

THE COUNCIL OF THE CITY OF NEW YORK

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Report to the Committee on Finance and the Committee on Governmental Operations
on the Fiscal 2020 Executive Budget for

Campaign Finance Board

May 17, 2019

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Campaign Finance Board Overview

The New York City Campaign Finance Board (CFB) was created in 1988 as an independent, nonpartisan city agency. The CFB has three primary mandates, which include administering the Campaign Matching Funds program; publishing the Voter Guide; and overseeing the Debate Program. This report provides an overview of the Campaign Finance Board's Fiscal 2020 Executive Budget.

Below is a summary of key funding changes by program area and source when comparing CFB's Fiscal 2020 Executive Budget to its Fiscal 2019 Adopted Budget.

Campaign Finance Board Financial Summary						
<i>Dollars in Thousands</i>	FY17	FY18	FY19	Executive Plan		*Difference
	Actual	Actual	Adopted	FY19	FY20	FY19-FY20
Spending						
Personal Services	\$8,732	\$9,808	\$11,379	\$11,167	\$12,430	\$1,050
Other Than Personal Services	3,442	11,511	8,264	12,262	14,645	6,381
Election Funding	1,000	11,671	1,000	9,000	1,000	0
TOTAL	\$13,173	\$32,989	\$20,643	\$32,429	28,075	\$7,431
Personal Services						
Additional Gross Pay	\$94	\$179	\$32	\$32	\$32	\$0
Full-Time Salaried - Civilian	7,570	8,257	10,874	10,638	11,883	1,009
Unsalaries	883	947	398	422	440	42
Overtime - Civilian	184	430	75	75	75	0
Amounts to be Scheduled & P.S. Other	0	(6)	0	0	0	0
SUBTOTAL	\$8,732	\$9,808	\$11,379	\$11,167	\$12,430	\$1,050
Other Than Personal Services (including Election Funding)						
Contractual Services	\$1,780	\$5,641	\$4,799	\$7,467	\$8,377	\$3,578
Election Funding & Other Fixed & Misc. Charges	1,000	11,671	1,000	9,000	1,000	0
Other Services & Charges	1,371	3,369	1,725	2,113	4,116	2,391
Property & Equipment	122	1,043	270	270	313	43
Supplies & Materials	169	1,457	1,470	2,412	1,838	368
SUBTOTAL	\$4,442	\$23,182	\$9,264	\$21,262	\$15,645	\$6,381
TOTAL	\$13,173	\$32,989	\$20,643	\$32,429	\$28,075	\$7,431
Funding						
City Funds			\$20,643	\$32,429	\$28,075	\$7,431
TOTAL	\$13,173	\$32,989	\$20,643	\$32,429	\$28,075	\$7,431
Budgeted Headcount						
Full-Time Positions	90	99	109	109	121	12
TOTAL	90	99	109	109	121	12

*The difference of Fiscal 2019 Adopted Budget compared to Fiscal 2020 Executive Budget.

New in the Executive Plan

In the Fiscal 2020 Executive Plan, the CFB's budget for Fiscal 2020 totals \$28.1 million, including \$12.4 million in Personal Services (PS) costs to support 121 full-time positions. The CFB's Fiscal 2020 Executive Budget includes \$13.2 million in new needs, of which \$4.9 million will be used to pay for 18 positions, as the CFB transitions seasonal part-time workers into full-time positions.

Furthermore, OTPS funding for the CFB in Fiscal 2020 is \$6.4 million higher than its Fiscal 2019 Adopted Budget. As part of the new needs package mentioned above, CFB has allocated \$8.7 million in OTPS funds for Fiscal 2020. This increase is associated with the June 2019 Primary for Congressional and New York State Assembly seats and the 2020 Presidential Primaries, as CFB expects a substantial increase on spending of printing contracts, supplies purchases, and various other non-salary expenses associated with these elections.

