



Legislation Text

File #: Int 0732-2018, **Version:** A

Proposed Int. No. 732-A

By Council Members Kallos, Cabrera, Powers, Cohen, Richards, Constantinides, Levin, Rosenthal, Espinal, Dromm, Lander, Brannan, Grodenchik, Vallone, Torres, Reynoso, Chin, Cornegy, Menchaca, Rivera, the Public Advocate (Mr. Williams), Ayala, Perkins, Lancman, Rose, Van Bramer, Levine, Adams, Ampy-Samuel, Deutsch, Koslowitz and Barron

A Local Law to amend the New York city charter and the administrative code of the city of New York, in relation to establishing a full public match campaign finance system

Be it enacted by the Council as follows:

Section 1. Paragraphs 16, 17, 18, 19, 20, 21 and 22 of subdivision a of section 1052 of the New York city charter, as added by a ballot question approved by the voters in the 2018 general election and amended by local law number 1 of the year 2019, are REPEALED.

§ 2. Paragraph (l) of subdivision 1 of section 1152 of the New York city charter, as added by a ballot question approved by the voters in the 2018 general election and amended by local law number 1 of the year 2019, is REPEALED.

§ 3. Paragraph (f) of subdivision 1 of section 3-703 of the administrative code of the city of New York is amended to read as follows:

(f) not accept and his or her principal committee, or authorized committees must not accept, either directly or by transfer, any contribution or contributions from any one individual, partnership, political committee, labor organization or other entity for all covered elections held in the same calendar year in which he or she is a participating candidate [or a non-participating candidate] which in the aggregate: (i) for the office of mayor, public advocate or comptroller shall exceed [four thousand five hundred] two thousand dollars, or (ii) for borough president, shall exceed [three thousand five hundred] one thousand five hundred dollars, or (iii) for

member of the city council, shall exceed [two thousand five hundred] one thousand dollars; or a non-participating candidate which in the aggregate: (i) for the office of mayor, public advocate or comptroller shall exceed three thousand five hundred dollars, or (ii) for borough president, shall exceed two thousand five hundred dollars, or (iii) for member of the city council, shall exceed one thousand five hundred dollars; provided that a participating candidate and his or her principal committee or a non-participating candidate and his or her authorized committees may accept additional contributions which do not exceed one half the amount of the applicable limitation for any run-off primary election, additional day for voting held pursuant to section 3-108 of the New York state election law, special election to fill a vacancy, run-off special election to fill a vacancy, delayed or otherwise postponed election, or election held pursuant to court order which is a covered election and in which the candidate seeks nomination for election or election; and provided further that for the purposes of this paragraph, contributions made by different labor organizations shall not be aggregated or treated as contributions from a single contributor for purposes of the contribution limit that is set forth in this paragraph if those labor organizations make contributions from different accounts, maintain separate accounts with different signatories, do not share a majority of members of their governing boards, and do not share a majority of the officers of their governing boards; and provided further that if state law prescribes a contribution limitation of a lesser amount, this paragraph shall not be deemed to authorize acceptance of a contribution in excess of such lesser amount. The maximum contributions set forth in this paragraph shall be adjusted in accordance with subdivision seven of this section;

§ 4. Subparagraph (i) of paragraph (c) of subdivision 1 of section 3-703 of the administrative code of the city of New York is amended to read as follows:

(i) [the tenth day of June in the year of the covered election] the ninth Monday preceding the primary election, or such other later date as the board shall provide, provided, however, that any candidate who files such written certification prior to such date shall be permitted to rescind such certification in writing on or before [the ninth Monday preceding the primary election] such date or prior to the receipt of public funds,

whichever occurs first;

§ 5. Subdivision 2 of section 3-703 of the administrative code of the city of New York is amended to read as follows:

2. (a) The threshold for eligibility for public funding for participating candidates in a primary or general election for mayor, public advocate, comptroller, borough president or member of the city council, or special election to fill a vacancy for borough president or member of the city council, shall be in the case of:

