

February 6, 2023

The Honorable Liz Krueger Chair Finance Committee New York State Senate

The Honorable Helene E. Weinstein Chair Standing Committee on Ways and Means New York State Assembly

RE: Statement in Support of Executive Budget Provisions Funding New York State Public Campaign Finance Program for FY 2024-25

Dear Senate Finance Committee Chair Krueger, Assembly Ways & Means Committee Chair Weinstein, and members of the New York State Legislature,

Campaign Legal Center ("CLC") respectfully submits this written testimony in support of the Executive Budget's provisions fully funding New York's public financing program for statewide and legislative office candidates.

CLC is a nonpartisan, nonprofit organization dedicated to protecting and strengthening democracy through law at all levels of government. Since its founding in 2002, CLC has participated in every major campaign finance case before the U.S. Supreme Court and in numerous other federal and state court proceedings. Our work promotes every American's right to participate in an accountable, transparent democratic process.

CLC is a longtime proponent of public financing in state and local elections, and we commend the Executive Budget's commitment to fully funding the New York State Public Campaign Finance Program (PCFP) for FY 2024-25. The Executive Budget allocates \$114.5 million for the PCFP, including \$14.5 million for administrative costs and \$100 million for public matching funds. CLC urges you to support this figure and ensure it is included in the final state budget. These funds are necessary to support the program's first run in the 2024 state legislative elections, enabling the Public Campaign Finance Board (PCFB) to fully implement and administer the program and ensuring candidates can plan effective fundraising strategies engaging with constituents for small contributions, rather than relying on big money donors.

As the amount of money spent on American elections continues to skyrocket, alongside increasing reliance on super PACs and secretive outside spending by wealthy special interests, many Americans are left feeling excluded from the political process. Small-donor public financing programs can provide a solution, creating an alternative path to public office, reorienting our elections by amplifying citizen voices, broadening political participation among the public, reducing opportunities for corruption, and encouraging new and diverse candidates to seek public office.

Courts have long recognized that public financing of elections promotes core principles of our democratic system. In *Buckley v. Valeo*, the U.S. Supreme Court upheld public financing as a constitutional means "to reduce the deleterious influence of large contributions on our political process" and "to facilitate communication by candidates with the electorate." The Court expressly recognized that public financing is consistent with the First Amendment, describing the presidential public funding program as "a congressional effort, not to abridge, restrict, or censor speech, but rather to use public money to facilitate and enlarge public discussion and participation in the electoral process, goals vital to a self-governing people." Since Buckley, federal and state courts have continued to affirm the democratic value of public financing as a tool to prevent political corruption and to strengthen citizen engagement in elections.3

A strong body of empirical evidence demonstrates that public financing programs offer an effective alternative to the traditional system of private campaign financing – one that can broaden political participation and amplify the voices of all citizens in our democracy, not just those who can afford to give large campaign contributions.4

Studies from New York City and Seattle demonstrate the many benefits of modern, small donor-focused public financing in state and local elections, including:

¹ 424 U.S. 1, 91 (1976) (per curiam).

² *Id.* at 92-93 (emphasis added).

³ See, e.g., Republican Nat'l Comm. v. Fed. Election Comm'n, 487 F. Supp. 280, 284 (S.D.N.Y. 1980) ("If the candidate chooses to accept public financing he or she is beholden unto no person and, if elected, should feel no post-election obligation toward any contributor of the type that might have existed as a result of a privately financed campaign."), aff'd., 445 U.S. 955 (1980); Vote Choice, Inc. v. DiStefano, 4 F.3d 26, 39 (1st Cir. 1993) (validating government interest in public financing "because such programs . . . tend to combat corruption"); Rosenstiel v. Rodriguez, 101 F.3d 1544, 1553 (8th Cir. 1996) (recognizing public financing reduces the "possibility for corruption that may arise from large campaign contributions" and diminishes "time candidates spend raising campaign contributions, thereby increasing the time available for discussion of the issues and campaigning"); Green Party of Conn. v. Garfield, 616 F.3d 213, 230 (2d Cir. 2010) (finding Connecticut program worked to "eliminate improper influence on elected officials"); Ognibene v. Parkes, 671 F.3d 174, 193 (2d Cir. 2011) (explaining that public financing system "encourages small, individual contributions, and is consistent with [an] interest in discouraging entrenchment of incumbent candidates").

⁴ See, e.g., Brian J. McCabe & Jennifer A. Heerwig, Diversifying the Donor Pool: How Did Seattle's Democracy Voucher Program Reshape Participation in Municipal Campaign Finance?, 18 ELEC. L.J. 323 (2019); Michael J. Malbin, Peter W. Brusoe, & Brendan Glavin, Small Donors, Big Democracy: New York City's Matching Funds as a Model for the Nation and States, 11 ELEC. L.J. 385 (2012), http://www.cfinst.org/pdf/state/NYC-as-a-Model_ELJ_As-Published_March2012.pdf.