The Board's budget also includes \$9 million in Fiscal 2019 and \$1 million in Fiscal 2020 to provide matching funds for participating candidates for elections, including the May 2019 Special Election for Council District 45 and the June 2019 Primary and 2020 Congressional Primaries. The CFB's budgetary needs change annually according to the election cycle. Driven by the legal requirement to give campaign matching funds to participating candidates, the agency requires budgetary resources proportional to the number of candidates who participate in any given election cycle. The large increase in funding for the Campaign Matching Funds program in Fiscal 2019 represents the fact that the City will hold a Special Election in May 2019 for Council District 45.

Campaign Matching Funds

The CFB administers the Campaign Matching Funds Program, which provides eligible candidates for elected city offices (the Mayoralty, Public Advocate, Comptroller, Borough Presidency, and City Council) matching public funds for private donations received. In the previous Matching Funds Program, each private donation would be matched six-to-one with public funding, up to a maximum donation value of \$175. For example, if a candidate received a private donation of \$500, \$175 of that \$500 would be matched six-to-one, with public funds. This equates to \$1,050 in public funds, on top of the \$500 private donation the candidate received.

As provided by Ballot Proposal 1, approved by voters in the 2018 November General Election, the private donations a candidate receives will be matched eight-to-one, instead of six-to-one, up to a maximum donation of \$250. The new law also lowers the amount a candidate for City-elected office may accept from a contributor by more than 40 percent, from \$5,100 to \$2,000 for Mayor, Public Advocate and Comptroller, from \$3,950 to \$1500 for Borough President, and from \$2,850 to \$1,000 for City Council. Although this law will take effect as of the 2021 primary election, until then candidates running for City-elected office may opt for either the old or new campaign contribution limit, matching formula, qualifying threshold, public funds cap and distribution schedule.

Additionally, Local Law 1 of 2019 adapts the new campaign finance regime for special elections held prior to the 2021 elections, including halving the threshold of matchable contributions for eligible candidates for mayor, public advocate or comptroller and also reducing the contribution threshold to participating in a debate.

Candidates who participate in the Campaign Matching Funds Program can use public funding to cover 75 percent of their expenditure limit.¹ This expenditure limit, which only applies to candidates who participate in the program, varies depending on which elected office a candidate is running, as well as the number of elections the candidate has participated in in an election year (i.e. primaries, general elections, or both).

As such, for Fiscal 2019, \$9 million has been allocated for the matching funds program, while \$1 million has been allocated in Fiscal 2020. The reason why the matching funds program is higher in Fiscal 2019 than in Fiscal 2020 is because it has been allocated to aid candidates who ran in the February 2019 election and for candidates running for the May 2019 Special Election.

¹ Public funding can represent more than 75% of a candidate's actual expenditure, as long as actual expenditures are below the candidate's expenditure limit.

Appendix 1: Fiscal 2020 Budget Actions since Fiscal 2019 Adoption

<i>Dollars in Thousands</i>	FY19			FY20		
	City	Non-City	Total	City	Non-City	Total
CFB Budget as of the Fiscal 2019 Adopted Budget	\$20,643	\$-	\$20,643	\$14,023	\$-	\$14,023
New Needs						
Campaign Finance Fund	\$8,000	\$0	\$8,000	\$-	\$-	\$-
June 2019 Primary Voter Guide	3,585	0	3,585	-	-	-
Subtotal, New Needs	\$11,585	\$0	\$11,585	\$0	\$0	\$0
Other Adjustments						
Collective Bargaining	\$201	\$0	\$201	\$344	\$0	\$344
Subtotal, Other Adjustments	201	0	201	344	0	344
Total, All Changes	\$11,786	\$0	\$11,786	\$344	\$0	\$344
CFB Budget as of the Fiscal 2020 Preliminary Budget	\$32,429	\$0	\$32,429	\$14,367	\$0	\$14,367
New Needs - Exec FY20						
Campaign Finance Board FY20 Budget	\$0	\$0	\$0	\$13,161	\$0	\$13,161
Campaign Finance Board FY20 Budget - IC	0	0	0	546	0	546
Subtotal, New Needs	\$0	\$0	\$0	\$13,707	\$0	\$13,707
Subtotal, Other Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Total, All Changes	\$0	\$0	\$0	\$13,707	\$0	\$13,707
CFB Budget as of the Fiscal 2020 Executive Plan	\$32,429	\$-	\$32,429	\$28,075	\$-	\$28,075