(i) mayor, not less than two hundred fifty thousand dollars in matchable contributions comprised of sums up to [one hundred seventy-five] two hundred fifty dollars per contributor including at least one thousand matchable contributions of ten dollars or more;

(ii) public advocate and comptroller, not less than one hundred twenty-five thousand dollars in matchable contributions comprised of sums of up to [one hundred seventy-five] two hundred fifty dollars per contributor including at least five hundred matchable contributions of ten dollars or more;

(iii) borough president, an amount equal to the number of persons living in such borough as determined by the last census multiplied by two cents in matchable contributions comprised of sums of up to one hundred seventy-five dollars per contributor including at least one hundred matchable contributions of ten dollars or more from residents of the borough, or ten thousand dollars comprised of sums of up to one hundred seventy-five dollars per contributor, whichever is greater.

(iv) member of the city council, not less than five thousand dollars in matchable contributions comprised of sums of up to one hundred seventy-five dollars per contributor including at least seventy-five matchable contributions of ten dollars or more from residents of the district in which the seat is to be filled.

(b) Any participating candidate meeting the threshold for eligibility in a primary election for one of the foregoing offices shall be deemed to have met the threshold for eligibility for such office in any other election, other than a special election to fill a vacancy, held in the same calendar year.

(c) For any special election to fill a vacancy for mayor, public advocate or comptroller, the threshold

dollar amount of summed matchable contributions pursuant to subparagraphs (i) and (ii) of paragraph (a) of this subdivision shall be halved.

§ 6. Subdivision 7 of section 3-703 of the administrative code of the city of New York is amended to read as follows:

7. Not later than the first day of March in the year two thousand [eighteen] twenty-two and every fourth year thereafter the campaign finance board shall (i) determine the percentage difference between the average over a calendar year of the consumer price index for the metropolitan New York-New Jersey region published by the United States bureau of labor statistics for the twelve months preceding the beginning of such calendar year and the average over the calendar year two thousand [fifteen] nineteen of such consumer price index; (ii) adjust each maximum contribution applicable pursuant to paragraph (f) of subdivision one of this section by the amount of such percentage difference to the nearest fifty dollars; and (iii) publish such adjusted maximum contribution in the City Record. Such adjusted maximum contribution shall be in effect for any election held before the next such adjustment.

§ 7. Paragraph (h) of subdivision 2 of section 3-704 of the administrative code of the city of New York, as amended by local law 196 of the year 2018, is amended to read as follows:

(h) any expenditure to challenge [or defend] the validity of petitions of designation or nomination, or of certificates of nomination, acceptance, authorization, declination, or substitution, and expenses related to the canvassing of election results, made pursuant to subdivision four of section 3-706;

§ 8. Subdivision 2 of section 3-705 of the administrative code of the city of New York is amended to read as follows:

2. (a) If the threshold for eligibility is met, the participating candidate's principal committee shall receive payment for qualified campaign expenditures of: (i) eight [six] dollars for each one dollar of matchable contributions, up to [one thousand fifty] two thousand dollars in public funds per contributor, obtained and reported to the campaign finance board in accordance with the provisions of this chapter, with respect to any

participating candidate for nomination for election or election to the office of mayor, public advocate or comptroller; or (ii) eight dollars for each one dollar of matchable contributions, up to one thousand four hundred dollars in public funds per contributor, obtained and reported to the campaign finance board in accordance with the provisions of this chapter, with respect to any participating candidate for nomination for election or election to the office of borough president or member of the city council.