- Fostering political engagement among a broader and more demographically representative portion of the electorate, thereby amplifying the voices of everyday community members in supporting candidates of their choice;⁵
- Potentially increasing voter turnout;⁶
- Incentivizing candidates to maximize outreach to constituents as a potential source of meaningful contributions;⁷
- Enabling more people who do not have access to networks of wealth to effectively fund a competitive campaign, lowering financial barriers that have historically impeded many candidates, including women and people of color, in running for office;8 and
- Reducing opportunities for corruption.9

To date, nearly 200 candidates have enrolled in the program for the 2024 legislative elections – a clear sign of the program's popularity among voters and

http://www.brennancenter.org/sites/default/files/legacy/publications/DonorDiversityReport WEB.PDF; ADAM LIOZ, DEMOS, STACKED DECK: HOW THE RACIAL BIAS IN OUR BIG MONEY POLITICAL SYSTEM UNDERMINES OUR DEMOCRACY AND OUR ECONOMY (2015).

https://www.demos.org/sites/default/files/publications/StackedDeck2_1.pdf; Jennifer Heerwig & Brian McCabe, McCourt Sch. of Pub. Pol'y, Georgetown Univ., Building a More Diverse Donor Coalition 2 & n.5 (2020),

https://georgetown.app.box.com/s/r2skgxfnc230ukkb3dfqgm4576phzabd; Jennifer Heerwig & Brian McCabe, *Diversifying the Donor Pool: How Did Seattle's Democracy Voucher Program Reshape Participation in Municipal Campaign Finance?*, 18 Election L.J. 323, 331 & n.15 (2019) (comparing 2017 voucher users to 2013 cash contributors); Jennifer Heerwig & Brian McCabe, Univ. of Wash. Ctr. for Studies in Demography & Ecology, Expanding Participation in Municipal Elections: Assessing the Impact of Seattle's Democracy Voucher Program, fig. 10 (2018),

https://www.jenheerwig.com/uploads/1/3/2/1/13210230/mccabe_heerwig_seattle_voucher_4.03.pdf.

 $^{^5}$ See, e.g., Elisabeth Genn et al., Brennan Ctr. for Just., Donor Diversity Through Public Matching Funds 10, 14 (2012),

⁶ HEERWIG & MCCABE, EXPANDING PARTICIPATION, supra note 7, fig.10; see also, Sarah Papich, Do Democracy Vouchers help democracy?, 42 CONTEMP. ECON. POL'Y 4, 14-18, 22. Oct. 4, 2023, https://onlinelibrary.wiley.com/doi/10.1111/coep.12625.

⁷ HEERWIG & MCCABE, EXPANDING PARTICIPATION, *supra* note 7, fig. 8 (2018); *see also*, Papich, *supra* note 8 at 14-15.

 $^{^8}$ See, e.g., Nirali Vyas et al., Brennan Ctr. for Justice, Small Donor Public Financing Could Advance Race and Gender Equity in Congress, 10 (2020)

https://www.brennancenter.org/sites/default/files/2020-10/FINAL%20-

^{%20}SDPF%20Could%20Advance%20Race%20and%20Gender%20Equity%20in%20Congress_1

^{0.15.2020 10}AM v2 0.pdf; see also Catherine Hinckley Kelley et al., Campaign Legal Ctr., Democratizing the District: D.C.'s Fair Elections Program in 2020, 14 (2021),

https://campaignlegal.org/sites/default/files/2021-

^{10/}CLC_DemocratizingTheDistrict%20%281%29.pdf.

⁹ See Michael J. Malbin et al., Small Donors, Big Democracy: New York City's Matching Funds as a Model for the Nation and States, 11 ELECTION L.J. 3, 9-10 (2012)

http://www.cfinst.org/pdf/state/nyc-as-a-model_elj_as-published_march2012.pdf; Kenan Dogan & Brian J. McCabe, McCourt Sch. of Pub. Pol'y, Georgetown Univ., Expanding Donor Participation in the District: An Analysis of the Fair Elections Program in Washington, DC, 1 (2021) https://mccourt.georgetown.edu/wp-

content/uploads/2022/02/DC_Fair_Elections_Report_Sept2021_ACCESSIBLE.pdf.

candidates alike. This number continues to grow especially as we approach the February 26, 2024, deadline for candidates to opt in.

As budget negotiations get underway, we urge Senate Majority Leader Stewart-Cousins, Assembly Speaker Heastie, and the members of the Legislature to ensure that the state's final budget reflects the full \$114.5 million in the governor's proposed budget. This will help ensure that the program fulfills its promise to strengthen New York's democracy by elevating the voices of everyday New Yorkers in our political process. It represents an investment in a democracy that delivers on issues that matter to all New Yorkers – not just the wealthiest few.

CLC supports fully funding the PCFP. Funding this program now is an investment in our democracy's future. We urge the legislature to allocate \$114.5 million to the program as included in the FY 2024-25 Executive Budget. We appreciate the opportunity to submit this statement and would be happy to provide additional information or answer any questions the Committees may have.

Respectfully submitted,

/s/

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