Vote, Committee on
9 Governmental Operations, Introduction 748A and 1288A,
10 items are coupled. Chair Cabrera?

11 CHAIR FERNANDO CABRERA: Aye.

12 COMMITTEE CLERK WILLIAM MARTIN: Kallos?

13 BEN KALLOS: I proudly vote aye.

14 COMMITTEE CLERK WILLIAM MARTIN: Maisel?

15 ALAN MAISEL: Yes.

16 COMMITTEE CLERK WILLIAM MARTIN: Powers?

17 KEITH POWERS: Uhm can I have permission
18 to explain my vote?

19 CHAIR FERNANDO CABRERA: Absolutely.

20 KEITH POWERS: Thank you, I wanted to
21 just, first just make a few points that I, that I've
22 been responsible for all the, all the very good
23 points that just came up. The first one is I think
24 that the, I think for certain that the existence of
25 the public matching funds is the reason that we get

2 so many candidates to run for office and that we have
3 City Council races, Public Advocate races, Borough
4 President races where you see new candidates who
5 never held office running for the first time. You
6 see that are what we call, unexpected candidates but
7 also just that people who want to, want the
8 opportunity, take advantage of it, because there is
9 the public matching fund and you don't have to do it
10 the way Albany does it, which is to raise large
11 amounts of money, do it very fast, that the public
12 makes you eligible to run. So, I think that logic
13 applies here as well, which is that expanding it
14 certainly expands opportunity for people to be
15 competitive and also, I think does actually recruit
16 more people to run because of the ease of
17 fundraising. Or the difficulty I should say of
18 fundraising is removed from the equation here. Uhm
19 certainly there are lots, you have to get a lot of
20 go-getter self to get a lot of contributions. You
21 still have to uhm be efficient with the way that you
22 spend your money but I think it does actually offer
23 opportunities to people and the only thing I can say
24 is that I think there are two intentions of this Bill
25 or that we should mention. One is I think it

2 actually upholds the intention of the voters on, on
3 the uhm, the Charter question. I think it actually
4 extends the things they voted for to elections that
5 will happen before then and I think it makes it
6 easier to run for office for those who are running as
7 much as it makes it easier to find new candidates.
8 For those who maybe have never even held office, the
9 difficulty of raising money is a real one and I think
10 it actually upholds that as well. With that being
11 said, I don't disagree with the question that were,
12 or the comments that were raised about process and
13 expediency. We are in a few weird moments right now
14 so the race that is coming up in 7 weeks is an odd
15 moment in time for this City so even if we so, if we
16 want to do it, we have to do it expediency. Uhm but
17 certainly the public's opportunity to comment on
18 things, the opportunity of a Fiscal before you see a
19 Bill. All of those things are valid questions and I
20 think there are things that we should be taking back
21 to, to staff and to the Speaker and things like that
22 so I do appreciate the Council Member for raising for
23 our, just procedural questions about how this body
24 works. But with all of that being said, I think I
25 have given my answer already, I am voting aye on the

2 Bill and I want to thank you to Council Member Kallos
3 because when I ran last year, I talked a lot about
4 running for office and good Government. He was
5 already doing a lot of the work on it. He has been
6 pushing the Bill for a very long time to make it
7 easier to run for office. I actually had a version
8 that was just for special elections so given the
9 opportunity but I think that what we are doing today
10 upholds the spirit of what he was trying to do and
11 what I was as well, so I vote aye, thank you.

12 COMMITTEE CLERK WILLIAM MARTIN: Yeger?

13 KALMAN YEGER: I vote aye on 748, I vote
14 no on 1288. There is not a single member at this
15 table that I am not happy, I was able to participate
16 in the Public Financing Program and to be here and
17 for its an honor for me to serve with you all, uhm
18 but the reasons stated prior hereto, I respectfully
19 vote no. Thank you.

20 COMMITTEE CLERK WILLIAM MARTIN: Perkins?

21 BILL PERKINGS: I thank you, aye on all.

22 COMMITTEE CLERK WILLIAM MARTIN:

23 Introduction 748A is adopted by the Committee by a
24 vote of six in the affirmative, zero in the negative
25 and no abstentions and Introduction 1288A is adopted

2 by the Committee, five in the affirmative, one in the
3 negative and no abstentions.

4 CHAIR FERNANDO CABRERA: Thank you so
5 much and we will leave it uhm the vote open for
6 another 20 minutes.

7 COMMITTEE CLERK WILLIAM MARTIN: Final
8 Vote, Committee on Governmental Operations,
9 Introduction 748 is adopted by the Committee, six in
10 the affirmative, zero in the negative and no
11 abstentions and Introduction 1288A is adopted by the
12 Committee, five in the affirmative, one in the
13 negative and no abstentions.

14 CHAIR FERNANDO CABRERA: Committee on
15 Governmental Operations stands adjourned (gavel
16 pounding).

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date JANUARY 21, 2019