(b) [Except as otherwise provided in subdivision three of section 3-706, in] In no case shall the principal committee of a participating candidate receive public funds pursuant to paragraph (a) above in excess of an amount equal to [fifty-five percent of] the expenditure limitation provided in subdivision one of section 3-706 for the office for which such candidate seeks nomination for election or election, less such expenditure limit divided by the addition of one and the dollar amount for each one dollar of matchable contributions for such office pursuant to paragraph a of this subdivision. [For the disbursement of optional public financing occurring prior to two weeks after the last day to file designating petitions for a primary election, the principal committee of a participating candidate shall not receive public funds in excess of \$250,000 for any candidate for nomination for election to the office of mayor, \$125,000 for any candidate for nomination for election to the office of public advocate or comptroller, \$50,000 for any candidate for nomination for election to the office of borough president, and \$10,000 for any candidate for nomination for election to the office of member of the city council.]

(c) No funds shall be provided pursuant to this subdivision with respect to any covered election specified in subdivision five of this section.

§ 9. Subdivision 4 of section 3-705 of the administrative code of the city of New York is amended to read as follows:

4. The campaign finance board shall make possible payment within four business days after receipt of reports of matchable contributions, or as soon thereafter as is practicable, but not earlier than the earliest dates for making such payments as provided in subdivisions five and six of section 3-709; provided, however, that

the board shall withhold up to five percent of all public funds payments to participating candidates until the final pre-election payment for any given election. The board shall schedule payment dates on December 15 of the year preceding the year of election, as well as January 15, February 15, March 15, April 15 and a minimum of three payment dates within the [thirty] forty-five days prior to a covered primary election, a payment date of July 15 and a minimum of four payment dates within the ninety days prior to a covered general election, and a minimum of three payment dates within the thirty days prior to any other covered election. For purposes of such payment dates, the board shall provide each candidate with a written determination specifying the basis for any non-payment. The board shall provide candidates with a process by which they may immediately upon receipt of such determination petition the board for reconsideration of any such non-payment and such reconsideration shall occur within five business days of the filing of such petition. In the event that the board denies such petition then it shall immediately notify the candidate of his or her right to bring a special proceeding pursuant to article 78 of the civil practice law and rules.

§ 10. Subdivision 5 of section 3-709 of the administrative code of the city of New York is amended to read as follows:

5. No moneys shall be paid to participating candidates in a primary or general election any earlier than [four business days after the final day to file a written certification pursuant to paragraph (c) of subdivision 1 of section 3-703] December 15 of the year preceding the primary election, or the thirtieth day after a special election is held to fill a vacancy for the office sought by the candidate; whichever is later.

(a) No moneys shall be paid to participating candidates in a run-off primary election held pursuant to section 6-162 of the election law any earlier than the day after the day of the primary election held to nominate candidates for such election.

(b) No moneys shall be paid to participating candidates in a run-off special election held to fill a vacancy any earlier than the day after the day of the special election for which such run-off special election is held.

§ 11. Subdivision 3 of section 3-706 of the administrative code of the city of New York is amended to read as follows:

3. (a) If any candidate in any covered election chooses not to file a certification as a participating or limited participating candidate pursuant to this chapter, and where the campaign finance board has determined that such candidate and his or her authorized committees have spent or contracted or have obligated to spend, or received in loans or contributions, or both, an amount which, in the aggregate, exceeds half the applicable expenditure limit for such office fixed by subdivision one of this section, then[:

(i)] such expenditure limit applicable to participating candidates and limited participating candidates in such election for such office shall be increased to one hundred fifty percent of such limit[; and

(ii) the principal committees of such participating candidates shall receive payment for qualified campaign expenditures of five dollars for each one dollar of matchable contributions, up to one thousand two hundred fifty dollars in public funds per contributor (or up to six hundred twenty five dollars in public funds per contributor in the case of a special election); provided, however, that (A) participating candidates in a run-off election shall receive public funds for such election pursuant to subdivision five of section 3-705 and shall not receive any additional public funds pursuant to this section, and (B) in no case shall a principal committee receive in public funds an amount exceeding two-thirds of the expenditure limitation provided for such office in subdivision one of this section.

(iii) for elections occurring after January first, two thousand eight, the campaign finance board shall promulgate rules to provide that the principal committees of such participating candidates shall receive payment for qualified campaign expenditures that will provide the highest allowable matchable contribution to be matched by an amount up to one thousand two hundred fifty dollars in public funds per contributor (or up to six hundred twenty five dollars in public funds per contributor in the case of special election); provided, however, that (A) participating candidates in a run-off election shall receive public funds for such election pursuant to subdivision five of section 3-705 and shall not receive any additional public funds pursuant to this

section, and (B) in no case shall a principal committee receive in public funds an amount exceeding two-thirds of the expenditure limitation provided for such office in subdivision one of this section].

(b) If any candidate in any covered election chooses not to file a certification as a participating or limited participating candidate pursuant to this chapter, and where the campaign finance board has determined that such candidate and his or her authorized committees have spent or contracted or have obligated to spend, or received in loans or contributions, or both, an amount which, in the aggregate, exceeds three times the applicable expenditure limit for such office fixed by subdivision one of this section, then[:

(i)] such expenditure limit shall no longer apply to participating candidates and limited participating candidates in such election for such office[; and

(ii) the principal committees of such participating candidates shall receive payment for qualified campaign expenditures of six dollars for each one dollar of matchable contributions, up to one thousand five hundred dollars in public funds per contributor (or up to seven hundred fifty dollars in public funds per contributor in the case of a special election); provided, however, that (A) participating candidates in a run-off election shall receive public funds for such election pursuant to subdivision five of section 3-705 and shall not receive any additional public funds pursuant to this section, and (B) in no case shall a principal committee receive in public funds an amount exceeding one hundred twenty-five percent of the expenditure limitation provided for such office in subdivision one of this section.

(iii) for elections occurring after January first, two thousand eight, the campaign finance board shall promulgate rules to provide that the principal committees of such participating candidates shall receive payment for qualified campaign expenditures that will provide the highest allowable matchable contribution to be matched by an amount up to one thousand five hundred dollars in public funds per contributor (or up to seven hundred fifty dollars in public funds per contributor in the case of special election); provided, however, that (A) participating candidates in a run-off election shall receive public funds for such election pursuant to subdivision five of section 3-705 and shall not receive any additional public funds pursuant to this section, and

(B) in no case shall a principal committee receive in public funds an amount exceeding one hundred twenty-five percent of the expenditure limitation provided for such office in subdivision one of this section].

§ 12. Section 3-717 of the administrative code of the city of New York is REPEALED.

§ 13. Chapter 7 of the administrative code of the city of New York is amended to add a new section 3-721, to read as follows:

§ 3-721 Covered elections prior to the year 2022. a. Notwithstanding any other provision of this chapter, the contribution limitations and public matching funds provisions, including those pertaining to the matching formula, qualifying threshold, and public funds cap, pursuant to this section shall apply to all candidates seeking office in covered elections held prior to the year 2022.

b. For non-participating candidates in a covered election held prior to the year 2022, the maximum contributions shall be as follows:

1. for the office of mayor, public advocate or comptroller, \$5,100;
2. for borough president, \$3,950; or
3. for member of the city council, \$2,850.

c. Candidates seeking office in covered elections held prior to the year 2022 who intend to participate shall file with the campaign finance board a nonbinding written statement declaring whether they intend to select the terms, conditions, and requirements for contribution limits and for the provision of public matching funds, including those pertaining to the matching formula, qualifying threshold, public funds cap, and distribution schedule, under Option A or Option B provided in subdivision d of this section. Such statement shall be made on the date of the filing of the first disclosure report required pursuant to section 3-703 of the administrative code, provided that candidates who intend to participate in such system who filed such first disclosure report prior to January 12, 2019 shall file such non-binding written statement with the campaign finance board no later than August 15, 2019, and further provided that such non-binding written statement shall not be required if a candidate has already complied with subdivision d of this section as of the date of the filing

of the first disclosure report. Failure to file the statement required pursuant to this subdivision shall not be deemed to preclude a candidate from choosing to participate in the voluntary system of campaign finance reform described in this chapter, pursuant to paragraph (c) of subdivision 1 of section 3-703, provided that if no such statement is filed then the board shall apply to such a participating candidate the terms, conditions and requirements pursuant to Option B.

d. Participating candidates seeking office in covered elections held prior to the year 2022 shall state in the written certification filed pursuant to paragraph (c) of subdivision 1 of section 3-703, whether they agree to the terms, conditions, and requirements for contribution limits and for the provision of public matching funds, including those pertaining to the matching formula, qualifying threshold, public funds cap, and distribution schedule, under Option A or Option B provided in subdivision e of this section.

e. 1. Option A. For candidates seeking office in covered elections held prior to the covered primary election to be held in the year 2021: (i) the contribution limitations pursuant to paragraph (f) of subdivision 1 of section 3-703; (ii) the matching formula provided in paragraph a of subdivision 2 of section 3-705; (iii) a public funds cap such that the principal committee of a participating candidate shall not receive public funds in excess of an amount equal to 75 percent of the expenditure limitation provided in subdivision 1 of section 3-706 for the office for which such candidate seeks nomination for election or election, as adjusted by the campaign finance board pursuant to paragraph (e) of subdivision 1 of section 3-706; and (v) the threshold for eligibility for public funding for participating candidates pursuant to subdivision 2 of section 3-703.

For candidates seeking office in a covered primary or general election to be held in the year 2021: (i) the contribution limitations pursuant to paragraph (f) of subdivision 1 of section 3-703; (ii) the matching formula pursuant to paragraph a of subdivision 2 of section 3-705; (iii) the public funds cap pursuant to paragraph b of subdivision 2 of section 3-705; and (v) the threshold for eligibility for public funding for participating candidates pursuant to subdivision 2 of section 3-703.

2. Option B. The contribution limitations and public matching funds provisions, including those pertaining to the matching formula, qualifying threshold, and public funds cap, as in effect prior to January 12, 2019.

f. For participating candidates and their principal committees seeking office in covered elections held prior to the year 2022, the campaign finance board shall administer and enforce the contribution limitations and public matching funds provisions, including those pertaining to the matching formula, qualifying threshold, and public funds cap in accordance with whether the participating candidate has chosen Option A or Option B pursuant to subdivision d, provided that: (i) for any special election to fill a vacancy held in the year 2019, a candidate who elects Option A shall be required to refund the portion of any contribution received prior to January 12, 2019 that exceeds one half the limitations set forth in paragraph (f) of subdivision 1 of section 3-703; (ii) for any special election to fill a vacancy held in the year 2019, matchable contributions received for such special election to fill a vacancy, regardless of date received, shall be subject to the matching formula as described in Option A if a candidate elects Option A and to the matching formula described in Option B if such candidate elects Option B; (iii) for any covered election held prior to the year 2022, other than a special election to fill a vacancy held in the year 2019, candidates who received contributions prior to January 12, 2019 shall not be required to refund such contributions or any portion thereof solely by reason of electing Option A; and (iv) for any covered election held prior to the year 2022, other than a special election to fill a vacancy held in the year 2019, matchable contributions received prior to January 12, 2019 shall be subject to the matching formula in effect prior to such date, regardless of whether the participating candidate chooses Option A or Option B.

§ 14. Paragraph (b) of subdivision 2 of section 3-801 of the administrative code of the city of New York is amended to read as follows:

(b) not accept any donation or donations of money, goods, or services from any individual other than the

candidate, political committee, employee organization, or entity which in the aggregate exceeds the limit for a non-participating candidate for the applicable office contained in paragraph (f) of subdivision one of section 3-703, as adjusted pursuant to subdivision seven of such section as applicable.

§ 15. This local law takes effect immediately, provided that §13 expires and is deemed repealed on January 1, 2022.

BJR
LS 238
LS 6934 / Int. 1130-2016
4/2/19 1:36PM